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Century Savings Bank Offers Home Buying Tips to Consumers:

To Buy or Not to Buy:

Four Questions to Consider Before Purchasing Your First Home

VINELAND, NJ (June 3, 2016) – In recognition of American Housing Month, Century Savings Bank is highlighting four questions first-time home buyers should consider before purchasing a home.

“Owning a home is a great investment,” said Peter Bertram, Senior Vice President of Lending, “but before jumping into the market, it is extremely important for consumers to consider the costs involved and budget accordingly to ensure they’re able to meet all their financial obligations.”

Century Savings Bank encourages consumers to consider these questions before beginning their housing quest:

- 1. How much money do you have saved?** Start with an honest evaluation of your financial health. Figure out how much money you have for a down payment or deposit on a rental. Down payments are typically 5 to 20 percent of the purchase price of the home. Consider starting a savings plan – the more you put down, the lower your monthly payment will be and the lower your overall costs will be in the long term. Security deposits on rentals are usually about one month of the rent and more if you have a pet or two. Do not tap that savings dry – it

is important to keep enough savings for an emergency fund. It is a good idea to have three to six months of living expenses saved to cover unexpected costs.

- 2. How much debt do you have?** Consider all of your current and expected financial obligations like your car payment and insurance, credit card debt and student loans. Make sure you will be able to make all the payments in addition to the cost of your new home. Aim to keep total rent or mortgage payments plus utilities to less than 25 to 30 percent of your gross monthly income.
- 3. Have you factored in all the costs?** Create a hypothetical budget for your new home. Find the average cost of utilities in your area, factor in gas/oil/propane, water and cable. Find out if you will have to pay for parking or trash pickup. Consider the cost of yard maintenance and other basic maintenance costs like replacing the air filter every three months. If you are planning to buy a home, factor in real estate taxes, mortgage insurance and possibly a homeowner association fee. Renters should consider the cost of rental insurance.
- 4. How long will you stay?** Generally, the longer you plan to live somewhere, the more it makes sense to buy. Over time, you can build equity in your home. On the other hand, renters have greater flexibility to move and fewer maintenance costs, generally. Carefully consider your current life, work situation, and think about how long you want to stay in your new home.

About Century Savings Bank

Based on strong, traditional values and local decision-making, Century Savings Bank is dedicated to being the premier financial services provider in the area, focused on the changing needs of people and business in our communities by providing the highest level of quality service. Century Savings Bank began as a small mortgage association in downtown Bridgeton in 1865.

As one of America's oldest banks, Century Savings Bank has served South Jersey for over 150 years. Along with its headquarters in Vineland, the Bank maintains branches in Upper Deerfield, Vineland (two offices), Elmer, Mullica Hill, and Gibbstown. Century Savings Bank offers a full line of products and services, including online banking and bill pay, mobile banking, and cash management services to meet all of your consumer and commercial banking needs.

For more information on Century Savings Bank and Community Banking *Plus*, visit www.centurysb.com

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