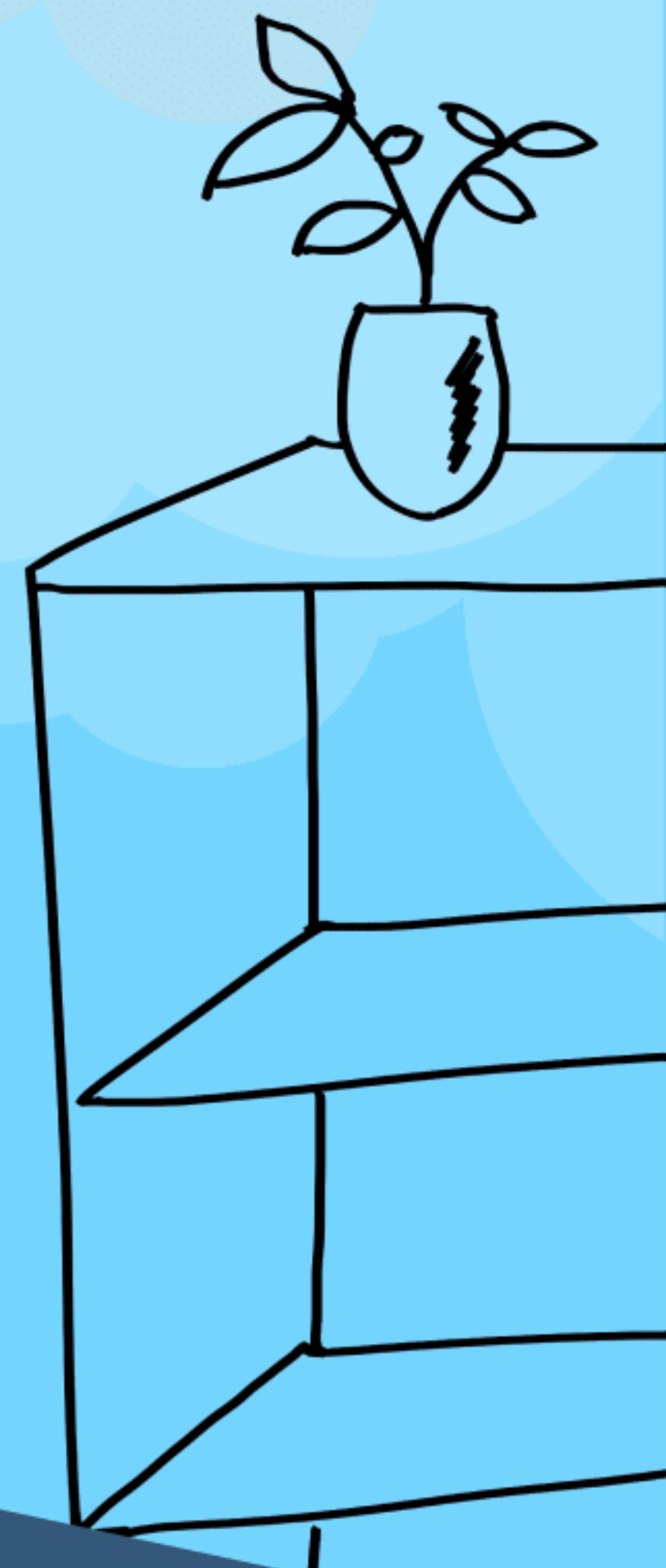


The First-Time Homebuyer's Workbook:



How To Make Your
**DREAM A
REALITY**



How To Make Your **DREAM A REALITY**

**Are you thinking of buying
your first home?**

THAT'S GREAT NEWS!

Homeownership is still the American dream, not only for its financial benefits but also because it has the power to change lives. Homeownership provides security, stability, and a sense of achievement. Experts also agree that homeownership is still a sound long-term investment, even in a competitive market.

As a first-time homebuyer, you probably have a lot of questions. That's why we put together this workbook for you --to guide you through making that dream possible.



The Non-Financial Benefits of Homeownership

The long-term financial benefits of owning real estate are well-known, but did you know that there are other great perks? Many homeowners report having feelings of security, pride, gratitude, comfort, and emotional stability from owning their home.

And with the increase in remote work opportunities, having a pleasant and consistent home workspace also adds to homeownership benefits.



How Will Changing Mortgage Rates Affect You?

