

HOW DO YOU Buy a House

You probably see "for sale" signs in front yards – but have you ever wondered how exactly someone can buy a house? Homes cost hundreds of thousands of dollars, and very few people have that much extra money handy! In this issue, Sparky makes sense of how people make a move to a new home!

HOME SWEET LOAN: Buying a home usually means taking out a loan. A home loan has a special name – a **Mortgage** (pronounced "more-gij.") Just like other loans, a mortgage is when you borrow money to pay for a house with the promise to pay all of that money back, and an additional amount of money called the **Interest**. Whoever gives that money out for the loan is called a **Lender**. A credit union like FFCCU is often a lender for mortgages!

LOOKING FOR A GREAT RATE: An important part of buying a home is figuring out how much extra money the house will cost in interest. This amount – called the **Interest Rate** - changes based on a lot of things! To start, the government sets rules that usually determine the starting rate. From there the age of the house, if you paid back other

loans without any problems, how much money you can pay on the house right away (called the **Down Payment**), can all change that rate.



A PRICE TAG WITH A "?:" The amount of money a home is worth depends on lots of things, and how much you really pay will probably change! The price

listed on the "For Sale" sign usually isn't the real cost! Both buyers and the sellers offer different prices and **Negotiate** on how much money will actually be paid. Sometimes there are offers that don't include money! For example, a buyer might agree to the price listed on that yard sign if the current homeowners repair some damage to the home before they sell it.

FROM SELLER TO CELLAR: Homeowners buying a new house will need to first find their new home, then sell the one they live in now, and negotiate prices for both! They might sell their home first, or find somewhere new they want to live and have to hope they sell in time. Selling a home first means you will have a good deal of money for a down payment – but it can also stressful!

Share with Sparky!

If you could change any room in your house, which one? What changes would you make? Why would these changes make your family happier? **Remember to write your answer below and mail it with your color contest entry or email it to communications@ffcommunity.com**

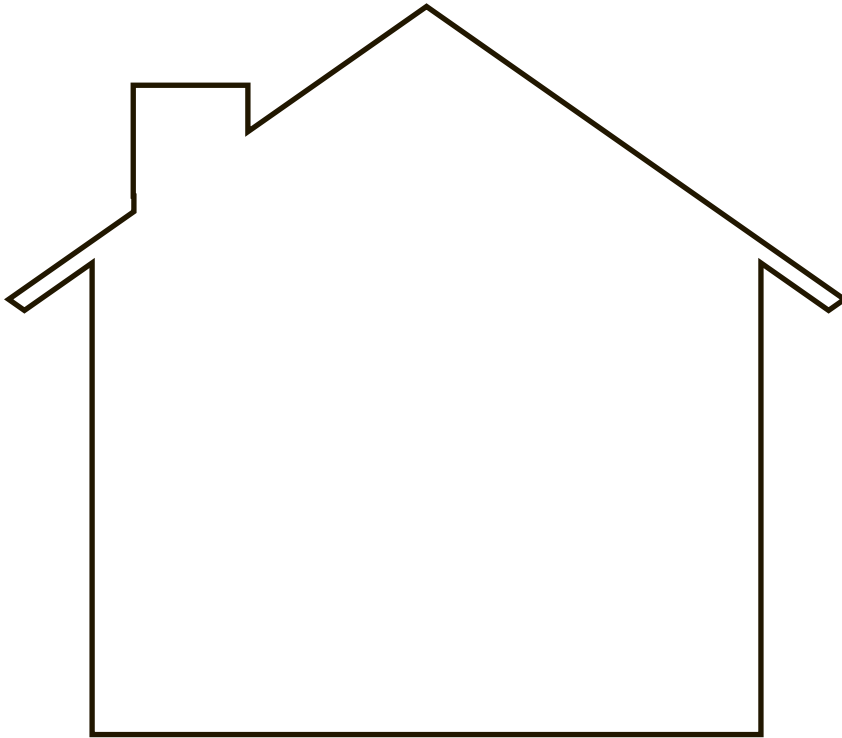
Fun Mortgage Facts

- The idea of borrowing money to buy a home dates back to Ancient Rome and Greece!
- Over 60% of homeowners in the U.S. have a mortgage.
- Owning a home is a great way to build wealth over time because homes often increase in value.
- Before getting a mortgage, most people need to save up for a down payment—usually about 10% to 20% of the home price!



