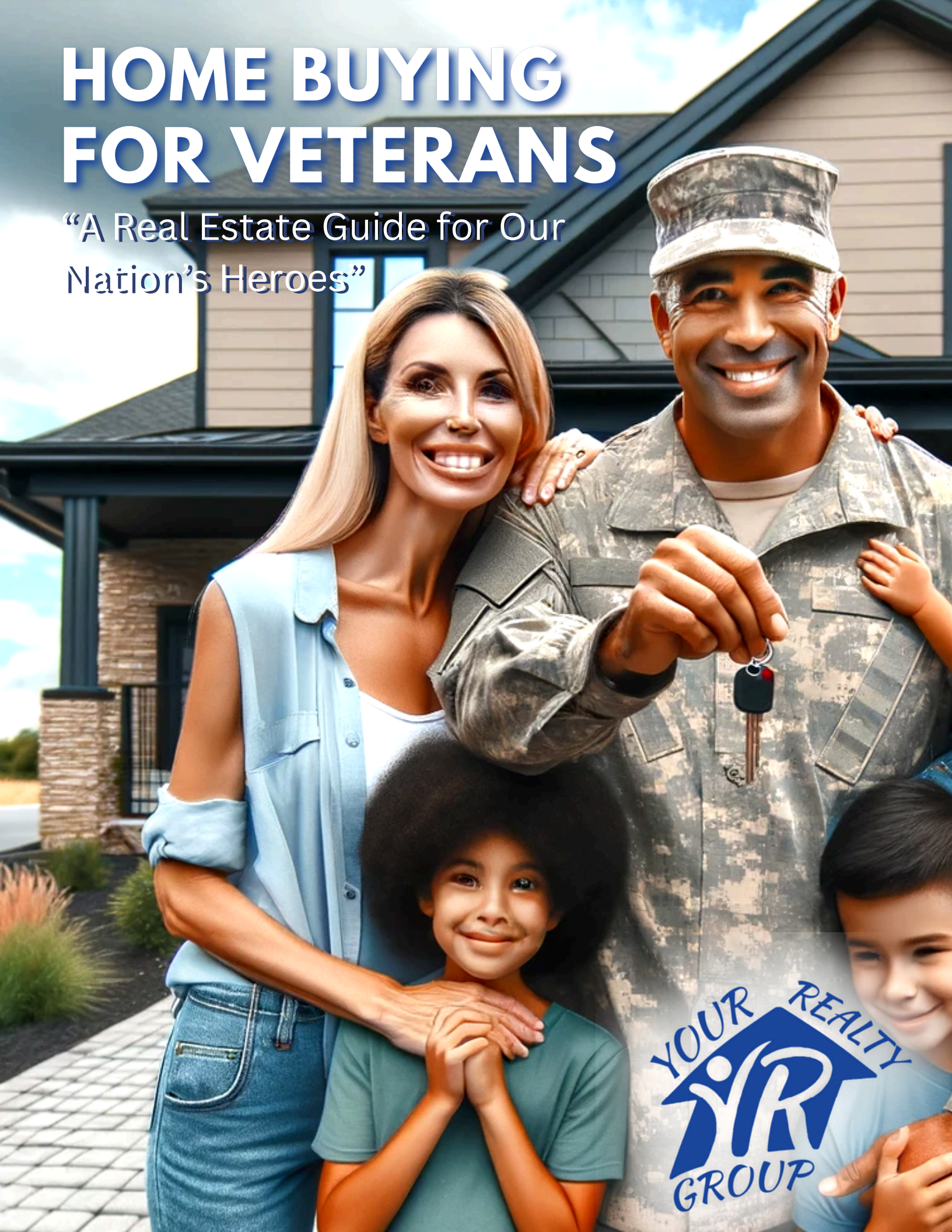


HOME BUYING FOR VETERANS

“A Real Estate Guide for Our
Nation’s Heroes”



YOUR REALTY
YR
GROUP

INTRODUCTION

Hi there! Nice to meet you! If you've received this book, first, thank you for your service. and second, you're probably thinking about Buying or selling a home. And if you're like most veterans, you may be uncertain and dreading the entire process.

But that's why I'm here! My job is to make your job as easy and seamless as possible. Throughout my years of experience in the real estate industry, I've amassed insider knowledge to help Veterans get the best deal possible in a transaction. And now, you've got all that information at your fingertips.

In this book, you'll find:

- Buying Vs. Renting comparison What's Best for you?
- Tips for preparing to buy.
- What to look for when buying.
- What types of loans, grants and other resources are available to you as a Veteran.
- Negotiation Do's and Don'ts,
- The Closing Process
- and much, much, more.

Sure, you can try to employ these strategies yourself. But I suggest talking to a licensed professional – like myself – to employ them for you. Yes, buying or selling a home can be stressful, but with this book (and my help!), we can make the process as quick and seamless as possible.

ABOUT ALEX

Alex is a seasoned real estate professional with a wealth of experience spanning more than two decades. Over the course of his career, he has worked in various capacities within the industry, as a New Home Sales Consultant for a top builder, a Community Association Portfolio Manager for Homeowners Associations, and Regional Manager in the Multi-Family Apartment Industry before obtaining his Realtors License.

With a passion for helping families find homes, Alex's pivotal moment in becoming a Realtor was hearing a coworker's story who had been misled by a sales agent resulting in a significant loss of value in their forever home.

After purchasing a beautiful homesite on a cul-de-sac with a green space view, they were told that a medical center would be built across from the greenspace. Six months after moving in, a gas station was built instead, causing the value of their home to drop by over \$100,000.

This experience helped Alex realize he had a duty to empower individuals with the knowledge they need to make informed decisions that safeguard their short and long-term interests.

He holds himself to the highest ethical standards, treating his clients with integrity. Ask any one of his clients, and they'll tell you Alex has your back. He is communicative, honest, sincere, knowledgeable, detail-oriented, and a problem solver.

When he's not working, Alex enjoys spending time with his wife and 2 kids. He loves building American Ninja Warrior obstacles and watching them play.

Alex is committed to providing the highest level of service to his clients. His mantra::

How Can We Help



TABLE OF CONTENTS

INTRODUCTION

ABOUT ALEX

TABLE OF CONTENTS

CH 1. – HOW WE HELP VETERANS BUY HOMES	1
why bother with a Real Estate Agent	2
Real Estate Agent vs Realtor: What’s The Difference?	6
Who’s Representing You?	7
Dual Agency: The Basics	11
How Real Estate Agents Are Paid	13
CH 2. – OWNING VS. RENTING	15
Which Is Best? Factors To Consider	16
Advantages Of Buying Your Home	19
Advantages Of Renting	22
Disadvantages Of Owning	23
Disadvantages Of Renting	24
CH 3. – BUYERS’ NEEDS AND DESIRES	25
The Bare Essentials	26
Making A List; Checking It Twice	27
Plan For Your Pets	28
Location, Location, Location	29
CH 4. – REAL ESTATE HORROR STORIES TO LEARN FROM	31
Ron & Jenna	32
Sue & Her Fiancé	33
Ben & Amber	34
CH 5. – PROPER PLANNING PRODUCES POSITIVE PAYOFFS	35
Correcting Your Credit	36
How Much Home Can You Afford	37
Don’t Forget: Property Taxes, Insurance, & HOA	38
Find Your Funding: Shopping For A Home Loan	39
Example Loan Estimation Sheet	42

TABLE OF CONTENTS

CH 6. - VA LOANS43

- Advantages of VA Loans45
- Is A VA Loan My Best Option?47
- Who Is Eligible For A VA Loan?48
- Types Of VA Loans49
- How To Buy A Home With A VA-Backed Loan51
- Other Home Buying Resources For Veterans53

CH 7. – PROGRAMS FOR TRADITIONAL HOME BUYERS59

- Other Homeowner Tax Breaks63

CH 8. – SEARCHING FOR THE RIGHT HOME65

- The Journey Begins66
- Decisions, Decisions, Decisions: Making the Choice72

CH 9. – BUYING A HOUSE: NEGOTIATION DOS AND DON'TS73

- How To Make Your First Offer The Best Offer74
- Negotiating The Price: Which Tactics To Use76
- Avoiding Mistakes During Negotiations78
- Overcoming Multiple Offers79
- Your Offer Is Accepted: What Now?80

CH 10. – WHAT TO KNOW ABOUT HOME INSPECTIONS83

- Inspections, Inspector, & Specialists84
- Common Mistakes To Avoid85
- What To Do After The Inspection86
- Can Inspections Affect the House Value?88

CH 11. – THE CLOSING PROCESS89

- An Appraisal Is Not The Same As A Property Inspection92
- Things That Can Disrupt Your Deal93
- 10 Things To Know When You're Closing A Home Deal94
- The Papers Are Signed And The Deal Is Funded, It's Yours!101
- Value Of Prepaying Your Mortgage102

CH 12. – ORGANIZING YOUR MOVE103

- The Ultimate Chronological Moving Checklist104
- DIY Or Hire Movers108
- Settling In112

SPECIAL OFFER! DON'T MISS OUT
RESOURCES

CHAPTER 1

HOW WE HELP VETERANS BUY HOMES

I'll come right out at the start and tell you I'm a real estate agent – proudly so! Nice to meet you! I'm not trying to sell you anything, but I'm pleased to be of service. In fact, generally, buyers are offered a credit by the seller to cover their real estate agent's commission. So, I'm not looking to part you from your money. Instead, I'm giving you the benefits of experience and advice I have gleaned throughout my career selling houses and being in real estate transactions – for both sellers and buyers. If you want me to help you find a house, let's talk. ["Book a Meeting."](#)

Technology has changed the way homes are sought and bought today. In this "Information Era," most buyers are first introduced to the home they eventually purchase via the internet, through platforms like Zillow, Trulia, Yahoo! Homes, Homes.com, Realtor.com, Redfin or one of hundreds of other real estate websites.

So that means there's no real need for a buyer's real estate agent, right? The reason to use a real estate agent is to find a home and show homes available for sale, right? If a buyer can find and visit a home on the web all on their own, why add another expense that can be avoided, right?

Ah, not so fast, friend. Let me ask you, when you go shopping for a car, likely you have already gone online to check it out. When you get to the dealership you have already done your research and likely don't need them to sell you on the car you found. You do however want to have some sort of certified warranty, or even better have your Buddy Joe the master mechanic, Phil your financing expert, and Paul your used car salesman friend there with you to guide you, check everything out, help you avoid any pitfalls, make sure you get the best deal while being protected. This is what having a buyer's real estate agent and their team does for you.

While doing the work yourself can save you money if you buy a house and the seller agrees to reduce the price by whatever they are offering for the buyer's agent commission (typically 3% of the sales price), for many, one little oversight or mistake can cause a do-it-yourself home purchase to be pricier than a real estate agent's commission in the long run.

Why Bother With A Real Estate Agent?

Please Understand, a buyer who goes directly to the listing agent or sales consultant of a home they are interested in and allows that agent to “manage” both sides of the transaction is dealing with an agent whose responsibility and fiduciary duty is to the seller ONLY, and is not representing the buyer. They may facilitate and coordinate the transaction, but their job is to get the best price for the seller, and anything a buyer says to them can be used as leverage against them at the negotiating table. We see this more when buyers are purchasing new homes from a developer or builder because their sales consultants are not licensed or regulated by TREC (Texas Real Estate Commission), However, this does happen with preexisting homes as well and the listing agent may or may not tell a buyer that they have the duty to represent the sellers best interest. Most just provide an IABS (Information About Brokerage Services) which fulfills there legal obligation, and the buyer is left unrepresented and unprotected.

Alternatively, buyers may look to purchase a home sold by an owner without a listing agent. They may believe they can save money on the home by not having an agent involved on either side, so they look solely at FSBO houses. They might expect money to be saved and make an offer accordingly. However, unless the buyer and seller agree to split the savings, they can't both save the commission – and that's if the listing price was not already lowered by near the commission amount to make it more market-attractive.

In Reality, only about 5% of what a real estate agent does is finding homes and opening doors. Below highlights just a few of the things an agent can help with.

HELPING YOU PLAN AND PREPARE FOR YOUR HOME BUYING JOURNEY

A real estate agent should sit with you and discuss your needs, desires, goals, and vision when it comes to finding a home and a neighborhood. Then create an action plan to ensure you're in the best position possible for purchasing your new home. This may include debt-to-income Ratio analysis, figuring out what you can afford, helping you set a budget/saving plan, credit improvement or repair recommendations, and also clearly define what you should expect when starting your home search.

If your realtor can't or won't do these things for you, or can't refer you to an expert within their sphere who can, then you have to ask yourself, do they really have the experience to look out for you?

MORE UP-TO-DATE ACCESS TO THE REAL ESTATE MARKET

A real estate agent will have access to listed and unlisted properties as well as a vast knowledge of the current real estate market for the area. This includes neighborhood amenities and conditions, the law, zoning issues, price trends, negotiations, taxes, financing, and insurance. The agent is a full-time liaison between sellers and buyers. An agent will have ready access to other properties listed and unlisted by other agents. Buyers' and sellers' agents know how to put a real estate deal together.

A real estate agent will track down homes that meet your criteria, contact sellers' agents, and secure appointments for viewing the homes. On their own, buyers have a more difficult time with these things. This is even more so the case when a buyer is moving due to relocation or employment opportunities and does not engage a buyer's agent to handle matters.

NEGOTIATING IS HARDER ON YOUR OWN

If bargains need to be made over the price, you won't have to negotiate yourself. Your buyer's agent will do that for you. They will be present whenever there are documents to go review and sign.

A real estate agent will keep the transaction "at arm's length," such that personalities and emotions do not become involved. Price negotiations take a special skill and understanding of the psychology and strategies of offering and counter-offering.

CONTRACTUALLY SPEAKING...

There are many contracts and documents involved in purchasing a house. The stack is more than an inch thick.

Unless you're a real estate lawyer or title agent, these documents will be foreign to you. Yet, they require detailed and accurate completions. Buying a property is not necessarily a "fill-in-the-blanks" transaction. One mistake, let's say in title work, could haunt the buyer well down the line after purchase.

YOU WON'T NECESSARILY SAVE MONEY

The point of not using a real estate agent would be to save money, right? Otherwise, why would someone turn down professional assistance in finding a home??

Veterans looking to purchase a home sold by an owner without an agent may believe they can save money on the home by not having an agent involved, and so they look solely at FSBO or New Construction houses.

However, it's unlikely that both the buyer and the seller will reap the benefits of not paying real estate agent commissions. (FSBO) works like this: An owner selling on his own house and will price it based on the sale prices of other comparable properties in the area. Many of these properties will be sold with the help of an agent; therefore, the seller profits in getting to keep the percentage of the home's sale price that might otherwise be paid to the real estate agent (usually 6%). Unless the buyer and seller agree to split the savings, they can't both save the commission – and that's if the listing price was not already lowered by near the commission amount to make it more market-attractive.

On New Construction Homes, Those "New Home Consultant" reps, are not Real Estate Agents, or Realtors, They are not bound by the same Code of Ethics, and Morals. They Represent the Seller "The Builder" and not you. However friendly they may be they have a sales quota to meet and are trained to use everything you tell them to their advantage. Many of these Sales Reps take a cut in their commission if you are represented by a Realtor, and worse some will mislead you just to make the sale. Now, I'm not saying they are all bad, I'm just saying it would be wise to have someone on your side looking out for you.

HERE'S A SHORT LIST OF SOME OF THE MAJOR ADVANTAGES THAT USING A REAL ESTATE AGENT CAN BRING TO YOUR BUYING EXPERIENCE:

- Help clarify and define goals wants and needs on paper
- Help you Gameplan your Home Buying Journey and make sure that you're in the best possible position when starting your search. This may include recommendations for improving your credit, helping you create a budget to save up a downpayment, and keep you accountable.
- Exclusive access to unlisted homes through a variety of Realtor Networks, and help you stay on top of new listings that meet your Needs and Desires.
- Efficiently coordinator home tours, saving you time, pointing out value-added features and benefits as well as red flags you may want to research further or steer clear from all altogether.
- Provides In-depth understanding of the local Market Statistics, trends, and comparables.
- Provide access to trusted industry experts so you don't have to find them yourself.
- Explain different financing options and programs available to you, and help you secure them.
- Explain the Sales Agreement/Purchase Contract and different negotiable items, what industry standards are and what recommendations would best benefit your position.
- The ability to handle all paperwork, and answer questions any questions that arise.
- Guidance to help you make a competitive offer, drafting, and submitting the offer.
- Negotiating skills, strategies, and confidentiality to get you the best deal possible
- Help you to keep realistic expectations, and can be your emotional filter along the journey. Since a buyer's agent isn't emotionally attached to a specific property you may have an interest in, they can help keep you from making an emotional and rash decision by helping you weigh the Pros and Cons.
- Transaction management and keeping you up to date and things on schedule, reminding you of important deadlines and steps. This helps deals from falling through.
- Reducing stress and anxiety and sleeping better, knowing you have an expert beside you that know and trust every step of the way looking out for your best interests.

For Veterans looking to relocate to a new destination the may not be familiar with, a real estate agent brings that on-the-ground knowledge about the best neighborhoods for you and your family's lifestyle.

Real Estate Agent vs. Realtor: What's The Difference?

Simply put, a real estate agent is someone licensed to list and sell real estate, including homes, multi-family properties, commercial, and industrial buildings. A Realtor®, however, is somewhat different. A Realtor® is a member of the National Association of Realtors®. While an agent is always a real estate agent, a real estate agent isn't always a Realtor®.

Realtors have taken additional training, obtained a certification, and made an Oath to abide by the Realtors Code of Ethics. This code outlines the values of Realtors in real estate. It covers the ethical principles and standards that NAR believes professionals should aim for. Even its Preamble cites the Golden Rule, "Whatsoever ye would that others should do to you, do ye even so to them."

The Code of Ethics is based on 17 Articles Broken down into 3 Sections

Under each section is a list of articles and standards of practice, and this code is continually edited and updated. For the Complete Updated Code of Ethics visit NAR's Website <https://www.nar.realtor/about-nar/governing-documents/the-code-of-ethics>

Duties to Clients and Customers

- Article 1: Protect the best interests of the client.
- Article 2: No misrepresentation, exaggeration, or hiding facts about the property at hand.
- Article 3: Realtors should cooperate with each other unless it's not in the client's best interests.
- Article 4-5: Disclose any personal interest in a property.
- Article 6-7: No recommending services for a kickback or collecting money under the table.
- Article 8: Keep client funds separate from your own.
- Article 9: All documents for the transaction should be presented to the buyer/seller in understandable terms.

Duties to the Public

- Article 10: No denying services on the basis of discrimination.
- Article 11: Provide clients with competent services only within a Realtor's professional scope.
- Article 12: No false or misleading advertising.
- Article 13: Don't break the law.
- Article 14: Cooperate with the Realtor board's investigative proceedings if charged with a violation.

Duties to Realtors

- Article 15: No false or misleading statements about other Realtors.
- Article 16: Don't solicit clients who have already signed an exclusive listing agreement with another Realtor.
- Article 17: Contractual disputes will be mediated or arbitrated by the Realtor Board.

Who's Representing You?

IF YOU DON'T HAVE A BUYERS-AGENCY AGREEMENT, THEN BY DEFAULT YOUR AGENT IS WORKING ON BEHALF OF THE SELLER.

As mentioned, real estate agents who work on behalf of the best interests of the buyer are commonly called buyer's agents. All listing agents represent the seller, but other agents who don't have buyer-agency agreements with prospective buyers – even though they may show homes to those buyers – are working on behalf of the seller and must obtain the best price they can for the seller.

HOW TO CHOOSE THE BEST AGENT FOR YOUR NEEDS

You might feel the urge to pick the first real estate agent who appeals to or approaches you, but that's something to avoid. As with any professional, there are degrees of professionalism, dedication, and experience. The "wow factor" will simply wear off.

A good buyer's agent will want to know whether you're preapproved for a loan by a financier, what kind, and the terms of the loan you're getting. They should spend adequate time to discover what you're looking for in a house. They should listen as much as talk and ask questions. Watch to see if the agent makes notes.

If the agent doesn't broach the topic, ask for an explanation of his understanding of agency relationships and obligations to you. The law requires agents to explain whether they'll be working for the buyer or the seller whenever they have substantive contact with a customer or prospective client. If the agent doesn't offer you a buyer's agency agreement, that agent is representing the seller, not you. If the agent can't explain agency concepts to you, then move to the next agent.

Be sure that the agent will be showing you all listings or properties on the market that meet your requirements, and not only listings that are handled in-house. Buyer's agents have the legal duty to put the buyer's needs ahead of their own. Even when an agent will be paid more for selling an in-house listing, they must inform you about other available, suitable listings and take you to see viable prospects.

A good buyer's agent will provide a home-buying education. The listing agent will point out all the features of a home; a good buyer's agent will point to the faults – or advise when they can be overlooked.

Competent buyer's agents help their buyers to think clearly as the home-buying process unfolds. For example, if a house is a good buy, a buyer's agent might suggest looking past the dated bathroom and kitchen and look at the space above the garage that will make the perfect art studio you desire. Likewise, a cute house with all the amenities but with knob-and-tube wiring or a 40-year-old roof might not be worth the asking price. According to the San Francisco Chronicle's Home Guide, if you decide to buy with the intention of building an addition, the agent should advise you to check the zoning before making an offer.