Mortgage rates fluctuate with the market and will continue to do so. However, despite rising rates, buying a home today is still a wise investment.

Here's why:

- 1** Home prices will continue to increase. However, purchasing a home sooner rather than later means that your home's value will appreciate at a higher rate than your mortgage payment.
- 2** Buying soon will also secure a stable monthly housing payment. Most areas across the country have seen rents increase dramatically in recent years, with no signs of slowing down yet. But with a fixed-rate mortgage, you'll know precisely how much you will pay for years on end.

So while it's a seller's market, first-time homebuyers still have an excellent opportunity to find a home before mortgage rates and home prices increase further. Remember, the longer you wait, the more you'll pay for your dream home.



Terms You'll Come Across When Buying a Home

Down Payment - A down payment is a percentage of the purchase price you pay out of pocket. Typically it's 3-20% of the purchase price. 0% down is available with certain loan programs.

Mortgage Rate - The interest rate you pay to borrow money from a lender when buying a home.

Credit Score - A 3-digit number between 300-850 that represents a borrower's creditworthiness. The higher the score, the better.

Closing Costs - The fees required to process the real estate transaction, such as a credit check or property appraisal.

Appraisal - A report that estimates the value of a property. A qualified third party completes this, and it ensures the lender that they are not lending more than what the property is worth.

Pre-Approval Letter - A letter that states the type of loan and interest rate they are offering the buyer and how much the lender is willing to loan the buyer to purchase a home.

Equity - The value in the home above the total amount of liens against the property.

(Journey)e.



Terms You'll Come Across When Buying a Home

Down Payment - A down payment is a percentage of the purchase price you pay out of pocket. Typically it's 3-20% of the purchase price. 0% down is available with certain loan programs.

Mortgage Rate - The interest rate you pay to borrow money from a lender when buying a home.

Credit Score - A 3-digit number between 300-850 that represents a borrower's creditworthiness. The higher the score, the better.

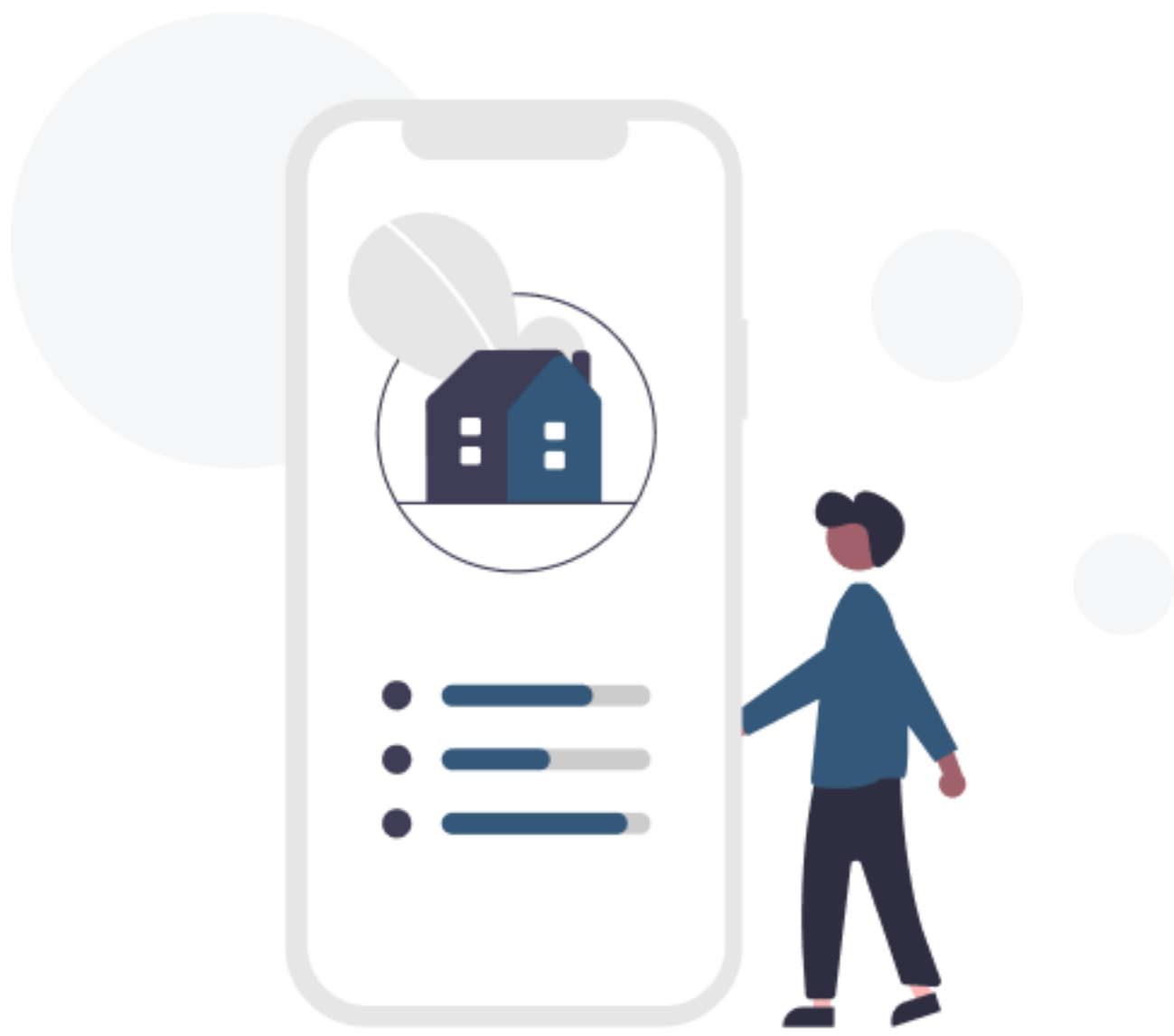
Closing Costs - The fees required to process the real estate transaction, such as a credit check or property appraisal.