Draw Up Your DREAM!

Plan and design your perfect home while learning about how much houses cost!
Step 1: Fill in the blanks below to decide what/how many rooms your house will have.
Step 2: draw the inside of your house! Label the rooms and design them just how you want.
Step 3: Ask a parent or guardian to help look up how much houses like yours cost.



Number of bedrooms: _____

Number of bathrooms: _____

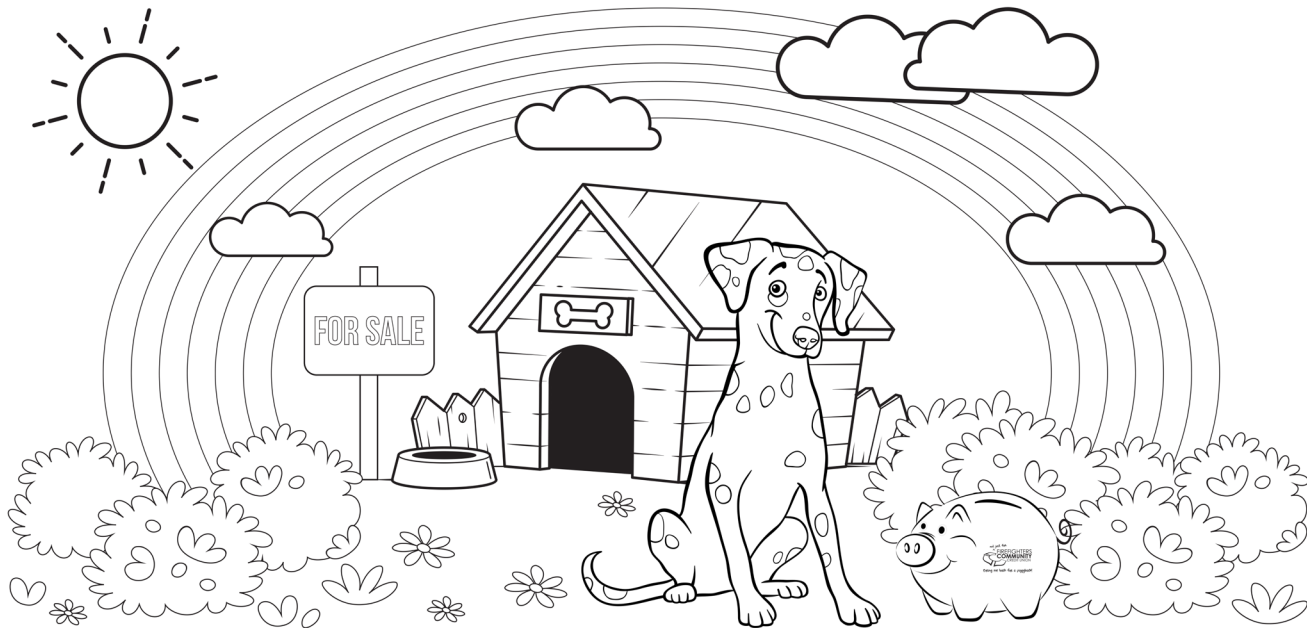
Other rooms : _____
(kitchen, living room, playroom, etc.)

List the Special features
(backyard, pool, game room, etc.):

What is your guess the cost of your dream home?

Coloring Contest

Congratulations to **Violet W.** for winning our Q1 Sparky coloring contest!



Color with Sparky and Smokey! Submit your entry by **May 16, 2025** for a chance to win a prize!

(Child) Name: _____ Age: _____ Phone: _____

(Parent/Guardian) Name: _____ Email: _____

Mail to: FFCCU-Sparky's Club 4664 East 71st Street, Cuyahoga Heights, Ohio 44125