GIVE THE "WHAT ELSE" TEST

A good agent will know about all the other properties for sale in the area. Also, a good agent always does their research regarding the events in the current market, and those homes that are out there for the taking. In short, you want an agent who's an expert of the current market, and someone who always stays on top of things.

Agree to sign a buyer's agency agreement after you have met with an agent before you go to view a home. Some people sign an agency agreement after attending an open house hosted by the agent. These agents are typically working with a seller and this is a mistake, according to an article by Amy Fontinelle of Forbes' Investopedia. Any information you reveal will become leverage that the seller can use in a purchase negotiation. A buyer's agent is legally required to maintain your confidentiality, disclose material facts to you, and maintain loyalty to you. These are fiduciary duties.

LOOK FOR PROPER CREDENTIALS

You wouldn't trust a doctor who didn't have the proper credentials and licensing. Don't trust a real estate agent who doesn't present theirs or doesn't have them at all. It's easy to find real estate agents who can take the job, but finding agents with special credentials – those who have gone that extra step to take additional classes in certain specialties of real estate sales – is worth looking into.

Here are a few credentials within real estate that you should be on the lookout for:

- Accredited Buyer's Representative (ABR): Completed additional education during the representation of buyers in their transactions.
- Certified Residential Specialist (CRS): Completed additional training during the handling of residential real estate, such as houses and apartments.
- Military Relocation Professional (MPR): Completed additional training to specifically facilitate those within the armed forces and the additional nuances and intricacies.

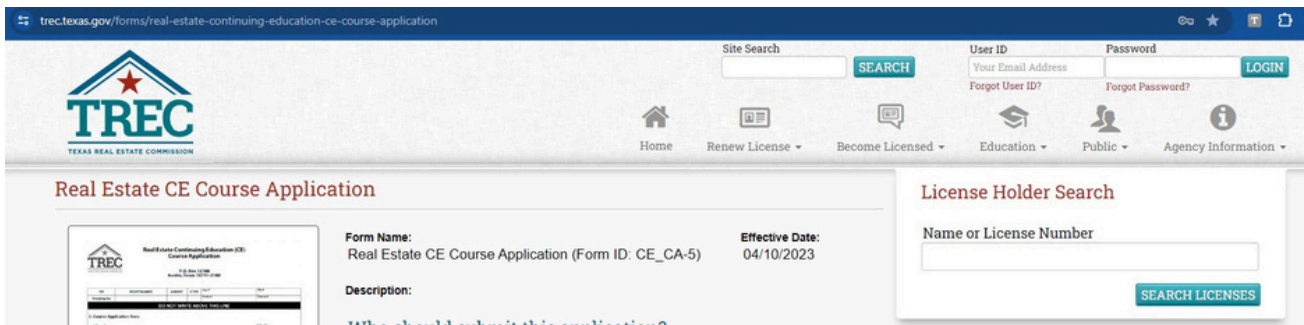
Similarly, if you choose to use a real estate agent who's also a member of the National Association of Realtors®, it will be a bonus.

RESEARCH LICENSING

Your state will have a license board for all active Realtors® and agents, which you can easily access. You will also be able to see their contact information, disciplinary actions, complaints, or any other information that you'll need to help influence your decision – especially since most of the information is now posted online.

Texas Licensing board is the Texas Real Estate Commission or (TREC).

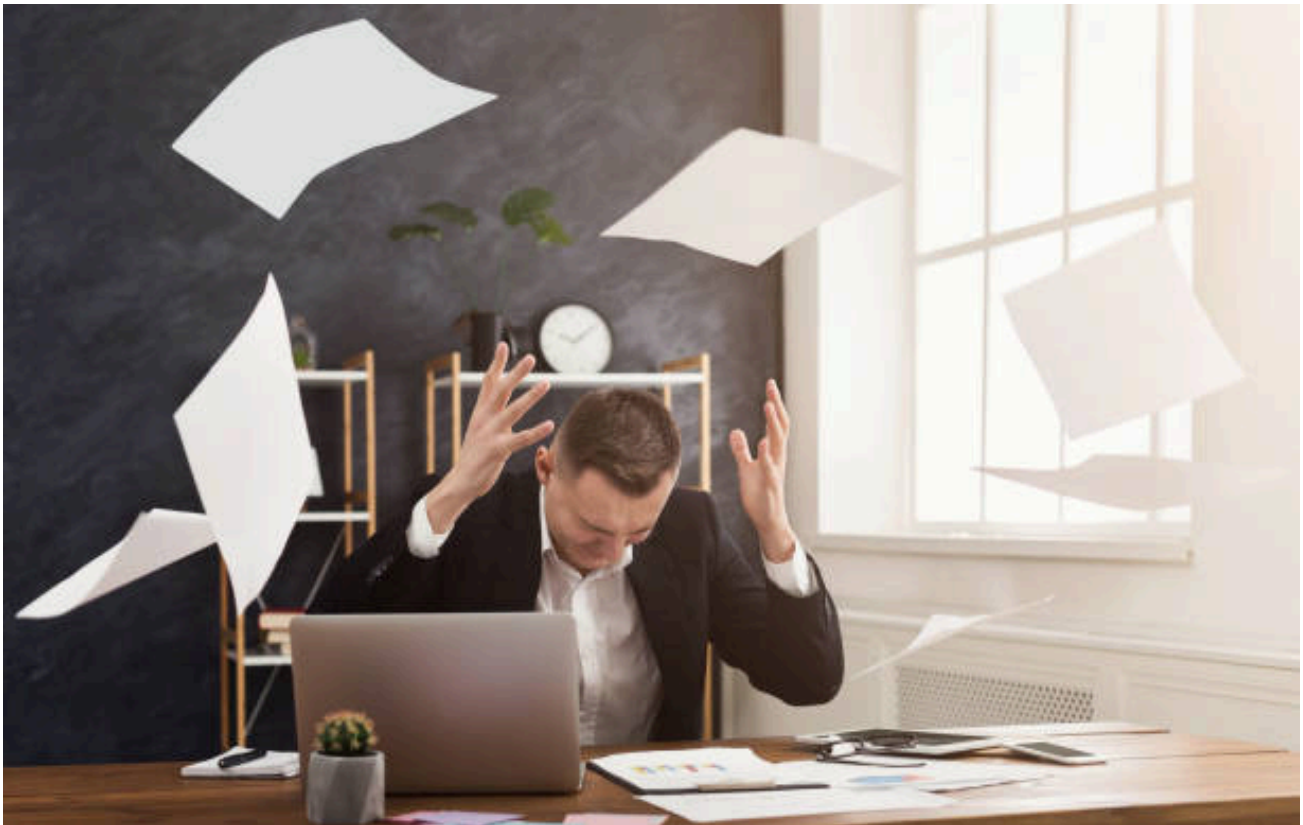
You can view licensing information at: <https://www.trec.texas.gov/>



GOING THE BUYER'S AGENT ROUTE

So, you're ready to take the plunge and look for a place to call "home." To get the most out of it, use a buyer's agent to avoid a flurry of paperwork, stampedes of buyers competing for the same property, and other challenges.

Home buying can be exciting and exhilarating, but it can also be complex and stressful and frustrating – which is why having a pro by your side can make an enormous difference.



Dual Agency: The Basics

A “dual agency” relationship occurs when a buyer is being represented by a brokerage firm that controls the listing. Once an agent represents both the seller and the buyer within the same transaction, the situation is known as “dual agency.” In multiple states including Texas, this is illegal because of the conflicts of interest that can arise regarding the broker.

All agents hold the same responsibility, which is to inform their clients of all potential risks that could arise due to conflicts of interest. Legally, agents are not allowed to work on both sides of any transaction without consent from the clients. Then they must be impartial and cannot disclose any information to either party.

If you’re selling your home and you don’t want your agent to also work with the buyer of your home, it’s your right to say so in the listing agreement. This is also true for buyers. A buyer can get out of an agreement with an agent if they are interested in purchasing a home their agent is listing.



When it comes to dual agency, there are definite advantages for the seller.

- Trust has already been gained with your listing agent, so representation for the buyer has been established.
- Your agent brought you the buyer knowing that you're selling, even if your property has not yet hit the market.
- Your listing agent will have already covered and researched your neighborhood's market to gain buyer inquiries, which means your agent will be working from all sides of the deal to sell your house faster, and with more incentive.
- Your agent works together with corporate relocation buyers who need to find a house quickly, and they will ensure it's your house that's bought.

There are also cons for the seller when it comes to dual agency, and they are:

- You can't be advised by your agent as thoroughly when they must act as a dual agent because impartial facilitation is required.
- Your listing agent is not allowed to negotiate the best or highest price for you if also negotiating both the best and lowest terms for the buyer.
- Earning a full commission, if the opportunity arises, may tempt the agent to coerce a deal that you might not accept otherwise.
- Your agent may inhibit all access to your listing through buyers with agents.

To avoid surprises or missteps in a dual agency sale, always ensure you have clarified important details with your agent ahead of time. You can do this by using an exclusive buyer agency agreement, or a listing agreement.

How Real Estate Agents Are Paid

The National Association of Realtors® 2021 Profile of Home Buyers and Sellers states approximately 8% of homeowners opted to put their homes up for sale in 2021 without using a real estate agent or Realtor®. A handful of For Sale By Owner (FSBO) transactions dealt with sellers and buyers who previously knew each other or were directly related;

Real estate agents and Realtors® – unlike professionals in different categories who bill by hourly rates or earn a salary – get paid through a transaction (commission) at the end of each sale. For example, if an agent has worked with a seller or a buyer for months, they don't get paid for the time spent if there is no transaction during that period. Agents receive a commission once the transaction goes through to settlement (closes) based on the final sales price of the home. At that point, the commission is earned.

The commission itself is negotiated – between listing agent and the seller, and the Buyers Agent and the buyer. The industry average for a representation agreement is about 3% for the Seller, and 3% for the buyer of the sales price of the home, but some brokerages have commission discounts based on a number of criteria with the families of whom they work for.

Even though some agents are associate brokers, or brokers in general, all commission payments are instructed to go through to the broker who's managing the brokerage where the agent is working. From there, the commission is then split to the agent and the broker, according to the agreement that's been made. The split will vary; sometimes, newer agents will earn a small portion of the commission compared to the experienced or successful agents who generally sell more expensive properties or homes.

PAYING THE COMMISSION ITSELF

The overall commission is paid for at closing during the settlement period. The commission is then calculated and disbursed during the settlement process between the buyer's agent brokerage and the listing agent's brokerage based on their contracts respectively. Afterward, the agents who made the real estate sale are further paid by their brokers.

HOW REALTORS GET PAID



House For Sale
Commission

Seller's Brokerage Firm
Listing Commission

TREC Cooperating Broker
Agreement Split

Seller's Brokerage Firm
Split 10-30%

Seller's Agent Operating Fees:
Photo, Videography, Aerial
Virtual Tour, Staging
Digital & Print, Postage Material
Annual Association, MLS Dues
Continued Education
License Renewal Fees
Credential Renewal Fees
Error & Omission Insurance
Health Insurance
Webhost & CRM Platform
Self Employment Tax

Seller's Agent
Net Commission

Buyer's Brokerage Firm
Commission from Split

Buyer's Brokerage Firm
Split 10-30%

Buyers's Agent Operating Fees:
Photo, Videography
Marketing, Branding
Digital & Print, Postage Material
Annual Association, MLS Dues
Continued Education
License Renewal Fees
Credential Renewal Fees
Error & Omission Insurance
Health Insurance
Webhost & CRM Platform
Self Employment Tax

Buyer's Agent
Net Commission

CHAPTER 2

OWNING VS. RENTING

Owning your own home might be one of the defining qualities of the “American Dream:” the set of ideals that includes opportunity for prosperity and success and an upward social mobility for the family and children, achieved through hard work. Home ownership is surely ingrained as one of the strongest representations of that vision – 66% of Americans own their own home, and more hope they will or wish they did.

Something about home ownership plucks a strong chord with Americans. Financial security, permanency, status, and pride are values many of us seek.

Financing & Lifestyle plays a big role in the decision to own versus rent. Home buying is most often driven by household formation, such as marriage and growing a family. Less than 40% of people under 35 years old own homes, 60% of people over 35 years old own homes, and more than 80% of people 65 years old or over own homes. Interestingly, for the millennial generation, the primary reason for buying a home? Owning a dog.

The U.S. homeownership rate has fluctuated between 62% and 70% since the 1950s. Most young people begin their independent lives renting an apartment, maximizing lifestyle flexibility and minimizing the hefty upfront costs associated with purchasing a home. As they build careers, save money, and start families, many choose to buy a home, recognizing that home ownership, as opposed to rental living, is more appropriate to their growing family needs.

At the other end of the age spectrum are homeowners nearing retirement who may desire to sell their homes, downsize, avoid maintenance and other obligations, and go back to renting.

Which Is Best? Factors to Consider

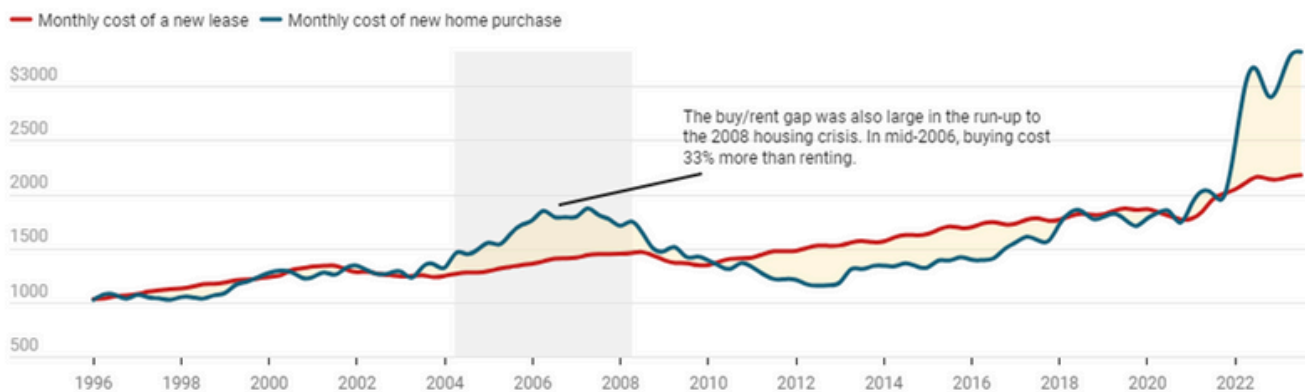
Is it better to rent or buy a home? Given the current increase in Home Prices and Interest rates in 2024, this is a serious consideration.

Most adults ask themselves this at some point as they form their goals and plan for the years ahead. Before you answer the question, here are some things to ask yourself. Owning and renting each have their advantages, but what's best for you depends on your circumstances.

What will be the duration of your stay in the home? Each market is different, but whether the time you plan to spend in the house warrants its purchase is possible to predict. In general terms, it takes four to seven years to break even on a home (i.e., where there has been enough appreciation to pay back the cost of the transaction and cost of ownership). If you're thinking about buying a home and selling it in two years, buying is very unlikely to be cheaper than renting.

Monthly Purchase Cost Now Exceeds Rent by More Than 50%

As of late 2023, the median monthly cost of owning a new home is 52% higher than the average rent payment, according to data from CBRE. The relentlessly high mortgage rates and home prices have many would-be buyers opting to rent instead.



Source: CBRE Research, CBRE Econometric Advisors, Freddie Mac, U.S. Census Bureau, Realtor.com®, FHFA, Q3 2023. - Created with [Datawrapper](#)

Do you think of or need your house as an investment in your retirement plan? Americans are used to their homes being a store for wealth to liquidate in retirement when downsizing their lifestyle. According to Jacob Passy, a recent study from the Federal Reserve Bank of New York examined consumer preferences toward being a homeowner and how their perceptions have changed over the course of the COVID-19 pandemic. Survey participants were asked to rate which was the better investment—a home or stocks. The results showed that over 90% of the respondents preferred owning their residence rather than investing in the stock market. Majority of the survey participants also favored the idea of being a landlord to buying stocks, with more than 50% of the participating households preferring to own a rental property.

ARE YOU FINANCIALLY READY?

Owning a home is a financial commitment that requires planning how home ownership fits into where your life is headed. Ask yourself what your budget is and if either buying or renting would require you to stretch your finances. Crunch all the numbers. A frequent mistake of first-time home buyers is comparing a month's rent to a month's mortgage payment. Many people don't have all the numbers. There are many additional fees necessary to include to make a fair comparison: principal interest, property taxes, property insurance, homeowners' association (HOA) fees, and ongoing maintenance. Check out our Free Mortgage Calculator "[Here](#)" for a more accurate estimate of home ownership.

Are you prepared for the down payment? This is the lump sum payment that funds your equity in the property (how much of the property you actually own). Down payments vary; 20% is preferred and gets the best rates. There are some loans that allow down payments as low as 3%. Sometimes relatives help with the down payment. If you have a choice, take a gift rather than a loan because lenders will add the loan debt to other monthly obligations and potential mortgage payments to determine your debt-to-income ratio, which generally can't top 43% to qualify for a home loan.

Can you afford the monthly mortgage and its components? Generally, a mortgage includes loan principal and interest (both amortized over the life of the loan) plus homeowner's insurance and property taxes (prorated). These items can affect the monthly loan-only payment by several hundred dollars.

ARE YOU EMOTIONALLY READY?

Can you handle the stress? A big factor to consider when buying a home is stress. The Holmes and Rahe Stress Scale, a landmark stress study, ranks many events that go along with buying a home in the top 43 most stressful circumstances in life. Four events are specifically home-related: change in financial state (No. 16), large mortgage or loan (No. 20), change in living conditions (No. 28), and change in residence (No. 32). If someone has recently made other life changes, such as marriage (No. 7), switching careers (No. 18), or having a child (No. 14), it might be wise to postpone buying a home. Stress overload can lead to missed payments, which can result in destroyed credit or even losing the home. It's better to rent if your life is in flux and then buy when your stress levels are lower.



Are you ready for commitment? Are you ready to make lots of decisions, from picking a real estate agent to picking paint colors? Are you confident enough to choose a neighborhood where you believe home values will continue to appreciate and that will serve your needs (i.e., proximity to schools, shopping, recreation, etc.)? Are you ready for devoting the time and attention to maintaining a home (i.e., leaf-raking, grass-cutting, appliance maintenance and repair, etc.)? Taking care of your biggest investment can be gratifying, but only if you're ready.

Advantages Of Buying Your Home

You build equity. Some of each monthly mortgage payment goes toward the loan's interest. Other portions may go to homeowner's insurance and county taxes. The remainder pays down the loan principal. Every dollar put toward your loan's principal represents a dollar of equity – actual ownership of the property. Further, the property should appreciate in value each year, further adding to equity (what the house could be sold for versus what is owed on it). Discounting certain blip periods, such as the 2006 housing bubble burst, home prices in the U.S. appreciate nationally at an average annual rate between 3% and 5%. Remember, though, home value appreciation in different metro areas can appreciate at markedly different rates than the national average.

Improvements increase your home's value. A homeowner can also increase a home's value through home improvements, thus both making your home more comfortable and enjoyable while growing its loan-to-value (LTV) ratio. For instance, adding a bathroom or finishing a basement substantially increases the property's functionality and appeal, while potentially boosting its value.



AS A VETERAN BE CAREFUL WHEN DOING A NO DOWN PAYMENT 100% LOAN TO VALUE VA LOAN.

A Substantial amount of veterans have negative equity due to declining home prices and are losing their homes to foreclosure due to increased insurance and taxes.

Just because You can get a VA Loan with No Money Down doesn't mean its a good Idea.

YOUR IN CONTROL

Control over housing expense. By selecting a fixed-rate 15-, 20-, 25-, or 30-year mortgage, the homeowner has assurance that housing costs won't increase over the period, and, in fact, will be eliminated at the end of the term (subject to refinancing).

Limiting Anticipated Increases. Be careful as your Homeowners Insurance and your Property Taxes can and likely will increase, however, increasing your total monthly obligation. To help reduce this, make sure to protest your property taxes every year & shop around every year for new Homeowners Insurance.

["Click Here"](#) to check out a step-by-step video on how to go about protesting your property taxes that can help you save \$1,000's per year. This includes filing your protest, getting a CMA, claiming deferred maintenance, scheduling your hearing, hearing tactics, and persuasion. Don't pay these other protest companies what you can do yourself in a matter of 5 minutes.

Tax advantages of homeownership are significant, both at the time of purchase and for the duration of time you own the home:

- Homestead exemption. Many states exempt owner-occupied homes (homesteads) from a portion of the property tax amount that would normally accrue. For instance, Texas just passed a new exempts the first \$100,000 of a home's value from property tax assessments, so a \$250,000 home in San Antonio is taxed as if it were worth \$150,000.
- Federal tax deductions. When you're looking to purchase a home, it's important to understand what can be deducted on your tax return and what can't. Property taxes and interest paid on your mortgage can be deducted if you itemize your federal income taxes, which can reduce your income tax burden. Many home buyers, unfortunately, overlook the effect of mortgage interest on their federal income tax payments. Mortgage interest can be a powerful financial planning tool. Calculate the amount of mortgage interest deductions you are eligible for, and include that in your annual financial planning. Then, make a point of checking Internal Revenue Service (IRS) Form 1098, which you'll receive from your lender at the end of the year. This form shows the amount of mortgage interest that you've paid. The Tax Cuts and Jobs Act (TCJA) applies from 2018 to 2025 and limits the aggregate deduction for state and local real estate property taxes; state and local personal property taxes; state, and local, and foreign income, war profits, and excess profits taxes; and general sales taxes (if elected) for any tax year, up to \$10,000 (\$5,000 for marrieds filing separately). This limit does not apply if those taxes are paid or accrued in carrying on a trade or business, or in an activity engaged in for the production of income. In other words, if you are just living in your home, you can only claim up to \$10,000 in tax deductions on your property, but if you are earning income directly from your home in some way, the limit might be waived.

