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| SHARING FORWARD REALTY***A Unique Approach to Your Home*** |  |

**GETTING READY TO BUY A HOME**

LET’S REVIEW THE BASIC PROCESS

1. Preapproved/Prequalified for loan

2. Shop for a house

3. Put in offer

4. Title company gets paperwork ready

5. Show up to sign papers

6. TAA DAAA It’s Yours

EASY PEASY – Right? …BUT WAIT…………………….IT IS A BIT MORE COMPLICATED

 1. Use an online service to track your spending for one to three months. Usually require 2 to 3 months of bank statements for loan process.

 2. Eliminate unnecessary expenses. Will need cash on hand for down payment and closing costs. Talk to lender to see if you need to ask for closing costs in offer.

 3. Get a copy of your credit reports and credit scores and see if there are easy ways to improve these.

 4. Talk to a qualified loan officer to decide if money is best used as a down payment or to pay off debt. Have an idea of if I buy $XXXX amount of house then my payment with be $XXXXX and I will need to bring $XXXXX amount of money to closing. Do I need help with closing costs?

 5. Make sure financial gifts help rather than hurt the purchase.

 6. Get pre-qualified or pre-approved for a mortgage loan (*pre-approval is stronger*).

a. Shop around for a loan. Some companies have fewer closing costs. Start with your local bank.

b. Letters are usually good for 30 days.

c. Ask for letter to say the kind of loan, term and interest rate – Conventional loans are usually less hoops for seller and more appealing when submitting an offer but may require more down payment.

d. Different loans have different inspection requirements. FHA/VA/USDA have more rigorous requirements.

 7. Decide what kind of home are you looking for?

 8. Consider home insurance and property taxes for you new home.