Appraisal - A report that estimates the value of a property. A qualified third party completes this, and it ensures the lender that they are not lending more than what the property is worth.

Pre-Approval Letter - A letter that states the type of loan and interest rate they are offering the buyer and how much the lender is willing to loan the buyer to purchase a home.

Equity - The value in the home above the total amount of liens against the property.

(Journey)e.



Milestones To Homeownership

(Key terms)

Find a Trusted Mortgage Professional - Start the process by building your homebuying team to guide you through the journey.

Check Your Credit - Find out what your credit score is and discuss it with your mortgage professional to see where you can improve it.

Review Your Savings - Talk with your mortgage professional about down payment options. Explore Affordability and Loan Options - Pre-qualify with your mortgage professional to picture your financial situation and affordability accurately.

Begin House Shopping - With your budget in mind and your pre-qualification on hand, tour homes and explore neighborhoods with your agent.

Make An Offer - Once you find your ideal home, your agent can help you draft an offer and negotiate with the seller.

Home Inspection and Appraisal - Professionals will inspect the home to determine its condition and value.

Closing Day - Final documentation is signed, closing costs are paid, and you get the keys to your new home, making the transaction official.

Moving Day! - The day you've been working towards is finally here. All that is left is moving in and making your new house a home.



Don't Mess Up A Good Thing

(Avoid doing this)

Things to avoid after applying for a home loan.

Don't apply for new credit

Don't close any credit accounts

Don't make any large purchases

Don't change bank accounts

Don't co-sign on other loans

Don't make large cash deposits into your bank account without first talking with your mortgage advisor.

Final Tips For Getting Ready To Buy Your First Home

(Closing)

Make a list of non-negotiables and nice-to-haves.

These lists will help you and your agent shop for a home more effectively and with less stress.

Stick to your homebuying budget.

Buying a home can get emotional, but don't let your emotions override your budget. Buying a home that you can't afford could mean trouble down the road.

Save for your down payment.

The amount of your down payment will depend on the cost of the home and the type of loan program, but it will typically amount to several thousands of dollars. Start saving early and talk to your mortgage advisor about how much you should save.

Start gathering your documentation.

Expedite your loan application by collecting information like your taxes for the past two years and documentation for all sources of income.

Review your spending.

Knowing how much you spend every month will tell you how much you can allocate to a mortgage payment. Include payments for utilities, food, credit cards, car maintenance and payments, student debt, entertainment, savings, and any miscellaneous items.



Don't go at it alone!

Today's competitive real estate market makes it more critical than ever to work with a trusted mortgage professional to get you in the best financial position to make your move fast.

Connect with us today and let our experience guide you along your homebuying journey.