MORTGAGE RATES

Interest rates rise and fall through the years. A few years ago, interest rates were low, and it was cheaper to obtain a mortgage. Since these rates have increased at the time of this writing, it's now harder and more expensive to own a house. However, once they do come down, depending on your circumstances it may be in your best interest to refinance and save a considerable amount.

OWNERSHIP RIGHTS AND CREATIVE FREEDOM

Your decorating and home-improvement choices are just that – yours, provided they don't break building codes or violate homeowners' association rules. You can paint walls any which way, add fixtures, update or finish your basement, or build a patio or deck. Changing your environment to suit whims is a freeing aspect of homeownership.

COMMUNITY PRIDE

A sense of belonging to the community. Homeowners tend to stay in homes for longer than renters and are more likely to grow roots. They might join a neighborhood association, volunteer at a nearby community center, join a school group, or align with a business improvement district. Renters might not do any of those things, particularly if they know their lease is up in a year and they might move. There's an intangible pleasant feeling attached to owning your own house – a sense of freedom, pride, and independence. The home you live in belongs to you, and you can do what you want with it. You aren't stressed about increases in rent or losing the lease. You're free to make improvements and changes. Also, owning your home gives your children the guarantee of attending the schools in the area on a more permanent basis; you never need to worry about a notice from the landlord to vacate your rented house or apartment for a variety of reasons over which you have no control.

Advantages of Renting

It seems a shorter list, but one man's pro is another man's con, and there certainly are advantages to renting to factor into your buy-or-rent decision.

No responsibility for maintenance. Admittedly, this is a big one. As a renter, you're not responsible for home maintenance or repair costs. If a toilet backs up, a pipe bursts, or an appliance stops working, you don't have to call an expensive repair person – you just call your landlord or superintendent. Renters in condos, townhouses, or apartments don't have lawn and grounds care obligations. However, you may run the risk that sometimes the landlord or superintendent may not get the repairs done as soon as you would be able to as if you owned your own home.



Relocating is easier. When renting, relocating for work is easier. Though a sudden move may require you to break your lease, you can partially offset the cost by subletting your apartment (if allowed) or talking with your landlord. On the other hand, selling a home takes time and effort. If you have a short timeline to sell your home, you may be forced to accept a lower price and lose some of your investment. ["Contact us"](#) for other ways you can get out of your lease at minimal or no cost to you.

No real estate market exposure. Home values fluctuate. If you're a renter, that's not your problem. If you're an owner trying to sell during a downturn – it is.

Disadvantages of Owning

Maintenance. The renter's largest advantage might just be the homeowner's major disadvantage. While insurance might be available to protect against expenses from major catastrophes, usual maintenance items are on the homeowners' dime. Maintenance and repair can be as simple as repainting the baseboards and can also be as extensive and expensive as replacing a HVAC system or sewer pipe. The expense will vary from year-to-year; however, you can expect to pay about 1% of the value of your home annually toward these expenses. If you live in a \$200,000 home for 10 years, that's \$20,000 over the period, and perhaps more if you must replace a costly, long-lived mechanical item, such as a furnace. Keep in mind the usual homeowner's chores of lawn care, snow removal, gutter cleaning, and other regular home maintenance needs.

Upfront and closing costs. Buying a home entails numerous upfront costs. Some are paid out-of-pocket after the seller accepts your purchase offer, while others are paid at closing. These include earnest money, down payment (typically ranging from 3.5% for FHA [Federal Housing Administration] loans to more than 20% of the purchase price), home appraisal, home inspection, property taxes, and first year's homeowner's insurance.



Loss of relocation flexibility. It's much easier to break a lease and move out of town than to arrange for the sale of a residence. Selling the home from out of town involves special logistics and financial matters, such as dealing with the mortgage while the home is on the market.

Financial loss potential. Homeownership builds equity over time; however, equity doesn't equate to profit. If home values in your area go down or remain stagnant during your time as a homeowner, the appraised value of your home could decrease, putting you at risk of a financial loss when you sell.

Disadvantages Of Renting

No equity building. The monthly rent you pay goes to the landlord. It represents the fee you pay for using the property. You gain no ownership in the property, no matter how long you live there.



No tax benefits. While homeowners can deduct property taxes and mortgage interest on their tax returns, renters aren't eligible for housing-related federal tax credits or deductions.

Home improvements go to the landlord. Any structural and decorative home improvements that renters make belong to the building owner and will have to stay behind when you move to a different place. Additionally, approval for desired major redecoration will be necessary.

After all is said and done, the decision to buy or rent depends on the prospective home buyer's circumstances. There's no denying, though, that a home of your own is a good financial and a great emotional investment. An investment in a home can also mean an investment in your future.

There is much to consider when you want to buy a home. Switching from renting to homeownership is highly challenging, but an exciting and amazing decision to make.

CHAPTER 3

BUYERS' NEEDS AND DESIRES

After you've decided to buy a home, what sort of home it will be is your next decision point. It's a better approach to have a concrete vision in mind of what type, features, and amenities you want in your home, rather than a "shotgun look" at every listing that's out there in your price range.

Imagine your dream house. It fulfills both your needs and desires. It fits the need for a good roof over your head, a sturdy structure, modern fixtures and appliances, living space (i.e., bedrooms, living room), and functional rooms (i.e., kitchen, bathroom[s]).

Your needs fulfilled, you turn to your desires. Perhaps you envision a home on the beach or in the woods, a gourmet kitchen, a wood-paneled den, a crystal chandelier over a banquet table in the manor-sized dining room or an Olympic-sized swimming pool with a hot tub and sauna. Your priority in any home purchase should be ensuring all of your needs are met. Sometimes, you won't find everything you desire in a home and if you do, you may not be able to afford it. It's important to prioritize the things you want in a home by how important they are in your search.

Decide your needs vs your desires.

- Would you like a swimming pool? Enough that a home without one will not be looked at?
- In what areas or neighborhoods might the home be located? Where do you want to live? Where might you have to live for work commute or home price reasons?
- What features would make it special?
- What can you afford and what is out of your budget?

Budget usually constrains us most in selecting a home. While some things are necessary for any home (as mentioned, a good roof and working appliances), others will just stay on the list of desires for now (like the sauna).

The Bare Essentials

After location needs and desires are compiled, housing factors can be considered. Needs include having all essential house structures and systems in good working order. Accepting a house with need for a new roof because the owner is willing to knock \$7,000 off the listing price – but it will cost \$10,000 to replace the roof in two years – is not a sensible deal.

Needs might include a minimum number of bedrooms and bathrooms, no steps, a fenced yard, perhaps a first-floor laundry facility, and any feature the prospective buyers have decided they cannot accept a home without. Desires are features that make the home more attractive or enjoyable – an upgraded kitchen, walk-in closets, and a master bedroom suite. Of course, one buyer's need is another buyer's desire. The point is to know your own needs and desires so you can easily assess potential properties and make the process smoother.

Regardless, buying a house is not a simple process. Much of the planning you can do well before contacting a real estate agent or looking at homes. Work the costs as well as your budget. Choose a general location, or you can employ our help in creating an action plan, outlining and guiding you through every step. Don't contact lenders until you are ready to buy within 2 months. Many mortgage rate locks are only good for 90-120 days before having to pay additionally for extensions.

Having the image of your dream home is reality married with imagination. In fact, you may find that some aspects of the house you intend to buy are different. It's not the same as what your dreams told you. Different people have different requirements. It depends on your thought processes, as well as your personality.

We understand important things and potential compromises differently. Needs are basic requirements that just can't be ignored or compromised. Desires, on the other hand, can be left behind if the situation demands it. You need to make a clear distinction between what your needs are and which items you would classify as desires.

No matter how many desires you have unfulfilled now, they can be worked on later. A pool can be added and paint colors can always be changed.

Making A List: Checking It Twice

Check out our [“Needs vs Desires Worksheet”](#) to clearly put your thoughts on paper. You may have an impression of what you want in your new home. Putting that to paper and having a complete checklist can prove useful.

Before starting your hunt for a new home, it’s advisable to make a list of all your basic needs and desires, then prioritize the desires, figuring that all needs must be met in any house under consideration. This will make the search easier and help weed out the ones that don’t meet the basics. Realize, however, that it’s nearly impossible to find a home that meets all requirements. Compromises will be necessary.



It’s a good idea to work from outside-the-house factors to inside-the-house. For example, location is perhaps the primary concern and both “needs” factors and “desires” factors might be involved. A “need” would be “must be within 25 miles of work.” A desire might be, “would like Westwood” (a favored neighborhood), while a need might be “on the west side of the city” (because work, family, friends, and recreation activities are all located there).

Location needs may include proximity to schools, work, frequently used recreation facilities, or mode of transportation (bus or suburban rail access). Whether an item is a need or a desire depends on circumstance. Closeness to family might be a need for a couple with young children or elderly parents to care for – or a desire if those factors aren’t involved. It’s items like these that make a checklist most helpful.

Plan For Your Pets

Consider your pets in your home shopping. Home buyers who are pet owners have specific requirements – they must provide for their pets. A third of millennial-aged Americans (ages 18 to 36) who purchased their first home (33%) say the desire to have a better space or yard for a dog influenced their decision to purchase the home, according to a survey conducted online by Harris Poll, on behalf of SunTrust Mortgage. Dogs ranked among the top three motivators for first-time home purchasers and were cited by more millennials than marriage/upcoming marriage, 25%, or the birth/expected birth of a child, 19%.

It's essential that the neighborhood in which you're going to buy a house has no restrictions on pets – or livestock if that's something you desire. Do you raise American Staffordshire Terriers, also known as pit bulls? Some neighborhoods ban this breed as well as others. What about goats? Vietnamese pigs? Have you always wanted fresh eggs from your own chickens? Include your animals in location planning.

Some pet owners choose wood or other hard flooring, not wanting to risk pet damage or odors.

An appropriate-sized fenced backyard is on the “needs” list for many pet-owning house buyers. Consider the arrangement of rooms and the structure of the house to ensure it's suitable for your pets, too. Traffic in the area could be another checklist item.

Pet services, such as veterinary, grooming, and exercising, should be conveniently nearby.

Location, Location, Location

You must make sure to limit your search to a neighborhood that offers the closest possible match to the kind of lifestyle that you like and want to live. In addition, based on the 2021 NAR Generational Trends Report, 62% of homebuyers ages 22-95 years old prioritized the quality of the neighborhood as a reason for purchasing a house and the primary reason for neighborhood choice.

Location is so important that people are willing to give up “must-have” features to buy into their desired neighborhood – 72% would forget about a pool, 55% would lose a finished basement, and 33% would accept less square footage.

What matters is living in a safe place with good schools. According to Trulia, 69% would drive through the neighborhood during different times of day to determine if the neighborhood was the right fit.

You can't go shopping for a home without choosing a location where you'd like to live. Probably the most significant decision when buying a home is where it is.

Location influences your everyday life. Your property does not exist in a bubble; it's part of a bigger community. It's important to find a neighborhood or area that suits your needs. Do you want the peace of secluded woods or the energy of a bustling city center?

Do research before starting your search. Drive through the area and see if all the stores, activities, and features you want are there. Eat at local restaurants and walk through a nearby park. As price is mainly based on location and condition of the property, when someone starts looking for their house, it's important to consider the location and how far it is from schools, shopping areas, and other facilities. Home means comfort, and comfort can't come if the location isn't suitable.



CHAPTER 4

REAL ESTATE HORROR STORIES TO LEARN FROM

You've seen frightening stories like this on TV. Perhaps you've heard about them from neighbors or co-workers, but you still haven't witnessed anything like them yourself. Be warned. The first time is one time too many.

Now that you're in the market for your first home, or maybe a second or third, congratulations! Buying a new home is one of the biggest achievements for many people. Unfortunately, home buyers – especially first-time buyers – can be the victims of real estate horror stories. Absolute horror, from the buyer's perspective. Here are a few examples.

JOANN

JoAnn was excited about making her first home purchase. Being in the Washington, D.C., area, she was limited with pricing options, with many of the lower-cost homes around \$250,000. She went to several banks and got preapproved for different amounts at various lower interest rates. She found her dream condo, and, after some deliberating, she decided to go with the lowest rate of 4% offered by her lender. She completed her paperwork and submitted it with her 10% deposit. The rate wasn't her only deciding factor. The staff had been friendly and great at communication, making her feel very comfortable about the process.

Until now, suddenly, it seemed as though all of the bank's cooperation dropped off the map. A closing process that should have taken 30 days or less turned into several months of waiting and a larger deposit of an additional \$20,000. They ran her in circles, until the seller told her, through the real estate agent, that the deal was over if she didn't find another solution. Luckily, the seller's real estate agent referred her to another lender and was able to help her to obtain another loan (although at higher interest) much more quickly. It turned out the first lender was a scammer.

RON AND JENNA

In another case, Ron and Jenna were planning on upgrading to a new home. After a long search, they found it – or so they thought. A bright and colorful kitchen, open living and dining areas, three bathrooms, high ceilings, a fireplace, and even a covered porch made the home seem perfect. They were especially thrilled that the price was only \$235,000. That was a steal. They signed the contract and were in the house a little more than a month later. Less than six months later, the horror story began to unfold. Jenna was cleaning one of the bathrooms when she noticed tiny little ants with wings. Following Ron's advice, she called the exterminator. When he arrived, he delivered the first blow – these winged ants were termites. The exterminator went under the house to assess the damage. He found that not only was the floor under the bathroom completely infested, but also the other two bathrooms and the infestation was spreading to more of the house.

The grand total to repair this problem came to over \$12,000! That's an unbelievable amount of money to unexpectedly invest in a house you've only lived in for less than six months. The key lesson here is to really know the house that you're buying. You should always hire an exterminator on your own to investigate the house, particularly for termites. If you're going to make such a huge investment in a new home, the small price of precaution is worth it.

SUE AND HER FIANCE

The stories continue endlessly. I recently met a lady at a café with an incredible first-time buyer story. I happened to overhear her conversation, so I decided to step in and ask about it. Sue and her fiancé were searching for their first home with the intention of buying one before their wedding. They had been told about a great real estate agent in the city where they wanted to call home, and so they looked him up to ask his help in finding the right home.

The problem was that the only praise they heard about him was from clients who had hired him to sell homes, not from home buyers. The agent met up with Sue and her fiancé to go over different homes he had on his list, and then it was time to take a trip around town to see them. There was one home that he talked profusely about, and so they went in person to take a look. Sue and her fiancé knew what good quality was, and so they were able to see right away that there were problems. The basement doorway was weak. The upstairs bathroom floor bounced, and the light switches in the hallway seemed to pop and flicker. Although very nicely painted, this house didn't fool them. When confronted with these concerns, the agent replied that they could always fix those problems later. Although their gut told them not to move forward with making a purchase, they agreed to a \$10,000 price reduction and took the house.

Big mistake! The problems they had noticed went much deeper. The weak basement doorway translated into unfortified walls leading downstairs. The bouncy bathroom floor had been wet under the linoleum and about three inches up two of the walls. The flickering light switches were warning them of the outdated wiring which had to be replaced. In the end, their \$10,000 savings only helped to give them a bit of consolation when they paid \$27,000 for all of the remodeling!

BEN & AMBER

The five-bedroom house sat on pastoral acreage in the American countryside. At less than \$180,000, it seemed a steal. But it wasn't a bargain. Ben and Amber soon realized the dream home they had purchased for their growing family was infested with hundreds of garter snakes.

Throng of reptiles crawled beneath the outer walls. At night, the young couple said they would lie awake and listen to slithering inside the walls. It was like living in a horror movie. The home was most likely built on a winter snake den, or hibernaculum, where the reptiles gather in large numbers to hibernate. In the spring and summer, the snakes fan out across southeast Idaho, but as the days get shorter and cooler, they return to the den. At the height of the infestation, the home buyer said he killed 42 snakes in one day before he decided he couldn't do it anymore. He waged war against the snakes and "they won." Buyers had little recourse when they decided to flee the home. They had signed a document, noting the snake infestation. They said they had been assured by their agent that the snakes were just a story "invented" by the previous owners to leave their mortgage behind.

The buyers filed for bankruptcy and the house was repossessed. They left the home the day after their daughter was born, just three months after moving in. The house briefly went back on the market. Now owned by the bank, it was listed at \$114,900 a year later. The property has since been taken off the market, while the bank decides what to do with it.

The moral of the story is to have a good inspection. These buyers were attracted by a price. They didn't have a proper inspection of the home before purchasing. It seems the real issue was the agent who cared more about selling the home than his clients.

BE CAREFUL. BE SMART

These horror stories are real and happen every day. Do your homework before signing paperwork or jumping into a new home. Too many people spend more time shopping for a car than they do on a home — a much larger and more permanent investment.

Give yourself time to educate yourself and put yourself in the best position. I hope that this will help you move forward in the right direction.

CHAPTER 5

PROPER PLANNING PRODUCES POSITIVE PAYOFFS

People have been known to spend months looking for the best possible home and eventually find a good one, just to realize they don't have the credit to buy, or are getting raked over the coals with super high interest rates or ridiculous terms.

As a Veteran, you have a leg up, as the VA does not require a minimum credit score, the lender may but the VA does not. However, your interest rate is determined by your credit score. So unless your credit is over 800, taking the time to get it higher than what it is right now will pay off handsomely in the future.

Increasing your credit score, budgeting and saving for your closing costs, and lowering your DTI (Debt-to-Income) ratio before applying for a mortgage can have significant benefits. A higher credit score not only improves your chances of getting approved for a mortgage but also allows you to access better interest rates and terms. Lenders use credit scores to assess your creditworthiness, and a higher score indicates a lower risk for them, leading to more favorable loan terms for you.

Mortgage tiers typically categorize borrowers into different risk levels based on their credit scores, Debt-to-Income Ratios, Down Payment, and more. Prime borrowers (typically someone with a 720 + Credit Score) and a reasonable DTI ratio usually qualify for the best rates and terms, while subprime borrowers (anything below 720) may face higher interest rates and stricter requirements. This doesn't mean that your rate would be the same regardless if your credit was a 715 or a 620 as there are incremental adjustments based on numerous factors.

For example, let's consider a \$300,000 home loan with a 30-year term. At a 5.5% interest rate, the monthly payment would be around \$1,703 Principal and Interest. With a 6% interest rate, the monthly payment would increase to approximately \$1,799. Over the life of the loan, the difference between these rates amounts to over \$30,000 in savings in favor of the borrower with the lower interest rate.

Sometimes just a simple increase of 10-20 points on your credit could save you 10's of thousands of dollars in interest over the life of the loan. Not many people have the capability to buy a house for cash; most people will require a mortgage. This is why planning is so Important. So let's get started!

Correcting Your Credit

The first task you should work on well before you begin looking for a house or mortgage is reviewing and organizing your credit. The purpose of getting the credit report is not just to give you a chance to get the best bargaining terms but to help you know where you stand.

When applying for a mortgage the lender (with few exceptions) will take an average of your 2 lowest scores from the 3 major credit reporting agencies, Equifax, Transunion, and Experian. For a General Idea of your score, you can use one of the many free services out there like CreditKarma, just understand that they will not be accurate and can fluctuate 40-50 points compared to your mortgage credit score. You can also get your free credit report once a year from all 3 of the agencies from AnnualCreditReport.com. They will not give a score, but you can review any blemishes you may have. Reviewing and discussing this with your agent, a certified credit counselor or a credit repair company will help you to maximize your score before applying for a home mortgage.

Your Realty Group typically recommends pulling your credit 6 months to a year in advance. It's important to ensure your credit is in order, even if you have no blemishes, you still may be able to work on improving your score to get the best rates and terms possible. Making a mistake at this juncture can take months to correct, cost you 10's of Thousands of dollars over the course of a loan, or worse, may end up sinking your chances of owning a home entirely.

If you find yourself in a situation where There are lots of derogatory things on your credit, it might be a good idea to use a credit repair company. Search for a reputable credit repair company because there are credit repair companies that are either not good enough or charge too much. A reputable company will help you repair your credit, assist in correcting any mistakes that might be in the credit report, and guarantee their work. Ask your agent for a referral as they likely have connections to reputable credit repair companies.

How Much Home Can You Afford?

Several factors go into figuring out how much home someone can afford.

