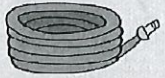


Landscaping

The healthiest grass is 3 – 3 ½ inches tall. Since it grows very fast when it rains, it may be a little taller or shorter at times, which is fine. However, each municipality has height restrictions for grass – overgrown grass provides an ideal habitat for rats and other pests. These height restrictions are usually very high – 6 inches or more – and mowing grass that has grown to 6 inches is very difficult for all lawn mowers. In the winter and during the hottest part of the summer, your lawn may turn brown. It is most likely dormant and will return to its healthy green color as the seasons change.



If your lawn, flowers, shrubs, or trees seem to need it, water in the morning. Plants are waking up with the sun and the water evaporates more slowly in cool air.

Do not water on windy days because it won't end up where you want it. Water trees and shrubs longer and less frequently than shallow-rooted plants, like grass. Set sprinklers to water the lawn or garden only – not the street or sidewalk. Use soaker hoses or trickle irrigation systems for trees and shrubs. Use mulch around shrubs and garden plants to reduce evaporation from the soil surface and cut down on weed growth. Remove thatch and aerate turf to encourage movement of water to the root zone. Raise your lawn mower cutting height – longer grass blades help shade each other, reduce evaporation, and inhibit weed growth. Minimize or eliminate fertilizing, which promotes new growth needing additional watering. Fertilizer also seeps into the ground or gets washed away and pollutes creeks, rivers, and the Chesapeake Bay.

More ways to reduce your house's water use can be found all over your yard. Sweep driveways, sidewalks, and steps rather than hosing them off. Wash the car with water from a bucket, or consider using a commercial car wash that recycles water. When using a hose, control the flow with an automatic shut-off nozzle. Avoid purchasing recreational water toys which require a constant stream of water.

Trees and Shrubs

In your new home, you have the sole responsibility for caring for the plants on your property. If a new tree was planted on your street around the time you moved in, talk with your Habitat neighbors about caring for it. Nobody else will come by to water it. It has the potential to become an established neighborhood tree.

Newly planted trees and shrubs require some Tender Loving Care during their first year in the ground and become mostly self-sufficient after that.

How to care for newly planted trees and shrubs:

- Tools and Materials: Garden Hose, Pruners
- Ensure that your garden hose is long enough to reach from your hose bib to your farthest plantings.
- Newly planted trees and shrubs need regular watering during their the warm months of their first year in the ground. Begin watering them when new growth starts to appear on the branches and stop watering them when the leaves have fallen off.
- Heavy rainstorms can substitute for a week's watering, but light showers won't reach the roots.
- Water trees and shrubs weekly and provide them with about 10-15 minutes of water from your hose. Saturate the entire area around the plant's base, but the water shouldn't run onto nearby concrete.
- Pull any stakes and attached lines after the first year.
- As trees start growing, branches may form low on the trunk. Since branches won't move up the tree as it grows, you may want to prune lower branches to keep your sidewalk and driveway clear. It is easier for the tree to recover from pruning smaller branches, so prune them when you first notice them.



Home Improvements

At some point, you will probably want to do something to improve your home, whether it is as inexpensive as adding a screen door or as expensive as a complete kitchen remodel. Some home improvements can be very expensive, and the cost of such improvements should be factored in to your overall savings budget, even if you have no plans for making improvements within the next few years.

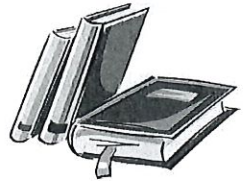
Don't use your maintenance money for improvements: if your gutter rips away from your home in a windstorm, your brand new water-damaged kitchen won't look so nice. Fortunately, there are many loan programs that exist to finance major home improvements. Be sure to shop around for the best rate and budget your money carefully.

Free Services

There are many free services available to you, from free concerts to after school childcare. The Habitat office maintains a list of resources that you may be interested in looking through or asking about. Or, a simple web search may yield many results. Listed below are two important free services that you should know about.

Public Library

Libraries offer many services in addition to borrowing books for free. They may offer tutoring services, classes and events, and access to internet-enabled computers. If you need to use the internet and you have decided not to subscribe to this service at home, you can do so at the library with your library card.



To get a library card, you will need identification with your name, signature, and address. A driver's license or current utility bill should work. If you already have a library card, remember to update your address.

Tax Preparation

Taxes are complicated and rules change every year. To avoid legal action (like incarceration), it is important for you to file your taxes (or an extension) accurately and in a timely manner every year. If your taxes are relatively straightforward and your income is below a certain level, you may qualify for free tax preparation.

Where to turn for free tax preparation:

- Maryland CASH: 410-528-8006; <http://www.mdcash.org>
- Internal Revenue Service's (IRS's) Volunteer Income Tax Assistance Program (VITA): 1-800-906-9887; <http://www.irs.gov/individuals/article/0,,id=107626,00.html>



Budgeting

While the sheer costs of homeownership may seem overwhelming at first, you can plan for the majority of these costs in advance, through careful budgeting. The tools you learned about money management from your Budget Builder while in the Habitat program will become invaluable in helping you manage the financial aspects of homeownership.

