BUYER'S GUIDE

Let's find your dream home!

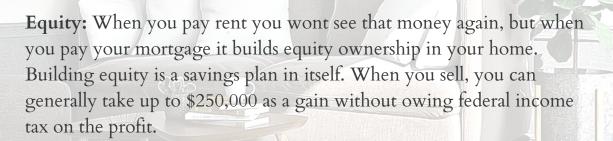




REASONS TO OWN

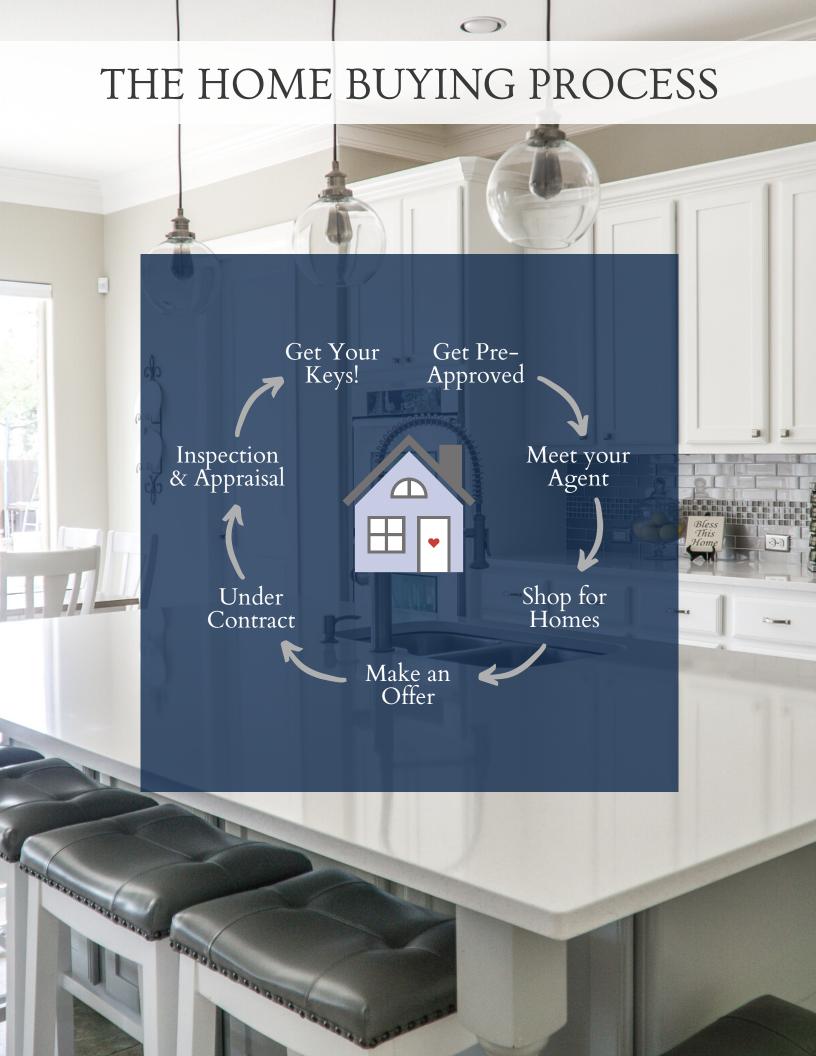
Appreciation: Real estate has long-term, stable increase in value. Median existing home sale prices have increased on average 6.5% each year; and increased 88.5% over the last 10 years according to the National Association of Realtors. In addition, the quantity of new homes coming to the market is expected to rise at least 15% over the next decade. Creating high and long lasting demand.

Tax Breaks: U.S. Tax Code allows you to deduct the interest you pay on your mortgage, property taxes, and some costs associated with buying your home.



Predictability: Your fixed mortgage payments don't rise over the years and your housing costs may actually decline over the years if you continue to own your same home. Keep in mind, property taxes and insurance costs do increase which can affect your monthly payment.

Freedom: The home is yours, decorate how you like! Enjoy the benefits of your investment by making it exactly what you want.