- **Income:** Is the first factor in determining home affordability is the individual or household's income. Lenders typically use a debt-to-income ratio (DTI) to assess how much of your income goes towards paying debts. A lower DTI ratio, which is the percentage of your monthly income that goes towards debt payments, indicates a higher affordability as lenders prefer borrowers with a lower DTI.
- **Expenses and Debt Obligations:** Alongside income, lenders also consider your existing expenses and debt obligations. These include monthly bills, loan payments (like car loans or student loans), credit card payments, and any other recurring financial commitments. Lower expenses and debt obligations leave more room in your budget for mortgage payments, increasing your affordability. For a VA Loan, the DTI ceiling is Typically 41%
- **Credit Score:** Your credit score plays a crucial role in determining the interest rate you qualify for on a mortgage. A higher credit score typically results in a lower interest rate, which can significantly impact how much home you can afford. Maintaining a good credit score by making timely payments and managing credit responsibly can improve your affordability by lowering your borrowing costs.
- **Down Payment:** The size of your down payment also affects how much home you can afford. A larger down payment reduces the loan amount, lowers monthly mortgage payments, and can even help you qualify for a lower interest rate. Saving for a substantial down payment can increase your purchasing power and improve your affordability.
- **Interest Rates:** Mortgage interest rates can vary based on market conditions, your credit score, and the type of loan you choose. Even a small difference in interest rates can have a significant impact on your monthly mortgage payments and overall affordability. Monitoring interest rate trends and locking in a favorable rate can help you afford more home within your budget.

You can plug all of your numbers into Your Realty Group's "[Affordability Calculator](#)" which will help you determine how much home you can afford.

Then check out our "[Mortgage Calculator](#)" to see what your monthly payments would be for a home you want to afford.

Don't Forget: Property Taxes, Insurance, & HOA

As a soon-to-be new homeowner, it would be wise to remember that monthly mortgage payments aren't the only expenses that you'll be paying. You will be paying property taxes, homeowner's insurance, and regular maintenance costs. Therefore, you should ensure you have budgeted for all these issues.

Once you own a house, you're a property owner, with the attendant obligation to pay property taxes and insurance. When buying a house, your lender will calculate the total amount of real estate taxes you owe as well as your homeowner's insurance and escrow that amount to be paid when it comes due, adding it to the monthly mortgage payment. This is why even though you may have a fixed-rate mortgage your monthly payments may increase substantially if you are not taking actions to reduce them.

Shop around annually for better homeowners Insurance premiums, and protest your property taxes annually. Check out our detailed step-by-step video on ["How to Protest Your Property Taxes"](#)

HOA HURDLES

At Closing when going over the settlement statement, if the home you are purchasing is within an HOA they will typically take out 2 months + of prorated HOA Dues. However, it is confusing because after this you are responsible for maintaining your HOA Payments and it is not put in escrow and added to your mortgage payment like one would believe. You are also responsible for maintaining and updating your contact information with the HOA.

Understand that once you have the house, it will become the focal point in your life. That means when you purchase that house, you'll be investing in the upkeep of your home and the surrounding community, as well. Regular maintenance Upkeep includes mowing the lawn, weed treatment and watering, trimming trees, and annual pest control, just to name a few. You'll be commuting to work from that house; your kids will be going to school in that community and any other activities that your family will be involved in will revolve around that community. All these considerations should be factored in when figuring out your budget.

Find Your Funding: Shopping For A Home Loan

Shopping for the best loan on your own can be a daunting experience, and it might be a difficult task to accomplish by yourself. To overcome that hurdle, it's recommended that you hire a mortgage professional for many of the same reasons you should engage a real estate professional. To find the best mortgage professional to guide you through the process of buying a home, seek advice from real estate agents, colleagues, or friends. If possible, you should engage the professional before you even start searching for the house.

Banks are generally known for having the fewest mortgage options because their products are tailor-made to suit the bank's interests. However, they can also be more flexible, as they are the ones lending the money. If the buyer owns other substantial assets, making a deal with a bank will not be a complicated process.

Mortgage Brokers are known to offer the largest amount of options. Working independently and with several financial outlets, brokers can find the best loan for the buyer from different lenders.



Research has shown that most people spend more time shopping for cars than they spend thinking about mortgages. As a result, many people seeking to buy homes end up paying more in closing costs, or a higher interest rate than they might have because they didn't bother doing enough research or they didn't adequately shop the mortgage market. The real estate mortgage interest rates can move up and down quickly, due to various financial and market factors. The ever-changing rates can confuse almost anyone, and timing is important. For instance, one day, the rate might be 5% and the following day it could rise to 6%.

After your credit is in order, and your downpayment saved up, it's time to go shopping for the best loan possible. There are different types of loans out there, and it's best to discuss what may work best for you with your agent or a mortgage broker.

You have 45 Days from the day the first Hard Inquiry credit check was pulled to shop as many different mortgage lenders as possible with it only affecting your credit the initial time. This way, you'll have better chances of securing a mortgage that won't be a burden in the future. It also means you'll have an opportunity to compare many different lenders to save some money at the end of each month.

Here is a comparison of the most common types of loans:

- **VA Loans (Department of Veterans Affairs):** VA loans are available to eligible veterans, active-duty service members, and certain military spouses. These loans are guaranteed by the Department of Veterans Affairs and offer benefits such as no down payment requirement, competitive interest rates, and no private mortgage insurance (PMI) requirement. VA loans are designed to make homeownership more accessible for veterans and military personnel, providing financial assistance and favorable terms.
* Special Note* No down payment does not mean no closing costs.
- **FHA Loans (Federal Housing Administration):** FHA loans are insured by the Federal Housing Administration and are designed to help first-time homebuyers and those with less-than-perfect credit. They typically require a lower down payment (as low as 3.5% of the purchase price) and have more lenient credit score requirements compared to conventional loans. FHA loans also allow for higher debt-to-income ratios, making them accessible to a broader range of borrowers. However, most of the time they require PMI (Private Mortgage Insurance) throughout the life of the loan, which can increase the overall cost.
- **Conventional Loans:** Conventional loans are not insured or guaranteed by the government. They are offered by private lenders and follow guidelines set by Fannie Mae and Freddie Mac. Conventional loans usually require a higher credit score (typically 620 or higher) and a down payment of at least 3% to 20% of the home's purchase price. Borrowers with good credit and a stable income often opt for conventional loans because they can offer competitive interest rates and more flexibility in terms of loan terms and mortgage insurance requirements.
- **USDA Loans (United States Department of Agriculture):** USDA loans are backed by the U.S. Department of Agriculture and are designed to help low-to-moderate-income borrowers in rural and suburban areas purchase homes. These loans offer 100% financing, meaning no down payment is required, and they often come with competitive interest rates. Borrowers must meet income eligibility requirements and the property must be located in a designated USDA rural area to qualify for a USDA loan. These loans are a great option for eligible borrowers looking to buy a home in rural communities without a large upfront down payment.

As you can see, getting a loan to purchase a home can be a tricky business, and there are terms one might find hard to understand – e.g., the term “mortgage points,” which refers to the interest that’s been prepaid. It’s possible to lower your mortgage loan’s interest rate by “buying points.” Mortgage points, or discount points, are fees paid directly to the lender at closing in exchange for a reduced interest rate. This is also called “buying down the rate,” and will decrease your monthly mortgage payments.

PONDERING POINTS

One point costs 1% of your mortgage amount (or \$1,000 for every \$100,000). Essentially, you pay some interest upfront in exchange for a lower interest rate over the life of your loan. In general, the longer you plan to own the home, the more points help you save on interest over the life of the loan. Buying the points can help you down the line by guaranteeing that you save money, especially if you plan to stay in the house for an extended period. However, the amount of cash you’ll save by buying the points depends on the number of points you buy. For instance, if your mortgage is \$200,000 and you buy two points, you will owe \$4,000 when closing.

Another alternative to buying points is to refinance when rates have lowered to a financially acceptable level for you. Both options have Pros and Cons.

TRANSLATING THE TERMS

The first step in reviewing different mortgages is comparing different interest rates. It’s easy to get quotes from companies since most of these companies offer these services online. However, you, as the buyer, should be careful to not just compare interest rates. The best option is to compare the interest rates, as well as all the fees, including origination fees, points, and any other fees that the lender might include in the deal.

If you’re going to buy a home and your down payment is less than 20%, you’re likely going to need private mortgage insurance. That can add about \$100 per month for a home valued at \$100,000. Some Banks, lenders, and mortgage brokers have special programs to avoid this PMI so don’t be afraid to ask.

Any loan regarded as a no-fee loan means that all the fees have been included in the rates and as the buyer, you should make a point of noting that. You have the responsibility of ensuring you understand every aspect of the mortgage deal. Therefore, it’s upon the buyer to interview the person handling the loan.

Example Loan Estimate Sheet

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 2/15/2013
APPLICANTS Michael Jones and Mary Stone
 123 Anywhere Street
 Anytown, ST 12345
PROPERTY 456 Somewhere Avenue
 Anytown, ST 12345
SALE PRICE \$180,000

1 **LOAN TERM** 30 years
PURPOSE Purchase
PRODUCT Fixed Rate
LOAN TYPE Conventional FHA VA _____
LOAN ID # 123456789
RATE LOCK NO YES, until 4/16/2013 at 5:00 p.m. EDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES	• As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$206 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i>
		In escrow? YES YES

Costs at Closing	
Estimated Closing Costs	\$8,054 Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. See page 2 for details. This would also include any points
Estimated Cash to Close	\$16,054 Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

CHAPTER 6

VA LOANS

As a veteran, you have special benefits when it comes to buying a home, whether it's your first time as a homeowner or you are sizing up to meet the needs of your growing family or sizing down as an empty nester.

Veterans like yourself have access to resources offered by the U.S. Department of Veterans Affairs, including VA home loans and VA-backed home loans which can be used to help you buy, build, or even improve or refinance a home.

WHAT IS A VA LOAN

A VA home loan is a mortgage issued by a traditional private lender, but partially guaranteed by the U.S. Department of Veterans Affairs.

VA loans are not funded by the VA itself. They are not direct loans from the government to you, the veteran. VA loans are offered by U.S. banks, credit unions, and mortgage lenders to veterans and eligible surviving spouses. The VA also does not set mortgage rates for VA loans. Those rates are set by each individual lender but are typically lower than conventional mortgage rates by 25 basis points (.25%). Since the rates vary, you can shop around and choose the lender with the rates and terms that are best for you.

Applying for a VA-backed mortgage is much like applying for any other home loan in that you will still need to provide proof of income and meet any debt-to-income guidelines or credit score required by the lender.

But because VA loans are backed by the U.S. government, they are not as risky for lenders. The VA guarantees lenders that if a veteran defaults on a loan over \$144,000, the VA will pay the lender up to 25% of the loan amount.

Since the loan is partially guaranteed by the U.S. government, the standards veterans need to meet are not as strict as those applying for a conventional mortgage. Because the loan is guaranteed to be repaid, lenders often offer VA loan rates that are lower than conventional loan rates.

Advantages Of VA Loans

One big advantage to a VA loan is that it can make homeownership possible for veterans who haven't saved up a hefty downpayment.

No Down Payment

Most home loan programs require a down payment of 5, 10 or 20% of the purchase price, to be paid upfront in cash. With a VA loan, you can finance 100 percent of the purchase price, Plus potentially wrap your closing cost into the loan, meaning a VA loan is a real no-money-down opportunity to buy a home.

Just because You can get a VA Loan with No Money Down doesn't mean its a good Idea. That can be appealing for younger veterans and first-time homebuyers because it can mean the difference between owning a home and building equity, or renting.

- ***Special Note: Again I'll repeat what I said earlier, As A Veteran just be careful when going with a No Down payment 100% Loan to Value VA Loan. A substantial amount of veterans are losing their homes to foreclosure due to having negative equity from declining home prices and bundled-in closing costs coupled with increased insurance and taxes.***

Lower closing costs

The VA also limits the amount lenders can charge in closing costs to VA loan applicants. This can make a VA loan more affordable than other types of loans. Saving thousands in closing costs means you can use that money you would have spent on closing costs to move in, make improvements, or buy furniture for your new home.

Easier to qualify

Since VA loans are backed by the U.S. government, the requirements tend to be more flexible, making it easier for veterans to qualify.

Lower insurance

You'll save on insurance as well, as VA loans don't require private mortgage insurance (PMI), which most lenders require when you make a downpayment of less than 20% of the purchase price. This insurance protects the lender if you default on your loan. Not having to pay PMI can save you hundreds of dollars each month.

No prepayment penalty

With a VA loan, you won't have any prepayment penalties or early exit fees, no matter when you decide to sell your home. That means you can sell your home at any time during your loan term without worrying about penalties or fees.

Assumable and refinable

Most VA loans are "assumable," which means they can be transferred to another VA-eligible home buyer. This can be a benefit when the veteran goes to sell their home – especially if interest rates are going up. You can also refinance an existing VA loan into another VA loan using the VA's Interest Rate Reduction Refinance Loan (IRRRL) program, or switch to a non-VA loan at any time.

Is A VA Loan My Best Option?

One thing you do have to be aware of is a VA loan may not always be the cheapest option. VA loans do have upfront funding fees that can run from 2.3% to 3.6% of the purchase price of the home. The amount of the funding fee will depend on your loan amount, type of eligible service, any down payment amount, and other factors. Overall, the funding fee can end up costing you double the price of traditional closing costs.

You can pay the funding fee upfront in cash, like you would with closing costs, or you can roll it into the loan, meaning you would actually be financing more than 100% of the purchase price of your home and you would be paying interest on that fee.

Some veterans may qualify for a funding fee waiver. Veterans who received a Purple Heart or who receive VA disability compensation, and surviving spouses of veterans who died in service or of a service-connected disability and who have not remarried are all eligible for funding fee waivers.

The VA also allows for origination fees of up to 1%, and some lenders may charge an additional 1% or more in discount points – points you pay to get a lower interest rate – on top of that. But both fees are optional and won't be charged by every lender, so be sure to shop around for the lowest interest rate and best terms.

Also keep in mind, if you live in a state with community property laws, having a spouse with less-than-perfect credit or who owes alimony, child support, or other financial obligations can make getting approved for a VA loan more challenging. Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin are all such states.

A VA loan can only be used to buy a primary residence, since the purpose of VA financing is to help veterans and service members buy and live in their own homes. But that home can be a multi-family unit (up to four) if the veteran plans to live in one of the units. That can be a boon to veterans who want to earn income from their property to help them build equity and pay off their mortgage. But being a landlord comes with risks as well, so be sure you can afford your mortgage if you can't rent all your units. VA loans cannot be used to buy multiple residences to build real estate portfolios.

Who Is Eligible For A VA Loan?

VA loans are not only available to veterans, but also to other classes of military members and surviving spouses.

The list of eligible borrowers for a VA loan includes:

- Active-duty service members
- Members of the National Guard
- Reservists
- Surviving spouses of veterans
- Cadets at the U.S. Military, Air Force or Coast Guard Academy
- Midshipmen at the U.S. Naval Academy
- Officers at the National Oceanic & Atmospheric Administration.

A minimum term of service is typically required.

Those terms are:

- Served 181 days of active duty during peacetime
- Served 90 days of active duty during wartime
- Served six years in the Reserves or National Guard

A veteran's eligibility for the VA home loan program never expires.

Surviving Spouses requirements

If a service member passes away before he or she uses the benefit of a VA loan, eligibility passes to their surviving spouse if they have not remarried and meet the following requirements:

- Service member died in the line of duty
- Service member died as a result of a service-connected disability
- Service member has been missing in action, or a prisoner of war, for at least 90 days
- Service member was a totally disabled veteran for at least 10 years prior to death, and died from any cause

Surviving spouse remarried after the age of 57, on or after December 16, 2003.

Types Of VA Loans

There are several types of VA home loans available to veterans, including a VA direct loan and three VA-backed loans.

VA Direct Home Loan

A VA direct home loan is when The U.S. Department of Veterans Affairs serves as your mortgage lender. This is the only VA loan that does not involve a third-party lender like a bank, credit union or private mortgage lender. With a VA direct loan, the VA loans the money directly to the veteran. The full and formal name of the program is the Native American Direct Loan (NADL) program, and it is only available to Native American veterans and their Native American spouses. It can only be used to buy, build, or improve a home on federal trust land or a reservation. These loans often have better terms than a home loan from a private lender and have all the benefits of VA-backed loans, like no-money-down, no PMI, no early pay-off penalties, low funding fees and waivers for qualified VA-related disabled veterans. They do require minimum service requirements, and borrowers must qualify and be able to afford the mortgage. Plus, the home must be used as the veteran's primary residence.

VA-backed Home Loan

A VA-backed home loan means the U.S. Department of Veterans Affairs guarantees – or stands behind – a portion of the loan a veteran gets from a private lender. This means if the veteran defaults on the loan and the home goes into foreclosure, the lender will recover some or all of their losses. Since these loans are less risky for the lender, they are more likely to loan the money and give those borrowers more favorable terms. Lenders follow VA guidelines when making VA-backed home loans, but may also require borrowers to meet additional standards like having a high enough credit score or getting an updated home appraisal.

There are three types of VA-backed home loans available to eligible veterans.

- **Purchase loans** - A purchase loan can be used by a veteran to buy or build a new home, buy a manufactured home or lot, a condo in a VA-approved project, a home with up to four units if the veteran plans to live in one, or even improve a home by adding new features like solar power to make the home more energy efficient.
- **Interest Rate Reduction Refinance Loan (IRRRL)** - An IRRRL is available to veterans who have an existing VA-backed home loan that they want to refinance under better terms to reduce monthly payments or make them more stable by switching from a variable or adjustable interest rate to a fixed one. Also known as a VA streamline refinance, these typically require less paperwork than a traditional refinance, and don't require a new home appraisal. These loans do require a one-time .5% funding fee plus any closing costs the lender requires, so be sure it makes financial sense to refinance your existing VA loan.
- **Cash-out refinance loan** - A Cash-out refinance loan allows a veteran to replace their existing home loan with a new one with different terms, take cash out of their home equity, or refinance a non-VA loan and replace it with a VA-backed loan. Like all other VA home loans, the home must be the primary residence of the veteran.

How To Buy A Home With A VA-Backed Loan

To buy a home with a VA-backed home loan, first you will need to apply for a Certificate of Eligibility (COE). This tells private lenders that you have VA home loan eligibility and entitlement. This is the first step in getting a VA-backed loan or Native American Direct Loan.

You will need to provide documentation of your service. For veterans and current or former National Guard or Reserve members, you will need a copy of your discharge papers, known as your DD214 for activated members, or, for those who were not activated, a copy of their latest annual retirement points and proof of their honorable service.

Active-duty service members and activated National Guard or Reserve Members will need to provide a statement of service signed by their commander with their full name, social security number, date of birth, date they entered duty, duration of any lost time, and the name of the commander providing the information.

Surviving spouses will need to provide their veteran's DD214, and if they are receiving Dependency & Indemnity Compensation (DIC), they will need to fill out VA form 26-1817, Request for Determination of Loan Guaranty Eligibility—Unmarried Surviving Spouses. If they are not receiving DIC, they will need to apply and provide a copy of their marriage license and the veteran's death certificate.

Once you have all your documents, you can apply for your Certificate of Eligibility either online on the VA website, or request an application by mail from the VA. In some instances, veterans can get their COE through their lender by using the VA's Web LGY system.

Once you have your COE, you will need to look over your finances and monthly budget to determine how much you can afford to spend. Then, you will want to shop for a lender. Be sure to look for one that is familiar with and has made VA-backed loans. You may want to get pre-qualified with the lender before you begin shopping for your new home. Then, choose your real estate agent, and begin shopping for your new home.

Once you find the home you want to buy, you will need to have a VA-approved appraiser appraise the home to make sure it meets property condition requirements and determine the appraised value of the home. This will help determine how much you can borrow to purchase the home. An appraisal is not the same as an inspection and although an inspection may not be required, it is always a good idea to have one to make sure there are no major defects or safety hazards in hiding.

The lender will still need to approve you for a loan and will look at your income, credit history, and other assets such as savings, retirement accounts, and investments to determine if you qualify and how much they will lend you. While the VA does not require veterans meet a minimum credit score, the lender may have requirements, so be sure to shop around and find a lender that meets you where you are.

Loan Limits and Entitlement

As of Jan. 1, 2024, there are no maximum limits for a VA home loans for eligible veterans, service members, and survivors, provided they have full entitlement to their VA loan – meaning they have met one of the following criteria:

Have never used their VA benefits to apply for a mortgage

Have paid their previous VA loan in full and sold the home

Have used their VA home loan benefit but had a foreclosure or compromise claim (also called a short sale) and repaid the VA in full.

Your only limitation is how much of a mortgage you can afford and how much money the lending agency will loan you based on your finances.

However, Veterans without their full VA loan entitlement are bound to Texas's VA loan limits of \$766,550, for all counties in Texas.

Other Home Buying Resources For Veterans

In addition to VA home loans, there are other programs that offer services and discounts to help veterans buy and improve their homes.

Texas Veterans Land Board (VLB) Loan Programs

The Texas Veterans Land Board offers several loan programs aimed at assisting Texas veterans in their homeownership goals. These programs are separate from the VA Home Loan Program but can be used in conjunction with it. Here are some notable VLB loan programs:

Land Loans:

These loans allow veterans to purchase raw land in Texas for future home construction. Competitive interest rates and favorable terms are available.

Veterans Housing Assistance Program (VHAP):

VHAP provides low-interest rate loans to Texas veterans and their eligible spouses for the purchase of homes. The VLB can also assist in refinancing existing home loans to reduce interest rates.

Housing for Texas Heroes Program:

This program offers a discounted interest rate to veterans and military members who are first-time homebuyers in Texas.

Texas Homes For Heroes Program: (By Your Realty Group)

Gives 33% of our Commission as a Rebate Check Back to buyers or sellers after closing on a home. In honor to all of our Active, Reserves, and Military Veterans, as well as any First Responders, Medical Professionals, Teachers, Civil Servants or any of there admin or support staff,

Texas State Veterans Homes:

The VLB operates a network of nursing homes and assisted living facilities for Texas veterans. Eligible veterans and their spouses may qualify for admission.