Start Early

The best time to start planning is right now! What are the costs you anticipate having for your move? Are you planning on purchasing new furniture or new services you don't have now, such as cable TV? Add these costs to your current monthly budget and put the money you will spend on these things into a savings account so you will have extra money to afford your big move. The more you can save now, the better prepared you will be.



Internet

There are numerous companies available that provide both wired and wireless access. Some companies also offer dial-up access through a phone line. It is best to shop around to get a good deal. If you are planning on getting cable and/or a home phone line in addition to internet, the best deal is usually a "bundle" of several services together with the same company.



Home Phone Service

All Habitat houses have phone lines installed. However, many people with cell phones choose to not have a "land line." There are several reasons why it may be good to have a permanent phone at your house.

First, it is easier for emergency responders to locate you, should you ever need to call 911. While your location can be pinpointed when you use a home phone, the same is not always the case with a cell phone. If you are unable to verbally give your location to the 911 representative when you (or your guests or children) speak with them, emergency services could be delayed.

A second reason to have a home phone is that it may be required if you choose to have a security service monitor your house alarm. Most of these services require a land line in case the alarm goes off and they need to call to verify whether the police need to be sent to the address.

As previously mentioned, having a home phone could be very inexpensive if it is part of a bundled services deal. You need to look at the price of the package offered and decide whether the discount you receive is worth the higher price of a combined package.

To set up home phone service or transfer your existing number to your new home:

- Verizon: 1-800-837-4966; <http://www22.verizon.com>



Security System/ Alarm Monitoring Service

You may choose to have a security system installed and serviced by an alarm monitoring service. Habitat does not pre-install systems, so you are responsible for all installation and service fees. Companies provide a wide range of services, from theft and burglary protection to medical emergency response. Talk to a company to determine what your needs are, then shop around for the best prices on the services you want.

Local alarm monitoring services:

- Ackerman: 1-800-270-9015; <http://www.ackermansecurity.com>
- ADT: 1-888-271-1823; <http://www.adt.com>
- ASG: 1-866-705-4274; <http://www.asgsecurity.com>
- Guardian Protection Services: 1-888-279-6971; <http://www.guardianprotection.com>
- Sentry Installation: 1-800-670-1008; <http://www.sentryinstallation.com>



Maintenance

While you have comprehensive maintenance coverage for one year through your warranty with Habitat, this protection will end and it will become your sole responsibility to maintain your home. One of the major responsibilities of homeownership is maintaining a savings account or otherwise saving money for regular maintenance that your home will require. The chapter titled "The Care and Keeping of Your Home" provides many suggestions and tips for keeping your home maintained and doing the work yourself. If you decide that you don't want to do the work yourself, know that contractors charge a high price for labor and often charge higher prices for parts and materials. It is essential to your comfort and the wellbeing of your house that you have funds available for maintenance when it is needed. Suggestions for saving money for home maintenance will be discussed in the "Budgeting" section that follows.

Save for Predictable Maintenance and Repairs

You will eventually need a major repair or appliance replacement. Start saving up for specific components when they have at least three years of estimated useful life remaining. Use the values below or shop around to divide the replacement cost by the number of months until expected replacement (3 years = 36 months). Keep in mind that installation costs can raise the total replacement cost. If you don't plan to do the work yourself, add at least 50% to your budget. The chart below is for guidance only. You need to do your own shopping around and cost comparison research well before regular repairs are required.

When you need to hire a contractor, get estimates for labor and materials from at least three companies. To protect yourself, be sure that your contractor is licensed in Maryland (ask for a license number) and insured against things that may go wrong. Ask neighbors in your neighborhood association for recommendations, or you may want to look for reviews online. Angie's List® is a membership-based website that collects user reviews of contractors. Before you sign any agreement, know what it will cost, what the important dates are, what the contractor will be responsible for and what you will be responsible for, and whether or not a warranty will be provided. You may be able to purchase materials on your own to bring down costs.