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PREPARING TO BUY

TIPS FOR YOUR HOME SEARCH:

Get your finances in order: Review your credit report, check your savings and be sure you have enough money for your down payment and closing costs. Talk to a lender and get prequalified! You don't want to find your dream home and later realize its unaffordable.

Research before you look: Figure out what features are most important to you, which neighborhoods you prefer, and what your monthly budget is for a mortgage payment.

Decide on your moving timeline: When is your lease up? Can you afford a lease break? Are you allowed to sublet? What does the market look like? These can all affect your timeline to move.

Be realistic: There's no such thing as a perfect home. Fine tune your priorities, but don't be unrealistic.

Think long term: Do you want a starter house or do you plan to stay in this home long term? This will dictate the home you buy as well as the type of mortgage that will best suit you.

Get help from a Realtor: Hire a professional who specializes in buyer representation. A buyers representative is focused solely on you and are usually paid out of the Seller's commission.

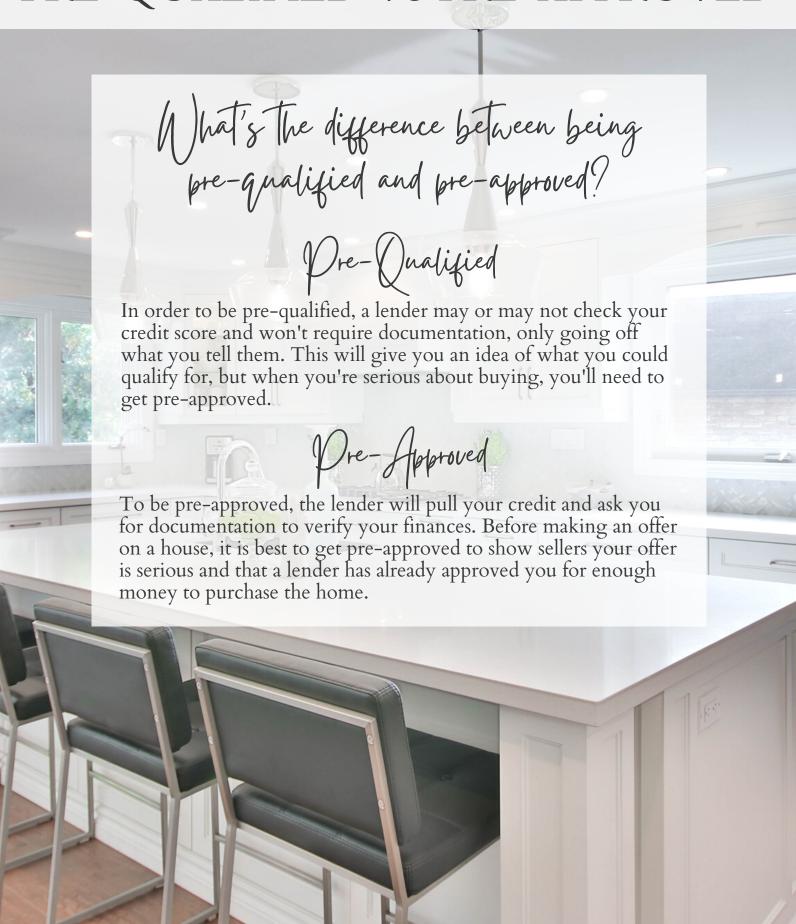
BUY FIRST OR SELL FIRST?



1ST THINGS 1ST- GET PRE-APPROVED!



PRE-QUALIFIED VS PRE-APPROVED



WHICH LOAN IS RIGHT FOR YOU?

CONVENTIONAL LOAN

The most common type of home loan, which is offered through private lenders.

FHA LOAN

Loans designed for those with high debt-to-income ratios and low credit scores, and most commonly issued to first-time homebuyers. Offered by FHA-approved lenders only and backed by the Federal Housing Administration.

VA LOAN

Loans designated for veterans, spouses, and reservists, offered through private lenders and guaranteed by the U.S. Department of Veteran Affairs.

USDA LOAN

Loans for homebuyers in designated rural areas, backed by the U.S. Department of Agriculture.