DISABILITY HOUSING GRANTS

In addition to VA home loans, The Department of Veterans Affairs VA offers several types of grants for disabled veterans to help them buy or modify a home to accommodate their needs due to a qualifying service-connected disability.

Each grant has different requirements and maximum benefit amounts, but all provide funds free of charge to veterans to allow them to buy, build, or make changes to a home.

These include the Special Home Adaptation Grant (SHA), the Specially Adapted Housing Grant, Temporary Residence Adaptation Grant, and the Home Improvements and Structural Alterations (HISA) Grant. Both the SHA and SAH allow the funds to be used to buy or build a permanent home for the veteran.

Special Housing Adaptation Grant (SHA)

The SHA grant can be used by a veteran to help him or her increase their mobility throughout their home. The grant is available to veterans and service members with certain service-connected disabilities, including:

- Loss or loss of use of both hands or arms below the elbow
- Severe burn injury
- Certain respiratory or breathing injuries

The current maximum grant amount is \$20,215. The maximum grant amount adjusts annually,

Specially Adapted Housing Grant (SAH)

The SAH grant can be used to help a veteran enjoy barrier-free living and increased mobility in their existing or a newly purchased home.

There are three ways this grant can help disabled veterans live a more accessible life in their homes. They are:

- Adapting an existing home, the veteran or a family member owns where the veteran lives
- Adapting a home, the veteran or family member intends to purchase where the veteran will live
- And helping a veteran buy a home that has already been modified to fit the veteran's needs

This can mean buying or making a home wheelchair accessible, or adapting a home for a veteran who has experienced a loss of sight, or the loss or loss of use of both hands, certain severe burns, or certain respiratory or breathing injuries.

The program has a cap of 120 grants per fiscal year, but if the cap has been reached, you may be able to use the benefit in the following fiscal year. The maximum grant amount changes annually. For 2024, that maximum is \$117,014.

Veteran Readiness and Employment (VR&E) - Housing Adaptation Assistance

This grant helps provide home adaptations to veterans who are not currently able to work because of the effects of their service-connected disabilities, or who require adaptations to achieve a vocational goal. Up to \$92,569 is available to provide home adaptations as part of an approved rehabilitation plan.

Funds from the SAH, SHA, and Veteran Readiness and Employment home adaptation grants may be accessed up to six different times if the veteran doesn't use the full grant amount the first time.

Temporary Residence Adaptation Grant

Veterans can also receive a temporary SAH/SHA grant from the VA to adapt the home of a family member. The maximum amounts change annually. For 2021, the maximum amount for the SAH grant is \$47,130, and for the SHA grant is \$8,415.

Home Improvements and Structural Alterations (HISA)

The VA offers this grant to provide medically necessary improvements and structural alterations to a disabled veteran or service member's home for the following purposes:

- Modifying the entrance or exit to their homes
- Bathroom modifications (e.g., roll in showers)
- Lowering kitchen or bathroom counters and sinks
- Improving paths or driveways with permanent ramps for wheelchair accessibility
- Improving plumbing or electrical to accommodate required home medical equipment

The grant will not pay for:

- Outside decks
- Outside walkways to exterior buildings
- Purchase or installation of spas, hot tubs, or Jacuzzis
- Home security systems
- New construction
- Removable equipment or appliances such as portable ramps, porch lifts, stair glides, and routine repairs.

The maximum lifetime benefit for this grant is \$6,800 for:

- Disabled veterans and service members who have a service-connected condition
Veterans who have a non-service-connected condition that is at least 50% or more service connected.
- Veterans who have a non-service-connected condition may still receive a lifetime grant amount of up to \$2,000.

OTHER VETERAN ASSISTANCE

State-Run Veteran-Friendly Home Loan Programs

Many states also offer their own veteran-friendly loan options unrelated to The Department of Veteran Affairs loans. These programs vary widely and may not be limited to veterans. Since rules and requirements vary by state, programs can change or close and information on websites promoting them can get outdated, it is best to start with your local state or county veterans' affairs office, or your local federal VA office in your state.

State-level benefits available to veterans can include reduced property taxes, down payment assistance, reduced mortgage rates, state-backed mortgages for veterans, and lower homeowners' insurance.

Down Payment assistance

Veterans also have access to a number of down payment assistance programs and first-time home buyer programs. Because the requirements for those with military service are often more lenient, veterans will have an easier time qualifying for these programs.

These programs come in the form of grants, loans and forgivable and deferred loans and can save veterans thousands of dollars in closing costs or down payments.

These programs are often managed on a state, county or municipal level, so check with your local veteran's office in your region.

Because there are so many different benefits available to veterans to help them buy or modify a home, it's difficult to know what you are entitled to. That's why it's so important to connect with your local federal, state and local veterans' affairs office and to look for a competent realtor like myself who is knowledgeable about veteran programs in your area. I'd be happy to help you get started.

CHAPTER 7

PROGRAMS FOR TRADITIONAL HOME BUYERS

According to the Census Bureau, 69% of Americans own their homes. That still leaves a huge number of people who cannot buy their own houses, whether it be because interest rates are too high, they can't afford the closing costs, or they don't meet the down payment requirements of commercial loans.

The U.S. Department of Housing and Urban Development (HUD) provides billions of dollars every year to housing grants, turning the home ownership dream into reality. If you're buying a home for the first time, you can file for a buyer's grant. There are national, state, and local programs and grants available to first-time home buyers. These programs and subsidies can help cover portions of acquisition costs, including the down payment, and allow buyers to get a higher percentage of loans to finance. You may have additional Options if you are willing to move to a Rural Area, or if you or your spouse is or was a member of the armed forces.

First-Time Home Buyer Grants

Grants can be just as important as loans when buying your first house. First-time grants for home buyers can be a significant source of funding, and unlike a loan or a debt, a grant won't have to be repaid. Often, these programs are aligned in areas where the government wants to capitalize on the revitalization of a community. This makes "urban homesteading" a viable and less expensive option for the first-time buyer. These grants are a boon for both home buyers and the community.

Most grants help to connect with down payments or the costs of closing. There are also programs that provide funds for other purposes in the process of buying a house. Many of these programs offer loans that don't have to be repaid, a very helpful thing for someone who has all the elements of a successful home buyer but needs down payment assistance.

Given the lower requirements for down payment, Federal Housing Administration (FHA) loans are a natural — if not a perfect — fit for the many down payment assistance programs available to help you on your way to buying a home. Most federal grants are targeted to first-time home buyers and are intended to help those individuals get started toward home ownership.

These grants shouldn't be expected to cover a large percentage of the new home's cost, however. Most cover less than 10% of the home's value or can be expected to help pay for certain expenses, such as closing costs.

For example, a down payment with an FHA loan can be as little as 3.5% of the cost of the home. Current FHA loan guidelines allow for the down payment portion of your home loan to come from several different places – a gift, personal savings, tax returns, and down payment assistance programs. Down payment assistance programs are funded at the city, county, and state levels; due to this funding, the assistance programs are ever-changing. Each program operates on its own budget, and operates with its own set of requirements. Credit score, income levels, and other factors will factor into your eligibility for down payment assistance programs.

Since home buyer grants are meant to be used toward the purchase of a new home, there are qualifying rules for these funds. According to the U.S. Department of Housing and Urban Development, grants won't be given to anyone who doesn't qualify for a mortgage.

Different states have different programs and conditions for home-buying grants. The one thing they have in common is that all 50 states have explicit grants for first-time home buyers. Do your research, and check what grants are available in the community you're planning to move to.

There are steps to follow when applying for a buyer grant. First, find a home buyer grant that fits you. Then, check the requirements of that grant program. Finally, find an approved lender and fill out all the application forms correctly. The HUD website is a great resource for buying a home, whether it's your first or your tenth! <https://hud.gov>

Penalty-Free Withdrawals For First-Timers

First-time home buyers are eligible to withdraw \$10,000 during their lifetime from their Individual Retirement Accounts (IRAs) without paying the 10% penalty for withdrawal before the age of 59½, assuming certain requirements are met. The biggest requirement is that the money must be used to buy or build a primary residence (not a vacation home).

If you have a traditional IRA, you'll have to pay income tax on the money withdrawn. Roth IRA accounts, however, aren't subject to additional taxes, as they are funded with money that has already been taxed. The \$ 10,000 lifetime amount that can be withdrawn penalty-free from an IRA is specific to each individual; this means a couple could withdraw \$20,000 combined to pay for their first home. The person withdrawing also doesn't have to be the future homeowner – a person under the age of 59½ can qualify for the tax exemption if they are helping a child, grandchild, parent, or another immediate family member purchase their first home.

The money withdrawn from either a traditional or Roth IRA must be used within 120 days or it becomes subject to the penalty, so be sure to plan ahead. Depleting your retirement savings is also a risky business, as it might – over time – be more cost-effective to keep the money-earning interest rather than applying it to your down payment. Speak to a financial advisor for help with your specific situation.

DSCR Loans: Debt Service Coverage Ratio Loans

DSCR loans have emerged as a game-changer in the realm of real estate investing, allowing investors to leverage their income-producing properties and grow their portfolios. These loans prioritize property performance over personal finances, offering greater flexibility and potential for wealth creation. As an experienced Realtor and Multifamily Regional Manager, I'm here to help investors navigate the world of DSCR loans and seize the real estate investment opportunities that await. In this chapter, we'll demystify DSCR loans, exploring what they are, how they work, and why they are an essential tool for investors looking to grow their real estate portfolio.

WHAT ARE DSCR LOANS?

At its core, a DSCR loan is a unique financing option primarily designed for income-producing properties. Unlike traditional residential mortgages that rely heavily on the borrower's credit score and personal income, DSCR loans focus on the property's ability to generate rental income or cash flow. Here's how it works:

DSCR Calculation:

The Debt Service Coverage Ratio is a key metric in DSCR loans.

It measures the property's ability to cover its debt obligations, including the mortgage payment, property taxes, insurance, and other relevant expenses.

Lenders typically look for a DSCR of at least 1.25, meaning the property generates 125% of the required debt payments.

WHY CHOOSE DSCR LOANS?

- DSCR loans offer several advantages that make them attractive to real estate investors:
 - Flexible Eligibility: DSCR loans are not as reliant on personal credit scores or income as traditional mortgages. Investors with strong cash flow from their properties can qualify more easily.
 - Portfolio Expansion: DSCR loans enable investors to leverage existing income-producing properties to acquire more assets. This can lead to significant portfolio growth and increased potential for wealth creation.
 - Investment Strategy: Investors can tailor DSCR loans to their specific investment strategies, whether they're interested in multifamily units, commercial properties, or other income-generating assets.
- The ability to secure financing based on property performance provides greater investment flexibility.

Other Homeowner Tax Breaks:

The decision to buy a home puts you into a realm full of things you have not dealt with prior, especially if you used to rent your home. Owning a house brings a whole new experience.

- **The Mortgage Interest Deduction.** This is one of the most beneficial tax breaks that home buyers can take advantage of, whether they are first-time buyers or otherwise. The IRS allows you to deduct from your taxable income the interest you pay your lender. Home mortgage interest is one of the largest deductions for those who itemize. Lenders will report your mortgage interest on a 1098 form sent out annually. The Mortgage Interest Deduction (MID) is valid for mortgage debt up to \$750,000 or mortgage debt up to \$375,000 if you are married but filing separately. Home buyers can receive a large benefit in the first years after buying, as the first repayments have the highest interest. To claim the MID benefit, home buyers will have to file an itemized tax return.
- **Mortgage Points.** Discount points (also known as mortgage points) are fees paid directly to the lender at closing in exchange for a reduced interest rate. The cost of discount points is equivalent to 1% of your mortgage (\$1,000 for every \$100,000). Discount points involve prepaid interest and can reduce your total mortgage payment. The interest rate on your mortgage typically lowers by 0.25% with each point you buy. If you elect to do this, the fee for the points is tax deductible for the year in which you paid them, assuming the loan you obtained is for your full-time, year-round home (as opposed to a second home or a vacation home).
- **Mortgage Credit Certification.** The Mortgage Credit Certification (MCC) is another program that helps thousands of first-time home buyers secure a tax break. This IRS-based program is aimed at helping lower-income groups afford their first home by essentially subsidizing the loan. The MCC program is designed to help first-time home buyers offset a portion of their mortgage interest on a new mortgage to help them qualify for a loan. Because it's a tax credit and not a tax deduction, mortgage lenders will often incorporate the estimated amount of the credit (prorated on a monthly basis) as additional income to help the potential borrower qualify for the loan. Depending on the price at which you purchased your home, you can get back up to 30% of the interest you pay as a tax credit. The program is administered by local authorities and can vary according to the state in which you live. To qualify for this tax credit, you'll need an MCC issued by the local government, which your loan officer may or may not know how to do.

-
- Home improvements. Improving your home will not only add to its livability and comfort, it could also earn you tax deductions in multiple ways. You can use a home improvement loan to finance the cost of improvements on your primary or secondary home, which will then likely qualify you for mortgage interest deductions. The interest on a home improvement loan is deductible in full, up to a sum of \$100,000 in debt. Be sure to keep track of home improvement costs. When you sell the property, if the selling price of your home is more than what you spent to procure it, the extra amount will be considered taxable income. You can add the improvement cost to the value of your property to reduce the amount of this taxable income. This can help you save money in taxes following the sale.
 - Home office deduction. If you are self-employed and work from home, the amount of space in your home that's dedicated towards business activities is tax deductible. This deduction will include loan interest, insurance payments, utilities, repairs, and more. However, with the TCJA going into effect for 2018 - 2025, people who are not filing as self-employed are ineligible for the deduction. There are other specific guidelines for taking advantage of this deduction, so check with your professional tax preparer before filing.
 - Home energy tax credits. The IRS rewards homeowners who make efforts to create eco-friendly homes. Solar is particularly lucrative, as the installation of a solar power system or solar hot water system earns you a 26% tax credit for systems installed in 2020-2022, and 22% for systems installed in 2023. (Systems installed before December 31, 2019 were eligible for a 30% tax credit.) Unless Congress renews, this tax credit expires starting in 2024, when the credit is scheduled to expire. Unfortunately, a large amount of other federal energy efficiency credits expired in 2016, and tax credits for residential energy efficiency and those for builders of energy-efficient homes were extended retroactively, through December 31, 2021. Check out www.energystar.gov/about/federal_tax_credits for the latest updates regarding tax credits. Do not give up on being eco-friendly: there are still many state and local tax credits, incentives, and rebate offers for upgrading your home's energy efficiency.
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CHAPTER 8

SEARCHING FOR THE RIGHT HOME

Buying a home is an exciting event, but the process of finding the right one can be daunting. It's a major investment. It's an emotional time of making lifestyle decisions. It isn't like buying a pair of shoes from the department store that are a bit snug, because you can't just return the house if you're not satisfied. Once you buy, you're in for the long haul.

To avoid costly mistakes that could haunt you for years, you need to make sure you do your homework properly when house hunting.

VIEWING A HOME

For most people, the prospect of going to view homes they like is a thrilling experience. It's tempting to think that this is the first step to buying a home, but it's not. You've done a lot of hard work to position yourself in the best possible way, so Congratulations!

Assuming you have your down payment, mortgage preapproval, and other financial issues handled, the first thing you need to do before viewing any home is to determine what you're looking for. We discussed this in an earlier chapter but in case you missed it, here is our "[Needs vs Desires Worksheet](#)" to help you define your home search.

- What is your criteria?
- Do you need a certain number of bedrooms and bathrooms?
- Do you want a yard? Is a separate garden area necessary for your lifestyle?
- Do you want property only in particular neighborhoods?
- How much are you willing or able to spend?



The Journey Begins

Answering these questions will save you significant time and effort in running around to view homes that don't suit you. Once you've decided upon your criteria, give us a call, and let us help you find your next home.

We'll get to work on your behalf, shortlisting the properties that meet your criteria so you can start your viewing from there. Then comes the fun part: Finding that perfect home you've been dreaming of!



SCHEDULE ADEQUATE TIME

When going to view homes, make sure you've got plenty of time to really view the home from a critical perspective. Schedule enough time to do a proper inspection. Look into all closets and crawl spaces. It's possible you will be living there for years to come, so five minutes strolling around is not going to be adequate to form an opinion. Two hours to view your potential house is an appropriate calendar entry. Research suggests that when buyers spend a longer time viewing a home, they are more likely to pay below the asking price.

BE THOROUGH

Related to scheduling adequate time to view the home, be thorough when checking it out. Open drawers, cabinets, and cupboards. Look behind furniture, and even under it to find stains or signs of wear not readily evident. Lift up rugs, if necessary. While this may seem rude, it's not. An artfully positioned chair could be hiding something, so feel free to look where you need to. You're about to make a substantial investment and you need to know exactly what you're getting. Make sure to inquire about any inaccessible spaces.

Of course, if you've dismissed the home from the start, do only a minimal walkthrough or don't bother with the inspection at all. But if the property has potential and is something you like, open every door and look in closets.

WHAT COMES WITH THE PROPERTY

Confirm what comes with home – e.g., whether the stands or fixtures are for the exclusive use of that home or if the owners will remove them. Are appliances, such as refrigerator and washer/dryer, included in the sale? Make sure to get confirmation in writing if you decide that you would like to buy the property.

DON'T BE FOOLED BY STAGING

Sellers use clever tricks to make a home more appealing. They can strategically light a room to draw attention from a problem or apply fresh coats of paint to cover water damage or mold issues. While you're viewing the house, look beyond the immediate aesthetics of the interior décor. Focus your attention on what you'll get when the furniture and interior décor are stripped away.



KEEP EMOTIONS AT BAY

When viewing a home initially, try not to get attached immediately. Keep emotions out of considerations and only consider the potential property as a building you need to inspect and assess for others. Rapid emotional attachment may cloud your decision-making, or allow you to overlook failings in the house you might see differently without an emotional lens. If you get attached from the get-go, you might make an emotional decision and overlook major problems. Certainly, an emotional attachment will affect your ability to calmly and dispassionately negotiate.

VIEW MULTIPLE TIMES

If you have found a likely prospect that strongly interests you, view it multiple times. You're more likely to identify potential problems if you view it several times at different times of the day. You'll also glean knowledge of the neighborhood at various times. Is a street that's not busy in the late morning a commuter route in the early morning and mid-afternoon? This way, you'll know what traffic is like in the area and the noise levels that occur at different times.

CONSIDER THE OVERALL CONTEXT

When viewing, don't just consider a property on its own; view it in the context of its location. What's the area like? Is the property adjacent to a train track or a noisy intersection? Is there a pub or restaurant close by that gets noisy at night? How close are you to the things you might need, such as schools, public transit, a grocery store, or hospital? These are important questions to consider when viewing properties, as they can add or subtract from the overall enjoyment of your home.

DON'T GO IT ALONE

Don't go viewing on your own. Not only are there security factors in traveling to unoccupied houses alone, but also financial and legal factors that could be involved. Additionally, there are other ways this makes you vulnerable. A seller's agent might think you're unrepresented and attempt to take advantage of you. A New Home Builder will not pay your agent's representation fee if you visit the community without them, inadvertently making your agent choose to terminate their representation with you if you move forward with purchasing a new home from the builder, leaving you unprotected without representation. Realize the New Home Consultants are not there for you, they are not your friend, they are there to "SELL" you a home to meet their quota and increase the builder's profit margin to its shareholders.

LET YOUR AGENT DO THEIR JOB

If you come across a property that interests you, but your agent hasn't told you about it, it might not meet all your criteria. If you think you want to view it, give your agent the address and phone number. Your agent can then arrange a proper viewing for you, together, without the owner being present.

THE CONDITION OF THE PROPERTY

In assessing a home for potential purchase, there are important items to be on the lookout for – the primary one being the condition of the property.

Is the home structurally sound? Walk around the interior of the home, checking the walls and ceilings for cracks. Hairline cracks are to be expected in some places. Check the exterior for cracks. Cracks could be a sign that the property isn't structurally sound. Points at which extensions join are places to look, as cracks often occur there. Also look for loose or broken tiles on the roof or broken guttering, evidence of damage to the drywall, and weaknesses on the floors. It's acceptable to ask how long it's been like that, and whether it will be fixed. If you see major cracks or bowing walls, have a structural engineer assess the situation.

Look (and smell) closely for evidence of mold. Mold and mold damage are major problems that will cost you a lot to clean and repair. Don't just look for it – use your nose as well. Mold frequently gives off a musty smell, even when there are no visible signs. Inspect all crawl spaces, basement areas, and walls. Plaster that's flaking, watermarks on walls or ceilings, or even a fresh coat of paint in part of a room could be indications of mold. Don't overlook the ceiling and around the skirting boards properly for evidence of leaks or water damage.

Ensure heating, air-conditioning, and electricity are in good working order. Other aspects to consider when looking at the general condition of the property are the heating and air conditioning systems. Have an expert assess that they're the appropriate models and capacity and that they're working properly. Check the electrical panel. It shouldn't be old or outdated, must be easily accessible, and in good working condition. Ensure wiring was done properly. You don't want to spend a fortune rewiring the home to bring it up to standard. Consider if there are enough power outlets and if they are in good condition.