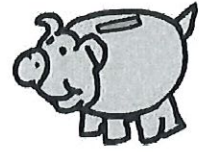
| Household Item | Est. Useful Life (years) | Avg. Cost for Replacement | Year Installed | Est. Remaining Life (years) | Monthly Budget |
|---------------------------|--------------------------|---------------------------|----------------|-----------------------------|----------------|
| <i>Appliances</i> | | | | | |
| Refrigerator | 15 - 20 years | \$800 - 2,000 | | | |
| Stove and Oven | 15 - 20 years | \$600 - 1,400 | | | |
| Dishwasher | 5 - 12 years | \$400 - 600 | | | |
| Clothes Washer | 8 - 12 years | \$500 - 700 | | | |
| Clothes Dryer | 8 - 12 years | \$500 - 700 | | | |
| Garbage Disposal | 5 - 12 years | \$125 - 200 | | | |
| <i>HVAC System</i> | | | | | |
| Gas Furnace | 8 - 15 years | \$1,500 - 3,800 | | | |
| Electric Heat Pump | 8 - 12 years | \$2,200 - 3,600 | | | |
| A/C Compressor | 8 - 15 years | \$600 - 1,200 | | | |
| A/C Condenser | 8 - 15 years | \$1,500 - 3,000 | | | |
| Bath Fan | 10 - 20 years | \$75 - \$150 | | | |
| <i>Plumbing</i> | | | | | |
| Gas Water Heater | 8 - 15 years | \$300 - 650 | | | |
| Electric Water Heater | 8 - 15 years | \$300 - 650 | | | |
| Fiberglass Shower | 10 - 15 years | \$600 - 1,500 | | | |
| <i>Interior</i> | | | | | |
| Paint | 5 - 10 years | \$10 - 50/ gallon | | | |
| Vinyl Flooring | 20 - 30 years | \$2 - 10/ sq. ft. | | | |
| Laminate Flooring | 10 - 15 years | \$2 - 10/ sq. ft. | | | |
| Carpet | 12 - 15 years | \$2 - 10/ sq. ft. | | | |
| Hardwood | 100+ years | \$5 - 20/ sq. ft. | | | |
| Tile | 100+ years | \$5 - 15/ sq. ft. | | | |
| Windows | 20 - 30 years | \$150 - \$500 ea. | | | |
| <i>Exterior</i> | | | | | |
| Shingle Roof | 15 - 30 years | \$1,000 - 5,000 | | | |
| Rubber Roof | 10 - 15 years | \$1,000 - 5,000 | | | |
| PT Lumber | 8 - 15 years | \$2 - 20/ piece | | | |

Adopted from the Freddie Mac worksheet "Buying and Owning a Home: Appliance Budget Worksheet," with permission.

Grow Your Savings Account

Once you have moved in and can accurately estimate a budget for your new home, you can figure out how much you can afford to save for the future. After living in your new home for a few months, reassess your entire budget to determine where you are and where you'd like to be. It is a good idea to create a special savings account for your home costs as a "House Fund" for any unexpected occurrences. Even putting aside \$25 to \$50 per month will add up quickly. The more you can afford to save, the less likely it will be that any unexpected costs will put unnecessary strain on your wallet. If you are able to use automatic deposits for your paycheck, you may be able to deposit the money into your House Fund before you even see it.

IT IS VERY IMPORTANT TO CONTRIBUTE TO A HOUSE FUND ON A REGULAR BASIS.



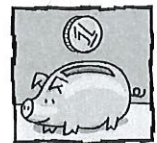
Know when major payments are due, like your yearly taxes and insurance premiums. It will be around the same time every year. Although these are usually fully covered by your escrow account (and held by the bank), remember that these payments can change, and may go up if your property is reassessed at a higher value or you make a claim on your homeowner's insurance. These changes alone are a good reason for maintaining extra savings, Just In Case.

Anticipate Your Future Wants

Make a list of future "wants"—what are the upgrades/improvements you would like to do or have done to your house? It may seem like a long time off before you will need to think of these things, but if you start saving now, you will not have to worry about being short on cash when you wish you had it the most. However, be sure that you maintain a baseline House Fund for emergencies. Don't ever use this entire account for "wants" because unexpected troubles can arise at any time.

There are a number of simple things you can do to make your life easier in the future:

- **Do all of the suggested preventative maintenance on your home.** Remember that your house is a system that needs attention to stay healthy.
- **Fill out your yearly tax credit forms.** Receiving the tax credit prevents your mortgage from rising hundreds of dollars and keeps costs down.
- **Save any escrow overages.** The bank is required by law to return any overpayments in your escrow account at the end of each year. If you add this money to your House Fund, you will be prepared for any future shortfalls that may make your mortgage payment increase.
- **Don't "cheat" yourself.** Your home is a big investment, and it is important for you to be able to afford to care for it and maintain its value. You cannot do this if you "steal" money from your House Fund to use for other things. Keep your money in the bank and let the balance grow until you really need it.



Tax Credits



There are several different credits you may be eligible to claim as a new homeowner. Some are one-time credits, and others you need to apply for on an annual basis. These credits help with the affordability of your house, and can bring your monthly mortgage payments down significantly. Prior to closing, the Family Services Finance Associate will go over these with you in detail and help you fill out all the required paperwork. Once you are a homeowner, it will become your responsibility to fill out the required forms and send in the supporting documentation by the due date. Habitat holds workshops to help you with this paperwork every Spring, should you need any help filing for the credits.