			TOTAL TOTAL	
TYPE OF LOAN	DOWN PAYMENT	TERMS	MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
CONVENTIONAL	3 - 20%	15-30 Years	On down payments under 20%	620
FHA	3.5 - 20%	15-30 Years	For 11 years or life of the loan	500
VA	None	15-30 Years	None	640
USDA	None	15-30 Years	None	640

QUESTIONS TO ASK WHEN CHOOSING A LENDER

Interviewing lenders is an important step in determining what type of home loan is best for you. Not all lenders are the same. The type of loans available, interest rates, and fees can vary. Here are some questions to consider when interviewing lenders:

- > Which types of home loans do you offer?
- > Which type of mortgage plan would work best for me? Why?
- > Are your rates, terms, fees, and closing costs negotiable?
- > Who will service the loan? You or another company?
- > What escrow requirements do you have?
- > What will my interest and annual percentage rates be?
- > How long will this loan be in a lock period? Will I be able to obtain a lower rate if it drops during this period?
- > Do I qualify for any special programs or discounts?
- > What estimated closing costs can I expect to pay?
- > What is your average loan processing time?
- > Are there any charges or penalties for pre-paying the loan?

TRUSTED LENDERS

HOME TRUST FINANCIAL - IDAHO BRANCH

208-605-3661 support@hometrustidaho.com hometrustidaho.com 1882 W Frederic Ln. Boise, ID 83705 NMLS: 1761573

GINA MOON - LOAN ORIGINATOR

208-724-5136 gina.moon@hometrustloans.com NMLS: 400370 1882 W Frederic Ln. Boise, ID 83705

KATELYNN WILDMAN - LOAN ORIGINATOR

208-724-5136 katie.wildman@hometrustloans.com NMLS: 1003735 1882 W Frederic Ln. Boise, ID 83705

ERIK VALENCIA - LOAN OFFICER - MOVEMENT MORTGAGE

208-421-0011 www.movement.com/erik.valencia NMLS: 674724 2965 E Tarpon, Suite 190 Meridian, ID 83642

DARREN MILTON - LOAN ORIGINATOR - US

BANK₀₆₋₄₅₄₃ darren.milton@usbank.com NMLS: 1890673 2775 W Navigator St Suite 115 Meridian, ID 83642

HOME LOAN APPLICATION DOCUMENTS CHECKLIST

ı	To determine loan eligibility, lenders typically require the following types of documents from each applicant:				
•	INCOME:				
ı	Federal tax returns: last 2 years				
ı					
	Tay studs. last 2 monthsAny additional income documentation: pension, retirement, child support,				
ı	Social Security/disability income award letters, etc				
	ASSETS:				
	Bank statements: 2 most recent checking and savings account statements				
i	☐ 401(k) or retirement account statement and summary☐ Other assets: statements and summaries of IRAs, stocks, bonds, etc.				
4	OTHER:				
4	Copy of driver's license or ID and Social Security cardAddresses for the past 2-5 years and landlord's contact info if applicable				
Z	 Student loan statements: showing current and future payment amounts 				
	Documents relating to any of the following if applicable: divorce,				
	bankruptcy, collections, judgements or pending lawsuits				

FINDING YOUR DREAM HOME



HOUSE WANTS & NEEDS LIST

Determine the features you are look prioritize which items are most imp but this will help us find the best ma	king for in your ideal home and ortant to you. No house is perfect, atch for you.
TYPE OF HOME:	
☐ Single Family Home ☐ Tov	wnhouse
CONDITION OF HOME:	
☐ Move-In Ready ☐ Some W	ork Needed is OK
DESIRED FEATURES:	(Circle)
Bedrooms Bathrooms	Car Garage Small or Large Yard
Ideal Square Footage:	
Desired Location/Neighborhood/Sch	hool District:
MUST HAVE	WOULD LIKE TO HAVE
	A STORY
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HOUSE HUNTING TIPS



INVESTIGATE THE AREA

Drive around neighborhoods that interest you to get a feel of the area, how the homes are cared for, what traffic is like, how far your commute would be etc.



ASK AROUND

Talk to family, friends and co-workers to see if anyone might know of a house for sale in an area you're interested in. One of them may even know of someone that's thinking about selling but hasn't put the house on the market yet.