Inspect basements and attics. Check the attic for water leakage issues. Look for water damage or leaks that may have affected the insulation, walls, and ceiling of the attic. Make sure the insulation is adequate for where the property is located. In the basement, look for evidence of moisture problems. Is there water leaking onto the floor or water around the foundation? There should be no cracks in the basement walls, and any wood, such as those in exposed beams, should be in good condition with no rot.

Look at pipes and turn on taps. Check that the plumbing is up-to-date. Run taps to ensure they work properly and the water pressure is strong enough. Exposed pipes in unheated areas should be insulated, as frozen pipes will eventually cause water damage. It's particularly important from a health perspective to determine that the pipes aren't made of lead. If they are, you'll have to replace them. Also, check the age and condition of the hot water heater.

Is the exterior of the home in good shape and well-maintained? Check for evidence of water around the foundation, which may indicate drainage issues. The ground should slope away from the foundation. If there's a porch, it should have a foundation, not simply sit on soil. Check that driveways and walkways leading up to the house don't have cracks and aren't crumbling. Check that the siding of the home is in good repair. Look at the landscaping on the property. It shouldn't be unkempt and unsightly, as that can indicate a lack of care. The sprinkler system, if there is one, should be in proper working condition. If there's a deck, ensure there is no decay or damage from termites or beetles.

PROPERTY HISTORY

It's a good practice to know all that you can about the sales history of the property you have under consideration. Don't simply settle for the information contained in the customer copy of listings. Ask your agent for more detailed information. Find answers to how long the property has been on the market and whether it was previously listed, withdrawn, and/or relisted for a lower price. These kinds of questions can help you decide how much to offer.

You'll also need detailed information on the property, most of which will be available from the public records. A bit of research online will disclose the name of the owner, original age of the home, mortgage history, parcel number, previous sales of the property, property deeds, and any judgments or liens filed against the seller. Information about how much the property taxes are, and whether they're paid or in arrears, will also be available in the records.

You'll also be able to see if there were permits obtained to make improvements to the home. These permits could complicate the sale of the property if liens were attached by workmen or improvements were not done up to code.

Don't skip this search because it reveals important information about the property in which you're interested and could save you money. You can get this information through your agent since most agents subscribe to services that give them access to such data. If you're not using an agent, please consider us, or you can obtain this information through a local title company or order online for a small fee.

Decisions, Decisions, Decisions: Making The Choice

Once you've done all your homework, you need to decide whether to buy the house. It's important that you step back and evaluate all the information available to you from viewing the house, inspecting its condition, and obtaining public records.

Keep in mind:

- You will likely need to compromise on some of your priorities. No home is completely perfect, and a first home is often a “starter” on the way to a dream home. However well it fits your needs, desires, and lifestyle, there will be things you wish you could change. Examples might include wishing the home was facing the lovely park you saw nearby or in another, fancier neighborhood. At the end of the day, you'll need to decide the factors that are most important to you. If you prefer the neighborhood over the house, you may decide to look for a different type of property within the same community. A condo, for instance, instead of a townhouse.
- If finances are the issue, you might want to discuss with your bank whether they would be willing to increase your mortgage. But use caution, and only do this if you can afford it – there's no point in getting into financial trouble just to get a specific property when more affordable ones could do just as well.
- Lower your expectations on the condition of the home. If your inspection revealed a few small problems, you could still buy the property and do the repairs yourself. Use the problems as a bargaining chip to get a reduced price from the seller after getting a quote from a professional for the cost of repairs. Don't estimate based on your judgment, and don't let the seller decide how much he thinks it will cost. Ask a professional yourself. Also, don't let the seller get the quote.
- Be prepared to walk away. This echoes our earlier point about not getting emotionally attached until you have bought and moved in. If, at the end of the day, you find out the compromise required is more than one you're prepared to make, just walk away.
- If your offer is accepted, you have chosen a lender to go with, and you have an interest rate you're comfortable with, DON'T FORGET to get your rate locked.

CHAPTER 9

BUYING A HOUSE: NEGOTIATION DOS AND DON'TS

You visited dozens of open houses and met with builders and sellers. You looked for the ideal neighborhood and searched for the best available offers. Now, you've finally found a property you would like to call "home" and are willing and able to pay for. Or, maybe you were lucky, and it was love at first sight, and you're eager to close the deal as soon as possible. Congratulations!

Special Note Make sure you research and love the community as much as you love the home. Many buyers find a home they love to find out later it is in a community they do not. This can negatively impact your view of your home, your lifestyle, and create buyer's remorse.

Welcome to the most important and challenging part of the home-buying process: the price negotiations.

Start with knowledge of your financial status estimation and available options of financing. If you're a first-time home buyer, there will be federal programs and state loans to help you with the down payment and mortgage interest rates. You likely know how much money you wish to spend. Considering all the opportunities and possibilities will give you flexibility during the negotiation process.



How To Make Your First Offer The Best Offer

Making your first offer is an important step that needs a significant amount of preparation and analysis. Go in knowledgeable, with consideration of all the components of your price offer, when submitting the proposal to the seller. You are not so much responding to their listing price as using your own factors in arriving at your offer. The two aren't necessarily related.

An important component is a Comparative Market Analysis (CMA), which your real estate agent can provide – another benefit of working with a buyer's agent – and is a mathematical model to find out the value of your future home. It calculates the basic conditions, such as the number of bedrooms, bathrooms, existence/size of the yard, or swimming pool. Then, it compares your potential home to similar houses on the market in your area. This model will give you an idea of the average local cost, which will be fundamental information to inform your offer.

After the approximation, add or remove the components that respectively increase or decrease the value. For example, you could know that the current owners have recently changed all the plumbing in the house. Or, conversely, their plumbing is 25 years old and will probably start breaking down soon. Get estimates for any necessary immediate repairs, or ask for estimates.

Comps Selected by Agent					
Address	19333 Riverwood Ln Lake Oswego, OR 97035	19357 Riverwood Ln Lake Oswego, OR 97035	5554 Luce Ln Lake Oswego, OR 97035	18977 Pilkington Rd Lake Oswego, OR 97035	18953 Pilkington Rd Lake Oswego, OR 97035
Status	 Subject Property	 Sold	 Sold	 Recently Sold	 Recently Sold
Amount	\$889,884 Comp Analysis	\$840,000 Sold Price	\$750,000 Sold Price	\$1,295,500 Sold Price	\$1,147,900 Sold Price
Recording Date	–	4/30/2019	6/19/2019	7/30/2019	9/27/2019
Days in RPR	106	35	98	383	444
Price Per Sq. Ft.	\$286	\$288	\$229	\$361	\$336
Bedrooms	4	4	4	4	4
Total Baths	3	3	3	3	3
Partial Baths	–	1	1	–	–
Total Rooms	–	–	–	–	–
Living Area	3,110	2,916	3,269	3,590	3,420
Lot Size	7,840 sq ft	10,018 sq ft	9,147 sq ft	90x128	90X112
Year Built	2014	2006	2012	2018	2018
Living Area Range (low)	–	–	–	–	–
Living Area Range (high)	–	–	–	–	–
Property Type	Single Family Residence	Single Family Residence	Single Family Residence	Single Family Residence	Single Family Residence
Property Subtype	Single Family Residence	Single Family Residence	Single Family Residence	Single Family Residence	Single Family Residence
Proximity	–	.03 Mi.	.41 Mi.	.26 Mi.	.27 Mi.

Research the market trends. Has the local market gone up or down over the last few years? Do people buy or sell more? Are there houses being built that will soon be for sale? For example, teardowns and new construction would indicate rising local home prices.

Those calculations and forecasts may take time and effort, but they will ideally leave you with options to consider and choose from. The real estate agent’s services will be very helpful. It won’t take a professional as much time to evaluate all the pros and cons and come to you with a proposal.

Your real estate agent will assist in this process and usually help to decide. The agent may advise on the offering price and other factors involved.

After you agree on a price, the agent will send the proposal to the seller or seller’s agent. The seller’s agent will either accept it or present you with a counteroffer. Negotiations will go back and forth until you settle and reach an agreement. After that, the home buying will move into the escrow.



Neighborhood: Housing Stats and Charts

	78108	Guadalupe County	Texas	USA
Median Estimated Home Value	\$354K	\$342K	\$338K	\$361K
Estimated Home Value 12-Month Change	+4.2%	+4.4%	+5.6%	+5.7%
Median List Price	\$385K	\$341K	\$388K	–
List Price 1-Month Change	–	+1.8%	+2.6%	–
List Price 12-Month Change	-0%	-2.5%	+0.1%	–
Median Home Age	16	22	33	43
Own	82%	78%	62%	65%
Rent	18%	22%	38%	35%
\$ Value of All Buildings for which Permits Were Issued	–	\$325M	\$43B	\$307B
% Change in Permits for All Buildings	–	+54%	+22%	+13%
% Change in \$ Value for All Buildings	–	+34%	+15%	+10%

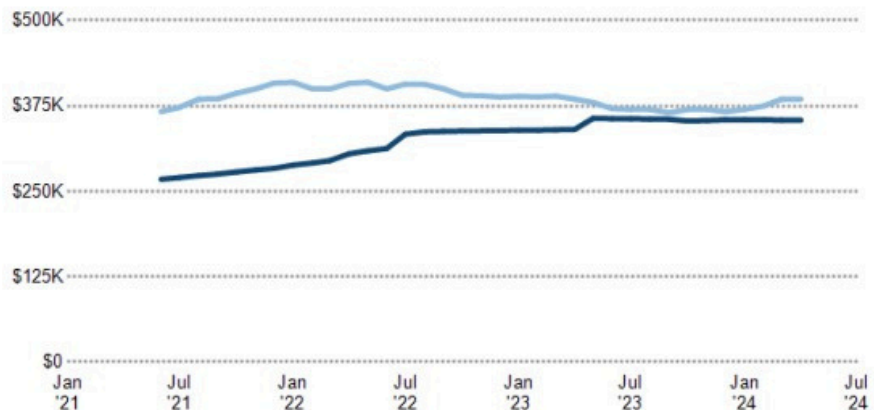
Median Estimated Home Value vs. Median Listing Price

This chart compares a ZIP code’s median estimated home value with the median listing price of Active listings. Estimated home values are generated by a valuation model and are not formal appraisals.

Data Source: Public Record and Listing data

Update Frequency: Monthly

■ Median Estimated Value
■ Median List Price



Negotiating The Price: Which Tactics To Use

The goal of your negotiation is to buy a house for the money you're willing to pay, and if you get it for less than you were willing to pay, you have exceeded your goal. Decide upon the highest maximum amount that you can afford, and don't ever offer more. If you pay more than your maximum amount, you have already lost.

Depending on what kind of market you're in, strategy and tactics will vary. In a buyer's market (i.e., there are more houses on the market than buyers looking), you have more possibilities to succeed. You can make a less-than-reasonable offer, demand some house improvements, a better closing date, and even a closing fee payment by the owner. But Most Importantly, whatever offer you submit, give it time to sink in and the Sellers time to stew on it.

In a seller's market (i.e., there are fewer houses available, with more people looking than selling), you have less leverage, as you're not the only one in line. You're most likely to succeed by offering a seller's price. If they don't get it from you, they will easily receive another offer soon from someone else. This is where having market data comes into play, you can see how long the home has been on the market, typically homes that have been on the market longer, have less showings interest and may be more willing to negotiate.

KNOWLEDGE IS POWER!

It's a good idea to find the reasons that the owners are selling the house. Do they want to sell it because they're moving for a new job? Are they moving soon and thus "motivated sellers?" Has the property price been reduced due to an extensive time on the market?

In most cases, it's likely they'll want to sell quickly. You can stand your ground if they have a counteroffer. If the house has been listed several times with a stable price, that's a sign the homeowners are taking their time and might be waiting for the highest offer.

It's vital to understand that both the buyer and the seller may forget the final goal: to buy and to sell. Sometimes, the parties get carried away in a battle of negotiating. Lock your eyes on the ball, but at the same time, be realistic in your expectations of the situation.

The following tactics will help you to stay focused:

- Use the "middleman." Your real estate agent should be your middleman to negotiate with your seller's representative. Using him as a buffer will save you time and aggravation. He may also provide useful information concerning the sellers and their intentions, which the other party will not disclose to you.
- Wait for the "Big Boss." A third-party person (preferably an attorney) needs to see and evaluate the offer and give his or her expertise. This is a chance to lower the seller's counteroffer and keep your position. In addition, you'll make the seller wait. This could make the seller believe you're considering other options.
- Be curious. Asking questions may reveal valuable information from the seller. It might help to find the reasoning behind the house sale. This could be your priceless leverage, if you don't know it yet.
- Consider compromise. Be ready to give away something during the negotiation process.
- Focus on the main goal. Remember your main goal: to get the house. Sometimes, you'll get stuck negotiating on minor details. It can be a good tactic to wait until you come to an agreement on the main points before proceeding to the details.

Avoiding Mistakes During Negotiations

Whether you're buying a house for the first time or just got carried away in the negotiation intensity, mistakes happen. Keep these simple rules in mind:

- **Be nice.** No one likes rude people. Try not to offend your seller during a house visit. For example, discussing necessary renovations and the poor taste of the decorations may hurt feelings, if not the entire deal.
- **Be calm.** Don't express too much of an interest! Most of the specialists agree that when sellers see how much you want this house to become yours, they won't accept your first offer. To avoid a counteroffer, you should always play it cool, no matter how perfect this property is for you.
- **Think like a seller.** Change your perspective. Take a different look at this situation. Imagine you must sell this house in 2, 5, or 10 years. Will it be possible, or does it lack some basic features that the housing markets consider essential?
- **Don't expect the price to lower after inspections.** Bid lower than you can pay, and make your final offer with the most comfortable price you can afford. Repairs after the inspections will not, most likely, cost the seller millions.
- **Sign cautiously.** Make sure you acknowledge all terms and realize all liabilities before you sign any documents. Once you sign the contract, there's no way to make amendments without renegotiating and signing a new one.

Overcoming Multiple Offers

In a seller's market, you'll probably have competition for the house you wish to buy. Sellers might be considering several offers at the same time. They will make their decision based on the best offer. They may also choose to work with one potential buyer and only send counteroffers to them.

You, as a buyer, won't know. The best way to protect yourself from multiple offers is to make your offer better than the others. Receiving a preapproval for the mortgage will be a good start to becoming the seller's top choice. Also, let the seller know the financial options you have – for example, if you plan to put down 20%. Some mortgage conditions and funding programs are more attractive and may influence the seller's decision.

Bid close to the listing price. There isn't much sense in offering significantly less in a seller's market. Doing this will save you time on the ongoing counteroffer process. It would be helpful to review the contingencies list. The fewer clauses you have there, the more attractive your offer seems to the seller. However, it's recommended not to remove the home inspection. This means the seller won't be liable for any uncovered issues with the house, and you'll have to pay for the repairs on your own. Showing your intentions by making a large good faith deposit and down payment will usually convince the owner of your commitment. This may finally tilt the balance toward your proposal.

Negotiating the price is a very stressful period in the home-buying process. You're not quite sure what the results will be, or exactly how much money you'll spend. In any case, keep in mind that the owner is interested in selling his home, and you're willing to buy it for the right price. With a little time and effort, and a good negotiation strategy from your agent working on your behalf, you're both more likely to achieve your goals!

Your Offer Is Accepted: What Next?

- **Executing the Contract:** Executing the contract involves signing the purchase agreement, which legally binds both the buyer and seller to the terms and conditions of the sale once consideration has taken place. This step initiates the process of transferring ownership of the property and sets the timeline for the transaction.
- **Earnest Money Deposit (Consideration):** The earnest money deposit is a sum of money provided by the buyer (as consideration) to demonstrate their seriousness and commitment to purchasing the property. Typically this is approximately 1% of the purchase price of the home, however, you can offer more to show the seriousness and give yourself a better position against a multiple-offer scenario. It is generally paid to the title company and held in escrow and is typically credited towards the down payment at closing. This **MUST** be paid by the 3rd day of the effective date of the executed contract unless that day falls on a weekend in which it is due the next business day, or if it was negotiated differently and stated in the contract.
- **Option Fee:** Which is typically not more than a few \$100 is paid by the buyer to the seller for the right to terminate the contract within a specified option period without forfeiting the earnest money. This should be a separate payment made directly to the seller or seller's representative and is typically non-refundable. Some title companies will accept this on behalf of the seller as well.
- **Option Period:** Get those inspections done: The option period is a timeframe negotiated in the contract during which the buyer has the unrestricted right to conduct inspections and investigations on the property. This period allows the buyer to uncover any issues or defects and decide whether to proceed with the purchase, renegotiate terms, or terminate the contract without penalty.

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- **Obtaining Resale Docs from seller if in an HOA:** If the property is in a homeowners association (HOA), the buyer must obtain resale documents from the seller, which typically include HOA rules, financial statements, meeting minutes, and disclosures. Reviewing these documents is crucial for understanding the HOA's regulations and financial health before completing the purchase. Additionally, make sure to check out the most recent reserve study, and any insurance loss run reports they have.
 - **Title & Lien Search (Conducted by the Title Company):** A title search is conducted to verify the legal ownership of the property and uncover any liens, encumbrances, or title issues that may affect the transfer of ownership. Clearing any title issues ensures that the buyer receives a clean title free from legal disputes or claims.
 - **Appraisal (Typically scheduled by the lender):** An appraisal is an assessment of the property's value conducted by a licensed appraiser to determine its market worth. Lenders require an appraisal to ensure that the property's value supports the loan amount. A favorable appraisal is essential for securing financing and finalizing the purchase.
 - **Loan Conditional Approval:** Make sure to get all requested documents and information to the lender as soon as possible. After reviewing the buyer's financial documents and conducting an underwriting process, the lender issues a conditional approval for the loan. This approval indicates that the buyer meets the initial requirements for the loan but must satisfy certain conditions, such as providing additional documentation or meeting specific criteria, before final loan approval and closing.

CHAPTER 10

WHAT TO KNOW ABOUT HOME INSPECTIONS

The house hunt is over, and you decide to start the closing process on your soon-to-be home. You have visited the house and seen it at its best – beautifully polished, shiny, and welcoming. What if this is just part of the picture and something is hidden underneath its glossy surface? Issues here may vary, from termites and mold to leaking pipes or cracked support walls.

This is why, before closing a deal on your highly anticipated new property, you need to order a home inspection to be conducted. It will help to evaluate the house's condition and let you sleep safely at night before and after the purchase.

WHY DO YOU NEED A HOME INSPECTION?

Some buyers tend to skip this step, especially if the market is hot and you're competing with several other buyers. Home inspections cost money and take time; however, if there are serious issues found, more time and money is saved after a fair deal is closed. You need a house inspection to know what, exactly, you're buying and what to expect from your property in the future.

During this process, specialists will examine the house to determine its condition and the viability of all the house systems. Don't confuse the house inspection with the house appraisal. The inspection will clarify the current state of the house, not what it's actually worth.

After the inspections, you'll receive a report on the state of the house. The report will contain suggestions on future maintenance or repair steps or the need for additional expert opinions – for example, a structural engineer, should the inspection disclose faults in the building structure, or an HVAC expert if the furnace isn't in working order.

Inspections, Inspectors, & Specialists

There are different types of house inspections available. General or residential inspections will observe and give an evaluation of the house elements and systems.

The list below contains points that can be enhanced or some of the points excluded. Nevertheless, here's an idea of what should/will be examined in a comprehensive residential inspection (which costs approximately \$300 to \$600) depending on the size of the home:

- Exterior: Water drainage systems and condition of outside elements, such as yard (positive or negative grade), trees, pathways, fences, decks, stairs, including cosmetic issues.
- Structural elements: Construction type and notes, visible foundation and framing condition, structure's upright position.
- Roof: Installation quality, visible damages, shingles, flashing, and gutters' condition.
- Plumbing system: Leaks, water pressure, faucets, showers, material and aging of pipes, hot water system, septic tank (if one exist).
- Electrical system: Electric box for condition and code, fuses, visible wiring, type and condition, and other safety issues.
- Heating, Ventilation, and Air Conditioning (HVAC): Chimneys, vents, house insulation, and ducting. All furnace and AC systems for age, condition, and proper functioning.
- Laundry room: Ventilation and dryer systems; leaks and potential fire hazards.
- Bathrooms: Bathtub, shower, sink, and toilet inspection. Proper ventilation and plumbing.
- Kitchen appliances (if part of the purchase): Properly working devices and correct installation.
- Fire safety: Smoke detectors in place and operating, fireplaces, and stoves.
- Pest inspection. Presence of wood-boring and other insects, molds, and fungi.

Inspectors may recommend having a licensed and certified expert in a particular area that he sees cause for concern. This could be a roofing or foundation contractor, a structural engineer, an electrician, a plumber, or a pest control specialist just to name a few.

Common Mistakes to Avoid

- Don't just accept the inspection a seller provides you, get your own done.
- Some buyers don't attend the inspection along with the inspector, looking only at the report that the inspection company provides. This is a common mistake during the home-buying process. This is one of your first opportunities to fully take a tour around the house, with a house inspection expert, and see its features and condition up close.
- Inspectors can only inspect areas accessible to them. (If there's a room that is locked, or an Attic that is blocked, the Inspector will not inspect. This is why you or your agent needs to be there with the inspector.
- The second most common mistake is to go to the inspection and be too afraid to ask questions about what you see. Some things that are common knowledge to the inspector might be new to you. Ask. Don't be intimidated about asking for an explanation if you don't understand what's going on.
- Another mistake that buyers make is leaving without checking the utilities. They might be turned off, but you should ask for them to be turned back on to make sure there are no leaks and that everything is connected correctly.
- If you live in certain high-risk areas, it's wise to order an additional service – for example, earthquake, tornado, or flood inspection. The specialist will help you to estimate the resistance of the property during natural disasters.
- Your inspector may recommend you ask for a specialized opinion, such as a structural engineer in case weakness is suspected in bearing walls. Don't procrastinate and wait to get this done. There have been situations in which the closing meeting had to be postponed because of failure to properly deal with discovered inspection issues in time.
- All house inspection conditions apply to new construction, as well. Newly built houses can also have issues. Buying a house will likely be the biggest purchase in your life, and this isn't the time to gamble with such a large amount of money at stake. When buying a home, always get an inspection prior to signing.

A good expert is hard to find. Choosing the right inspector is the key to a thorough and comprehensive report. You may search online, paying attention to reviews of that inspector. Many real estate websites like ours "YourRealty.org" have a list of professionals with ratings and reviews. Ask your friends and family for a recommendation. An excellent source of recommendations is the real estate agent with whom you're working – your buyer's agent, not the seller's agent.

What To Do After The Inspection

After receiving an inspection report, there are two possible outcomes about how the situation may develop. In the best-case scenario, everything is fine, the house is in exemplary condition, and no further work is required. You're good to go with other paperwork.

A more typical scenario is that the house requires minor repairs. The inspector may also state that something may not be up to the current code in their report, but this doesn't mean it needs to be. Typically your lender may have requirements, however, Codes change every few years, and the inspector is just making you aware of it. This may or may not involve negotiations that the repair be done and inspected before moving along, or some price concession to account for your expense to make repairs.

The worst-case scenario is that the house needs a major investment not contemplated in the offer – for example, the roof has exceeded its useful life and is in immediate need of replacement, or the sub-structure leaks and can't be inexpensively remediated. You might ask the seller to vastly reconsider the sale price, ask for the full amount to fix the problem(s), or walk away. A full inspection should be part of the conditions/ contingencies in a home sale, thus failing the inspection, any earnest or escrow money will be returned.



Regretfully, there's no standard template or step-by-step guidance about what to do if there are issues with the house. It depends on how you crafted your conditions. The best buyer option (and probably would only happen in a buyer's market) is where the seller is liable for all the repairs. Some contracts may include cost limits or split liabilities. In case you buy the house "as is" and your inspection was only for informational purposes, sadly, you will now have to calculate the repair costs and plan how you fix your new home.

Some of the common problems that should be considered include the roofing, foundation, replacing the pipes, fixing any leaks, and the requirement for new wiring for any 30- to 50-year-old houses.

WHEN TO WALK AWAY

Professionals say you should cancel the deal if you can't buy the house you want on the conditions that you want and for the money that you have. In a buyer's market, the seller will negotiate on minor repairs disclosed by an inspection long before the thought of walking away hits you.

However, some repairs are just not worth it. If the problem that the homeowner refuses to fix or pay for is dangerous and you can't fix it, then it may be time to walk away. If the problem is something you need to fix soon, but it is too expensive for you, walk away. If the issue is likely to cause a chain of other problems, and it is hard to estimate how much it will cost, walk away.

Consider the pros and cons carefully, and listen to your real estate team's advice. They are usually more experienced and may explain to you the advantages and disadvantages better than anyone else. Also, listen to your own gut. If the doubts and uncertainties are too anxiety-provoking, it might be better to turn it down and start over.

Can Inspections Affect The House Value?

The short answer is “Yes, they can,” but don’t count on it too much. Thinking of the inspection period as another chance to revisit price isn’t a good strategy. It’s not often that the house inspection greatly affects the sale price. That has generally been negotiated prior to the inspection and the inspection is used to validate the home’s apparent condition.

The role of the home inspection is to protect the buyer from inheriting major issues along with his purchase. Home appraisal, on the other hand, ensures a lender does not pay more than they should. During the appraisal, the appraiser determines the market value of the house based on its square footage, the number of rooms, and bathrooms, the size of the outside territory, and the garage.

The appraiser uses analytic data based on home features, comparable sales (“comps”) in the area, and other pricing factors to set a value or market price, and makes his summary based on complex mathematical calculations.

Home inspections focus on home conditions. If those conditions aren’t obvious, the home appraiser won’t factor them into the market price of the home. For example, a tilted facade and moldy basement are highly noticeable, and will be reflected in the appraisal; however, not-to-code electric wiring and condition of the insulation or foundation will not.

Some mortgage guarantors require a home inspection along with the appraisal, as they have specific requirements of what should and shouldn’t be in the house. A property that possesses any of the red flags can’t be approved until all of them are eliminated. If inspections are made properly, you’ll be able to know your future house’s exact conditions. Be absolutely sure that you have a trustworthy and reliable home inspector on your side, as essentially the whole deal now depends on him or her.

CHAPTER 11

THE CLOSING PROCESS

Deciding to buy a house brings many challenges, especially so for those unfamiliar with the intricacies of real estate purchase, transfer, and financing. This section is a brief, user-friendly guide to help you find your way through the issues of insurance, warranty, appraisal, and mortgage statements on the property. In this section, we also present “10 Things to Know if You’re Closing a Home Deal for the First Time,” which offers some of the best tips to follow in order to avoid letting things get out of hand.

TYPICAL CLOSING TIMELINE:

- Week 1 - Earnest Money Deposit & Option Fee (within 3 days of executed contract)
Schedule Inspections
- Week 2 - Inspections, Due Diligence, Negotiate Repairs/Concessions
- Week 3 - Appraisal Comes Back (Sometimes in week 4)
HOA Resale Docs to Get/Review (Ordered & Paid for Typically by Seller)
- Week 4 - Final Walkthrough Inspection
Final Proceeds Estimate & Closing Docs for review.
- Week 5 - Final Approval for Loan, Go to Closing,
Sign all Docs, Transfer Funds to title, get Keys

HOMEOWNER'S INSURANCE:

MAKE SURE YOU'RE COVERED!

Unless you’re paying the sale price of the home in cash, your lender will require the purchase of homeowner’s insurance before closing. After the agreement to purchase, but before closing and title has transferred, it’s the seller’s obligation to ensure appropriate insurance coverage on the house and property. Immediately on closing the sale and when the title transfers, the seller no longer has an insurable interest in the property, hence seller’s coverage ceases. The new owner must have homeowner’s insurance coverage in place.

In most cases, you’ll be asked to provide proof that you’ve prepaid one year’s worth of coverage before the lender will set closing. The lender holds a lien on the property until the mortgage has been paid off. To safeguard their interest, lenders want financial protection in the form of a home insurance policy to pay for the cost of rebuilding your home, should disaster occur.

A standard homeowner's insurance policy generally protects against:

- Fire and lightning
- Damage from hail and windstorms
- Theft and vandalism
- Smoke damage
- Falling objects, like tree branches
- Damage from the weight of ice, snow, or sleet
- Frozen plumbing, heating, AC, or other household systems
- Vehicles (and even aircraft) – not the vehicle itself, which is the object of auto insurance, but damage from vehicles – e.g., in the event a car runs into your home.
- Riots or civil commotions
- Explosions
- (Optional) Wind & Hail - highly recommended in the Greater San Antonio, New Braunfels Areas

Homeowner's insurance policies also generally include coverage for liability, personal belongings, other structures on your property like carports and fences, and additional living expenses if your home becomes temporarily unlivable.

There are advantages of paying homeowner's insurance up front at closing, rather than escrowing the cost within your monthly mortgage. Paying your homeowner's insurance premium all at once and before closing allows you to exclude that premium from your closing costs, which generally include lender and other fees for which you're responsible, in addition to your down payment. Closing costs are generally paid in one lump sum.

You may also choose to set up an escrow account, depending on your mortgage agreement, to avoid paying large sums for homeownership costs. Essentially, an escrow is a savings account designed to help you pay your mortgage, property taxes, and even homeowner's insurance in smaller, periodic installments. Your lender usually deals with payments from your escrow, which means less stressful financial management for you.

A HOME WARRANTY LETS YOU SLEEP BETTER AT NIGHT

Whether you're a first-time home buyer or an empty nester downsizing after several previous home buys, it might be a smart idea to have a warranty plan, so that you can sleep well at night.



The advice also applies to experienced real estate owners who just don't want to have the thought of maintenance and repairs hanging over their heads. A home warranty is a way of protecting yourself from expensive, unexpected repair bills. Depending on the local market as well as on the deal, the home warranty can be paid either by the seller or by the buyer. A home warranty paid for by the seller can be a negotiation point or inducement offering to protect the buyer from having to do any additional, expensive repairs to the house after the deal is closed. It may even include major appliances within the home.

The cost of a home warranty is generally not too high – often between \$350 and \$600, depending on the coverage. The payment must be made one year in advance.

In case you need to use such a warranty, the procedure is simple. When there's a problem, the owner calls the warranty company, which then announces the service provider who will be fixing it. The provider will call the owner to schedule an appointment and fix the problem. The insurance company will pay the service bill after you have covered your deductible, typically \$50-\$75 per visit.

Be careful when choosing a plan because there are many existing coverage differences. Pay attention when reading the fine print relating to the conditions for coverage and the reasons claims may be denied. The secret to getting a good insurance plan rests in dealing with a reputable company and knowing all the details.

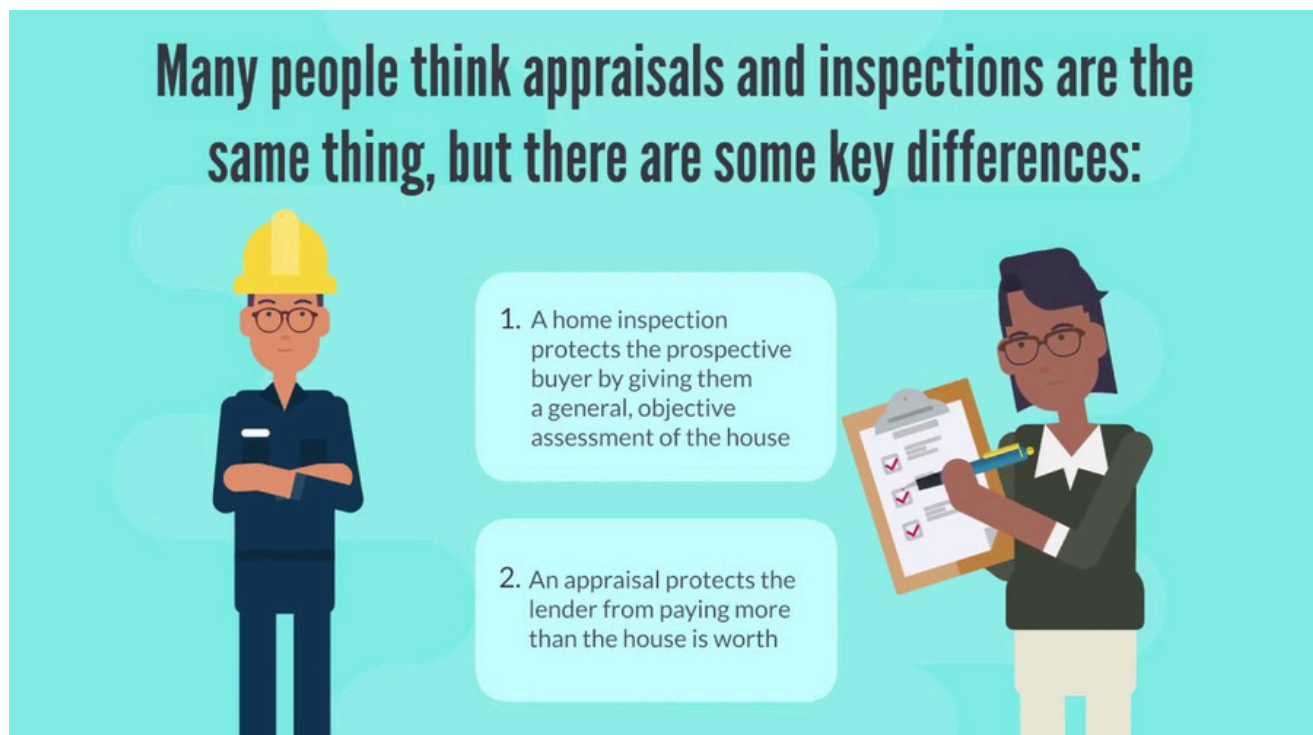
An Appraisal Is Not The Same As A Property Inspection

A real estate appraiser is a state-licensed expert who determines the value of a certain property. When it comes to closing a financial transaction involving a property, both the seller and the buyer depend on his or her evaluation.

This procedure is meant to protect the buyer – as well as the bank that offers the mortgage loan – from purchasing an overestimated and overpriced piece of real estate. They only look for obvious issues that are required by the lender depending on the type of mortgage trying to be obtained. FHA, VA, and Conventional all have different criteria that must be met. The appraisal report is required by the bank, and the cost is included in the mortgage cost.

The appraisal expert evaluates the property using one of these two methods: the sale comparison approach, by comparing your home with other similar ones that were sold in the area, or the cost approach, used mainly for new buildings – a method that evaluates the cost of replacing the structure of the home.

Property inspectors aren't the same as Property appraisers. Property Inspections are not a requirement of most lenders. An inspector checks in a more detailed manner, items such as the water or drainage flow, or the air conditioning system to protect the buyer from purchasing a home without knowledge of potential costly maintenance and repair issues.



Many people think appraisals and inspections are the same thing, but there are some key differences:

- 1. A home inspection protects the prospective buyer by giving them a general, objective assessment of the house
- 2. An appraisal protects the lender from paying more than the house is worth

The infographic features two cartoon characters: a male inspector on the left wearing a yellow hard hat and a dark blue uniform, and a female appraiser on the right wearing a black blazer and holding a clipboard with a checklist. The background is a light teal color with white text and two light blue callout boxes containing the key differences.

Things That Can Disrupt Your Deal

Until the closing statement is signed by both you and the seller, and funding has taken place, nothing is certain.

The deal might fall apart from one day to another. Here's a list of common mistakes that may seem insignificant for the buyer at first glance, but for the lender may mean a "yes" or a "no."



- Be careful with other big purchases while trying to obtain a mortgage. Avoid charging your credit cards with thousands of dollars for unnecessary things. Buying furniture or opening a new line of credit may threaten the deal, as the lender may suspect that you're cutting funds reserved for the real estate payment.
- Thinking of getting a new car while getting a new home, Don't! wait until you are closed and funded on your new home, then, go get that car you want. Mortgage lenders examine and weigh your DTI (Debt to Income) ratio much more than Auto Lenders.
- Any money received outside of your regular income. I.E. money you receive from family or friends. This kind of income should be cleared with the lender early in the process, in order for the sums to avoid being considered as further debt.
- Another way to delay the closure is by changing jobs or switching positions. These actions are highly questioned, especially if they lead to your main income no longer based on a monthly salary, but on commissions or performance bonuses. The unstable nature of a commission-based income might threaten the deal.

It's highly important to act responsibly and turn in all the required paperwork on time. Ensure you have enough time to review the closing statement; don't be the reason the signing is delayed.

10 Things To Know When You're Closing A Home Deal

#1. OPEN AN ESCROW

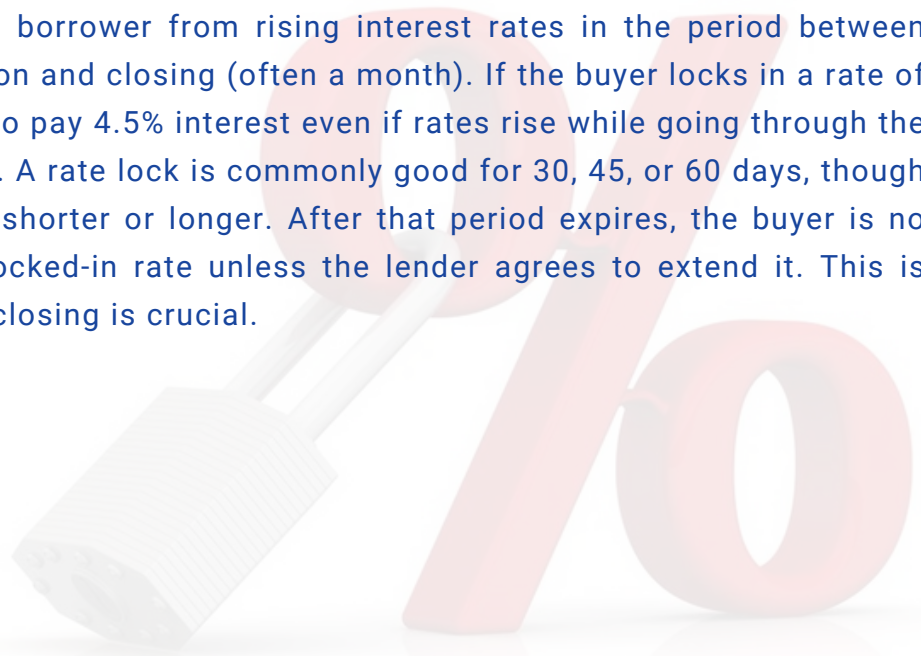
The first step to closing the deal and unlocking the front door of your own house is to open an escrow. An escrow is a contractual arrangement in which a third party receives and disburses money or documents for the primary transacting parties, with the disbursement dependent on conditions agreed to by the transacting parties. Escrow, on average, will last approximately one month. During that time, the third party is taking care of transactions on both the seller and buyer's behalf.

For example, if you're providing an inspection as a buyer, you deposit funds to the escrow account. Costs of this service are to be negotiated beforehand. Be conscious of the escrow company's fees. Some contain unexpected fees you might only become aware of during payments because they're hidden. Understand escrow company fees before entering into an agreement.

#2. LOCK IN THE INTEREST RATE

The price for a mortgage loan is typically expressed as "points" paid to get a certain interest rate. Points are essentially prepaid interest, so the more points paid, the lower the interest rate. One point equals 1% of the loan amount. A mortgage rate lock guarantees that a mortgage lender will give a buyer a certain interest rate, at a certain price, for a specific time.

A rate lock protects the borrower from rising interest rates in the period between sales agreement execution and closing (often a month). If the buyer locks in a rate of 4.5%, she will only have to pay 4.5% interest even if rates rise while going through the loan application process. A rate lock is commonly good for 30, 45, or 60 days, though that time period can be shorter or longer. After that period expires, the buyer is no longer guaranteed the locked-in rate unless the lender agrees to extend it. This is why arranging a prompt closing is crucial.



#3. HAVE A HOME INSPECTION

Making sure roofing shingles don't fall off on the first day in your new home or the furnace doesn't operate under 45 degrees is generally enough reason to have a home inspection. Engage specialists to check the conditioning system, plumbing, and electricity. This could save you thousands of dollars by uncovering existing issues. They will also check mold growth and other possible environmental health threats caused by lead, fungus, and asbestos.

Even new houses need to be checked duly and thoroughly. It doesn't matter that the house recently had all the municipal inspections by the builder.



#4. HAVE A PEST INSPECTION

The best approach is to hire a licensed pest inspection company. They'll check your future property for contamination by flies, mosquitoes, cockroaches, fleas, rats, mice, bedbugs, termites, beetles, carpenter bees, ants, and other types of pests. There's no need to explain how much harm even a small number of termites can do. These issues will lead to major repair expenses and even health issues.

The presence of any kind of contamination is a subject of renegotiation of terms or a reason to rethink the deal completely.

#5. FIX ALL THE ISSUES AFTER THE INSPECTIONS

If inspections reveal any problems, you may want to ask for a price adjustment to cover the cost of repair or ask the seller to fix the problems. Some inspectors advise to look deeper into the issue. They say you should ask for a second opinion, or evaluate it further with a specialist. It's highly recommended to discuss the estimates and fix the issues as soon as possible.

#6. ASK FOR TITLE SEARCH AND INSURANCE

Title insurance is needed to eliminate the potential of loss by third-party ownership on the property that you're buying. Title insurance protects real estate owners and lenders against loss or damage due to liens, encumbrances, or defects in the title. Each title insurance policy is subject to specific terms, conditions, and exclusions.

Auto and homeowner's insurance protects against potential future events and is paid for with monthly or annual premiums. A title insurance policy insures against past events for a one-time premium paid at the close of the escrow. Title defects include another person claiming an ownership interest, improperly recorded documents, fraud, forgery, liens, encroachments, easements, and other items specified in the insurance policy.

#7. CONDUCT A HOME APPRAISAL

A home appraisal determines the estimated market value of your soon-to-be property. The appraiser evaluates it based on general condition, geographic location, proximity to objects of interest, value of the nearby houses, recent sales, and neighborhood growth and potential, among other factors.

Mortgage lenders use this information to make sure the amount you borrow is supported by the home's value. There's always a risk of a low appraisal. In that case, the lender won't go through with the transaction at that price.

The seller might adjust the sale price accordingly but also might not. Appraisal value isn't a binding figure – what the seller sells for and the buyer pays determines the sale price. The situation might be that you negotiated a deal with the seller for a price already lower than initially wanted. This likely is due to the home selling in a buyer's market and its location in a declining market area. This may slow or disrupt the closing process while further negotiations are conducted.

#8. SET THE TIME AND DATE OF THE CLOSING

The closing date is a negotiable factor during the offer and acceptance phase of a home sale. When making an offer, include a closing date, and, depending on the seller's circumstances, it might be acceptable or may be countered with another.