KEEP AN OPEN MIND

Finding your dream home isn't always an easy task! Have a priorities list but keep an open mind when viewing houses.



TAKE PICTURES & NOTES

When you visit multiple houses it gets difficult to remember specific details about each one. Take photos and notes while touring houses so that you can reference them later when comparing the properties that you've seen.



BE READY TO MAKE AN OFFER

When you find a home you want to buy, keep in mind there may be others interested in it as well. Be ready to make a solid offer quickly in order to have the best chance at getting that home.

MAKING AN OFFER

When we have found a home that you're interested in buying, we will quickly and strategically place an offer. There are several factors to consider that can make your offer more enticing than other offers:

PUT IN A COMPETITIVE OFFER

You and your Realtor will decide on a reasonable offer price based on:

- > Current market conditions
- > Comparable properties recently sold in the area
- > The property value of the house
- > The current condition of the house

PAY IN CASH VS. LOAN

Paying in cash versus taking out a loan offers a faster closing timeline and less chances of issues arising, making it more appealing to sellers.

PUT DOWN A LARGER DEPOSIT

An offer that includes a larger earnest money deposit presents a more serious and competitive offer.

ADD A PERSONAL TOUCH

Include a letter to the sellers with your offer, letting them know what you love about their home. Adding this personal touch can give you an advantage over other offers by making yours stand out from the rest.

OFFER A SHORTER CLOSING TIMELINE

An offer with a shorter timeframe for closing is generally more attractive to sellers over one with an extended time period with a house sale contingency. A typical closing timeframe is 30-45 days.

NEGOTIATIONS

A seller can accept or decline your offer, or come back with a counter offer. If they send you a counter offer, be prepared to negotiate to come up with reasonable terms for both parties. This process can go back and forth until an agreement is made.



UNDER CONTRACT & IN ESCROW

Once you and the seller have agreed on terms, a sales agreement is signed and the house is officially under contract and in escrow. Here are the steps that follow:

PUT YOUR DEPOSIT INTO AN ESCROW ACCOUNT

Your earnest money deposit will be put into an escrow account that is managed by a neutral third party (typically a title company or bank) who holds the money for the duration of the escrow period. They will manage all the funds and documents required for closing, and your deposit will go towards your down payment which is paid at closing.

SCHEDULE A HOME INSPECTION

Home inspections are optional but **highly recommended** to make sure that the home is in the condition for which it appears. Inspections are typically completed within 10–14 days after signing the sales agreement.

RENEGOTIATE IF NECESSARY

The home inspection will tell you if there are any dangerous or costly defects in the home that need to be addressed. You can then choose to either back out of the deal completely, ask for the seller to make repairs, or negotiate a lower price and handle the repairs yourself.

COMPLETE YOUR MORTGAGE APPLICATION

Once you've come to an agreement on the final offer, it's time to finalize your loan application and lock in your interest rate if you haven't done so already. You may need to provide additional documentation to your lender upon request.

ORDER AN APPRAISAL

An appraisal will be required by your lender to confirm that the home is indeed worth the loan amount. The appraisal takes into account factors such as similar property values, the home's age, location, size and condition to determine the current value of the property.

WHAT NOT TO DO DURING THE HOME BUYING PROCESS



FINAL STEPS BEFORE CLOSING

Insurance Requirements

Most lenders require both homeowner's insurance and title insurance. See following pages for more detailed information on each of these.

Closing Disclosure

At least 3 days before closing, lenders are required to provide you with a Closing Disclosure with your final loan terms and closing costs for you to review. Closing costs for the buyer typically range from 2-5% of the purchase price, which can include lender fees, lender's title insurance, and HOA dues if applicable.

Final Walk Through

Within 24 hours of closing we will do a final walk through of the home before signing the final paperwork. This last step is to verify that no damage has been done to the property since the inspection, that any agreed upon repairs have been completed, and that nothing from the purchase agreement has been removed from the home.

Next Step: Closing!

CLEARED TO CLOSE

Closing is the final step of the buying process. On the day of closing, both parties sign documents, funds are dispersed, and property ownership is formally transferred from the seller to the buyer.