Don't choose a date casually. The right date can ensure a smooth closing and reduce closing costs; the wrong date puts the home buyer at risk of not closing on time, complicating the move, increasing expenses, and even losing your new home. Expenses are prorated through the closing date, so generally, there's no better day of the month to close. However, in financing a mortgage, there are some differences between what is collected as a prepaid item and when the first mortgage payment is.

Some insider advice:

- Give yourself enough time. Don't set a short closing date unless you're paying cash. There are many steps involved with a home purchase. It takes time for the loan process. A short closing date might predate final loan approval.
- Avoid closing at the end of the month, if possible. This is the busiest time. Unexpected issues are better dealt with if title officers and lenders are readily available.
- Make your closing align with the actual move from your old residence to your new house. Ideally, your move should be from one to the other without a hotel stop in between.
- Arrange with your local utility companies to ensure they can start service on the closing date. Living without water, heat, air-conditioning, or Wi-Fi until they are activated is unnecessary – not to mention unpleasant.
- Mortgage payments are almost always due on the first day of the month and the payment is for the preceding month. As an example, if you close in July, your first payment is due on the 1st of September. However, interest is due for the month of July from the date of closing. If you close early in the month, say on the 10th, you would have to pay for 21 days, but if you close on the 25th, you would have to pay six days of interest. If money is tight, closing toward the end of the month will reduce your immediate out-of-pocket expenses.

If you schedule a closing and fail to complete it on that day, there are consequences. You'll face increased closing costs, in addition to any penalty for the delay. Most sellers will work with you if the transaction does not close on time, but failure to close opens the door to canceling the sale. This is most likely to occur in a seller's market, when the seller may have taken backup offers that are potentially better than yours. Closing can be held in any agreed-upon location. For example, at the attorney's office, or at your lender's or title company's offices.

#9. BE PRESENT AT A WALKTHROUGH

A final walkthrough is a last chance to see your future house before you buy it. Commonly, it's scheduled 24 hours before the closure. The property should be in the condition that's specified in your sales contract. You may inspect for any changes made subsequent to the home or pest inspections. Check if everything is in order and if any additional replacements are necessary.

If there's an issue, the closing day could be shifted, or, upon agreement, the repair costs will be submitted to the escrow account. Don't skip this step because missing the final walkthrough is one of the reasons for closure delays.

#10. GET READY FOR YOUR CLOSING DAY

Now you have run the escrow marathon and survived all the possible obstacles in your way. It's finally time to sign the papers and get the keys to your new home. Prepare all the paperwork that you've collected during the process. This includes the title search and insurance, inspection reports, bank statements, home appraisal, checks of down payment closing costs, and prepaid interest.

Several people could be present at the closing, e.g., your attorney, a seller or seller's representative, seller's attorney, real estate agents (both yours and seller's), lender's representative, a title company's representative, closing agent, and a public notary. The exact number and function depends on the state and county. In some states, it's as few as the buyer(s) and the closing agent, with all documents pre-executed by the other parties.

#10. GET READY FOR YOUR CLOSING DAY

Now you have run the escrow marathon and survived all the possible obstacles in your way. It's finally time to sign the papers and get the keys to your new home. Prepare all the paperwork that you've collected during the process. This includes the title search and insurance, inspection reports, bank statements, home appraisal, checks of down payment closing costs, and prepaid interest.

Several people could be present at the closing, e.g., your attorney, a seller or seller's representative, seller's attorney, real estate agents (both yours and seller's), lender's representative, a title company's representative, closing agent, and a public notary. The exact number and function depends on the state and county. In some states, it's as few as the buyer(s) and the closing agent, with all documents pre-executed by the other parties.



Basically, the purpose of the meeting is to sign the following documents:

- Acknowledgement of Receipt of Documents – Typically you have received and reviewed all reports, addendums, HOA Resale Packets or certificates, etc.
- Closing Disclosure (CD) or Settlement Statement. This document contains your final payments, costs, and charges upon agreed terms and periods. You're supposed to receive it three business days before the closing date and compare it with the conditions of the initial loan estimate.
- Mortgage note. In signing this document, you agree to your mortgage terms and conditions, as well as penalties, in case you're not able to pay duly and on time.
- Deed of trust or mortgage. In real estate, a deed of trust or trust deed is a deed wherein legal title in real property is transferred to a trustee, which holds it as security for a loan (debt) between a borrower and lender. The equitable title remains with the borrower.
- Certificate of Occupancy (for new houses only). The Certificate of Occupancy provides authorization from the local government for a building to be used as a public edifice or as a private residence. The purpose of the certificate is to provide verification that the building is in full compliance with current building codes and is safe for occupancy. This type of certificate is issued whenever a new building is constructed within the city limits of the local government. Inspections are conducted to ensure the basic construction, wiring, plumbing, and other elements of the building are up to code and can be certified as being safe for occupation. Such a document is needed to move into a house.

If your home-buying team is competent enough, you won't be seeing those documents for the first time at the closing. In Texas, you should have the final version of all of your documents (unsigned) 3 days prior to closing to give you ample time to review and ask questions. Don't sign anything that's unclear to you, different from what you agreed to, or seems wrong. Make sure that you understand what you're signing and how your payments will be distributed over time. Charges change differently depending on the mortgage type and may also depend on your insurance or taxes.

After Papers Are Signed And The Deal Is Funded, It's Yours!

Coordinate Receipt of Keys and Welcome Home! You can start moving into your new house. Now you're a legitimate owner and a person who is responsible for a mortgage loan. Nothing can be compared to buying your first home. When you finally get through with it, you'll be able to relax and enjoy your new property.

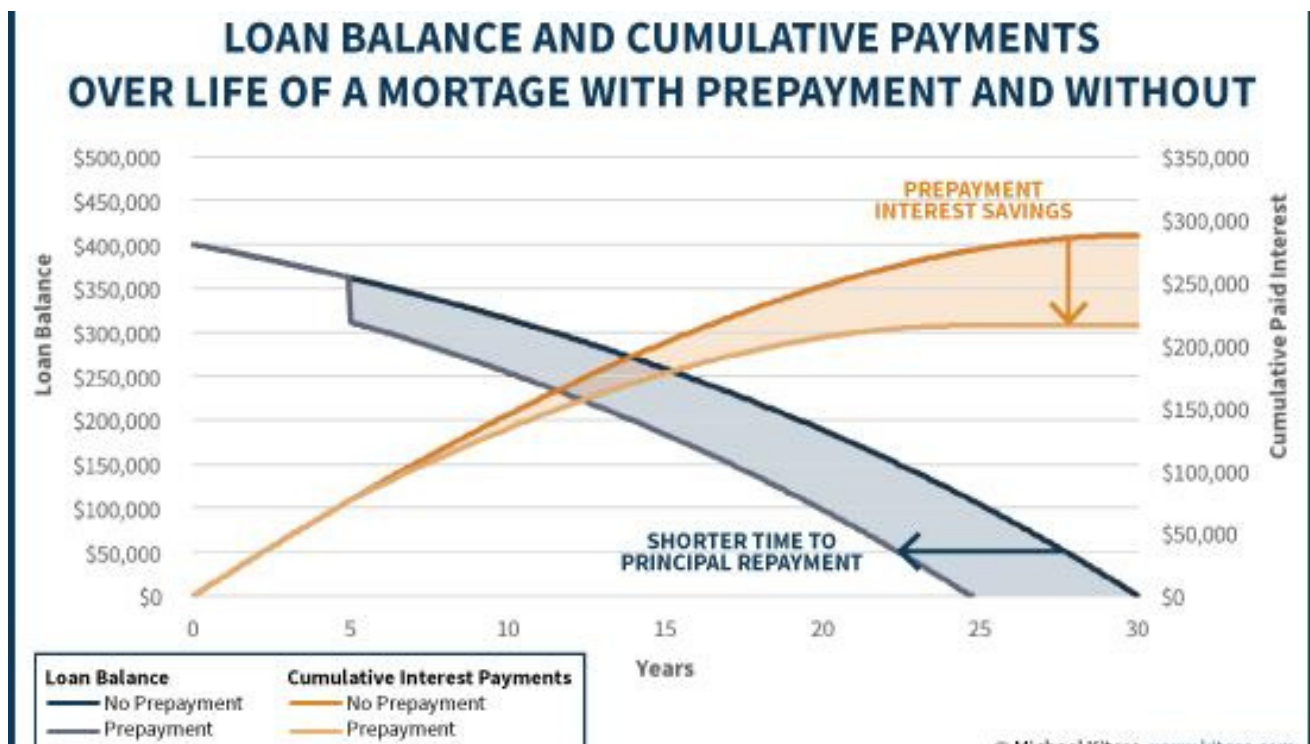
Don't worry – most of the time, you'll reach the finish line with a smile on your face and a beautiful new home to call your own. So, get out there and start searching for the perfect home for you and your family. After all, we all know that there is no place like home. Hopefully, these basic steps will help first-time home buyers handle this incredible process with less stress and more energy.



The Value Of Prepaying Your Mortgage

It's a great idea to prepay your mortgage if you can. By doing so, you can reduce the costs incurred together with interest and save 10's of thousands of dollars in the long term. To prepay the mortgage means that you pay the amount you owe to the lender before the due term. To do so, it's important to understand some of the most popular methods of doing this.

Some people decide to pay a monthly sum above the mortgage payment. This amount gets applied to the principal (not the interest), and doing so consistently can save you a small fortune in the long run. Another way of reducing interest is through a system of making 13 payments in a year instead of 12.



This is part of shopping for a mortgage. Some mortgages have a flexible policy, which allows you to make extra payments as you consider fit and without restrictions. In other cases, however, the terms of overpaying a loan are strict and require a penalty for those who are planning on prepaying the mortgage.

These terms are detailed in the prepayment penalty disclosure section of the documents. Be sure to examine the documents carefully.

MAKE SURE to notate any excess or additional payments made to be applied to principal only.

CHAPTER 12

ORGANIZING YOUR MOVE

So at this point, you're thinking “Man buying a home is stressful.”
Not if you hire us to represent you!

Moving, however, can be one of the most stressful and tiring things anyone can ever go through. It can also be an uplifting, refreshing experience. I give you this to take with you: Nothing remains as it was. If you know this, you can begin again, with pure joy in the uprooting — Judith Minty.

Whether the move is across cities or within the same area, it needs careful planning. From sorting to packing, labeling, unpacking, and arranging all your “stuff” in your new home, it involves a lot of work. Unfortunately, it’s something most of us have to go through at some point in our lives. It’s a necessity that can hardly be avoided or ignored. Luckily, the stress can be minimized and the possible problems avoided with a bit of help and resources.

As with most tasks, organization and careful planning is key to moving. A checklist will help you remain organized with the tasks of sorting, labeling, and packing your things.

PREPARING YOUR CHECKLIST

Moving your entire home means that you need to prepare at least two checklists. The first is a checklist of all the items you’ll be bringing with you, grouped according to the room to which they belong. In addition to indicating the room, it’s a great idea to number the boxes. This way, you can indicate on your checklist where each item is packed. It will make it easier to sort and identify your things while moving.

The second checklist that you need is a list of all the tasks involved in your move, such as packing, labeling, disposing of items not being moved with you, utility turn-off and turn-on at the new home, and others. No task is too small for your checklist. It pays to be prepared.

To help you with this list, the following pages contain a comprehensive sample to which you can refer. You might divide it into segments of time to keep you organized.



The Ultimate Chronological Moving Checklist

A MONTH BEFORE THE BIG MOVE

- Ask friends and relatives for referrals to moving companies and inquire about their services, procedures, and policies. Get at least three estimates from different companies so that you can compare their services and choose the one that best suits your needs and budget.
- Go through all your “stuff” and identify the things that you’ll keep and those that you’ll dispose of. Remember, less is more. If you no longer use it, give it away or sell it. This will make packing easier and quicker for you.
- Keep a file of all your moving documents, such as contracts, invoices, bills, etc. This file should be readily available when you need it.
- Inform your utility company of your moving date so they can disconnect services (i.e., water, electricity, cable, Internet) on the date after your move.
- Schedule an activation or transfer of these same services to your new address, so that you already have them in place once you move in.

THREE WEEKS BEFORE THE BIG MOVE

- Bring out the boxes and start packing the items you won’t be using in the coming weeks. Label the boxes with the room the items belong to. This will make unpacking systematic.
- Make a list of the items that go in each box. You could also take pictures so you’ll know where to find each item.
- Decide on whether you’re going to hire a moving company to help you or if you decide to do it yourself. If hiring, now is a good time to finalize the details of your big move.
- Enlist the help of family and friends. Let them know when they can come and help you with packing, or with unpacking.
- Update all personal documents that include your address. Notify your employer, banks, and insurance companies of your change in address.

Notes: _____



ONE WEEK BEFORE THE BIG MOVE

- If you're hiring a moving company, make a call to confirm details, such as time of arrival and pickup.
- Draw up a timetable for moving day, including items like time to start loading boxes, where/when to stop for lunch, estimated time of arrival at the new place, etc. This will give you a sense of what to expect and prepare for on the day itself.
- With the help of volunteer family and friends, finish packing all your things, leaving behind only the essential items that you'll be using every day.
- Make sure all your boxes are properly packed and numbered, color-coded by room, if possible. This will help you in the unpacking process. Make sure there are labels on the tops and sides of the boxes.
- Prepare a snack bag for moving day. Make sure to bring lots of water and high-energy food to sustain your strength while moving.
- Have your checklists and pens ready with you in your bag.
- Clean up your refrigerator, stove, and other kitchen appliances. Make sure most of the food in the fridge will be consumed by moving day.
- Make sure all your items for donation/giving away are picked up or delivered to their new owners.
- Check if all utilities are already working properly in your new home.
- Prepare several pieces of post-it notes with your new address and your contact numbers to be given to your movers, or to your entourage on moving day.

Notes: _____



THE DAY OF THE BIG MOVE

- Pack away your bedding and disassemble all the beds in your home. (Or do this a day or two prior, and sleep on an air mattress for your last night.)
- Have a last-minute meeting with your movers, if hiring one, and make sure they know how you want things to be done. Inform them of the box labels, where each box must go, and how they should be loaded. Make sure all your items are loaded and nothing gets left behind.
- Distribute your Post-it notes with your contact numbers and the new address to every driver in the moving group.
- Double-check every room in the house before leaving, making sure nothing is left.
- Turn off all light switches, and lock all windows and doors.
- Make sure you arrive at your new home before the movers/entourage.
- Inspect your new home, making sure all utilities are in working condition.
- Clean up your new home while it's still empty. Open windows and cabinet doors to let in fresh air.
- Direct your movers with unloading your boxes; show them where each box must go.
- Finally, unpack what you need for the rest of the day and set up your beds and bedding while you have help.

Notes: _____

DIY Or Hire Movers?



The checklist above is as thorough as it gets, with the weekly tasks to tick off as you go along the way. However, a big factor to consider is whether to hire a mover. Movers are a big help with all the items you need to pack, load, and transport over a long distance. If you're bringing several rooms of furniture and a family load of personal possessions, hiring a moving company will decidedly be the practical choice.

With intrastate moves costing an average of \$2,000-\$3000, and interstate moves averaging \$7,000-\$8,000, you need to consider all your moving options carefully (including whether you might want to drive or ship off your car in advance). We recommend that you get at least three to four bids from different moving companies before you decide who to work with. That will ensure you get a fair price – and maybe even a good deal out of it.

The first thing to consider while analyzing these bids is verifying that the movers you want to work with are legit and up-to-date, with all the required insurance and approvals.

THE RIGHT MOVERS

The issue is choosing the right moving company to work with you. Here are some things to consider when hiring movers:

- **Consider reputation.** Ask around for movers whom friends and relatives recommend based on their experience. Have at least three companies to compare services and reviews from before making your final choice.
- **Choose local.** Oftentimes, local companies are the better choice in terms of budget and availability.
- **Ask for an in-house cost estimate.** Let the movers see your belongings and inform them of the distance to your new home so they can quote you an estimate.
- **Look at the fine print.** Check their cost estimate for hidden charges, insurance coverage, payment terms, and policy on damage to items. Compare these with the other movers you're considering and base your decision on your comparisons.

When making your final choice for a mover to hire, keep in mind that getting the cheapest mover doesn't guarantee that you'll save in the end. Cheap could mean mediocre service and damaged items, and you may incur other problems along the way. Choose wisely, and take the above factors into consideration.



RENTING A U-HAUL

The U-Haul truck you rent to load and move your things when moving to a different location is a less expensive alternative to professional moving firms. Unlike movers, you do the packing, loading, and driving yourself. This could be a great way to save on moving costs, but only if you have a manageable amount of property to bring with you.

The truck size matters. It's imperative that you pick out the right transportation for your impending change of houses. While the objects from a one-bedroom apartment might just fit a 16-cubic-meter truck, the content of a fully furnished three-bedroom house might require up to two or three trips of a 26-cubic-meter truck. Make sure that you spare yourself a lot of grief and get the right size for your moving truck, especially if you're facing a long-distance move. You can call on your friends for help in packing and loading your things into this rented truck. This will make it easier to do the moving without professional help.

To get the best U-Haul deal and pull off a successful and uneventful move, keep in mind the following:

- Check the Truck, Many Moving Rental Trucks are beaten and banged up. Check the Steering ensuring it is not too loose, the breaks and shocks that they are firm, and the sway that the truck does rock too much. The last thing you want is to stress out about driving this thing on top of the stress you have from moving.
- Time your move. Mid-month and mid-week are the best days to get a good price since most movers say the weekends and month-ends are the busiest times for them.
- Look for inexpensive but serviceable packaging. Recycled boxes are less expensive.
- Rent the pads & the Hand Truck Dolly
- Start packing a long time off. Plan months ahead regarding which items you'll bring with you and which ones to give away or donate.
- Organize a moving team. You'll need all the help you can get, from packing and labeling to unpacking and sorting your stuff.
- Time your departure from your old place. Make sure you'll be able to stop and rest when needed at convenient times and places. You want to be able to get to your new house while there's still light outside for ease in unloading.

If you decide to do the move with a U-Haul, make a specific timetable. Include all the things that you would be doing in preparation for your move. If you'll be proceeding without professional help, you may even want to ask for advice from people you know. Their moving experience will provide you with tips on what to avoid and areas of preparation you may have overlooked.

Whether you make your big move with professional help, family and friends, or by yourself, preparation and organization are key. You might have asked for all the help you can get and hired the best movers. But, without your personal involvement in planning and organizing, you won't be able to keep track of everything that needs to be monitored and prepared.



Settling In

It's probably after 11:00 p.m. by now, the first night in your new place. Pizza boxes are stacked on tables not yet positioned. Soda and water bottles stand guard in the eerie quiet of unfamiliar surroundings that feel somehow like, well, home. You've got days of settling in yet to make this your home. But good job for getting to this point!

Reminder Make sure to Register your appliances and HVAC system if it is a new home, or if you got a Home Warranty.

File for your homestead exemption if it will be the primary residency you will live in.

And Welcome Home!

DID YOU KNOW IT MAY COST YOU NOTHING TO WORK WITH ME TO FIND YOUR NEXT HOME?

When you're ready to buy your first home or purchase your next one, give me a call so we can go over everything you're looking for in your dream residence! We'll discuss your anticipated budget and lifestyle and put together a list of needs and desires in your next home. We'll talk about:

- How much space you need
- What extra amenities you're looking for
- Home designs and features you prefer
- Number of bedrooms/bathrooms
- What different local neighborhoods offer
- And much more!

I take pride in my ability to understand and deliver what my buyers are looking for. When you're ready to move forward, I'll connect you with a qualified lender who can get you pre-qualified to purchase your next home.



Alex Hunter | Realtor, MRP

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RESOURCES

The process of buying a home can be stressful, even if you're working with a professional real estate agent, like myself.

Chances are, you'll have to hire various professionals throughout the process, either to fix any of the issues that can pop up in a home inspection or to help you turn the home you purchase into the home of your dreams.

The last thing you want to do is hire an unreliable contractor who delays – or even ruins – your home purchase.

I've experienced firsthand the work of numerous local contractors and professionals. I know which companies will produce the highest-quality work, and which ones to avoid.

Because I want my clients to have the most successful buying experience possible, I recommend only the best professionals in a variety of specialties – from home inspectors and mortgage brokers to general contractors and moving companies.

Check out our Vendor Resources "<https://yourrealty.org/resources/>"

HOME BUYING FOR VETERANS

“A Real Estate Guide for Our
Nation’s Heroes”

Buying a home can be an exciting but daunting task. This book is your go to Resource and Guide for Veterans looking to achieve the dream of home ownership. A list of financial resources available for Veterans to tap into, and details the buying process in any market, with strategies and advice to help the process go as quickly and smoothly as possible. These strategies have helped Thousands of Veterans like you save time and money when buying their home for a reasonable or even amazing price.

This book shows you the best ways to search for your desired home, how to compare your needs and desires, negotiation tips and strategies, what to look for in a home loan, steps to take during a home inspection, and a full rundown of the closing process. Don't have time for all that?



Save my Contact now to connect and Schedule your complimentary strategy session. You'll also get Exclusive Access to ALL of my Real Estate eBooks FREE!

Thank you for your service and I look forward to meeting and working with you on your home-buying Journey. Connect with me Today!
How Can I Help?



210-876-4321

Hunter@YourRealty.org

www.YourRealty.org

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