



EDGE
HOME FINANCE

First-Time Homebuyer Guide

★ Everything you
need to know to get
approved and buy
with confidence



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47 States

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Welcome!

You're Ready to Buy—Now Let's Make It Happen!

Buying a home is one of the biggest milestones in life, and I'm so excited to guide you through it! You've already taken the first step—deciding to buy. Now, it's time to put a plan in place to make it a reality.

I created this guide to give you clear, straightforward steps on what happens next. No confusing jargon, no overwhelming industry terms—just the real information you need to feel confident and prepared as you start this journey.

As your loan officer, my goal is to make the mortgage process as smooth as possible. Whether this is your first time buying or you just need a refresher, I'll walk you through everything—from getting pre-approved to signing the final papers at closing.

★ Key Takeaways

- ✓ How to get **pre-approved** and what documents you'll need
- ✓ How lenders determine **how much home you can afford**
- ✓ The **different loan programs available** and which one is right for you
- ✓ How to budget for your **down payment and closing costs**
- ✓ What to expect at every stage of the **homebuying process**

You'll also find tips, checklists, and real advice I share with my clients every day. This isn't just information you can Google—this is real guidance, designed to make you feel confident and prepared.



Meet Your Mortgage Broker & Expert Loan Advisor



Before we dig in, let me introduce myself. I'm **Donald** a **licensed mortgage broker** and loan officer specializing in helping first-time homebuyers navigate the mortgage process with confidence. Over the years, I've assisted families in securing over million's in home financing across Michigan and the rest of the United States/

I believe that buying your first home should be an exciting and empowering experience, not a stressful one. I'm committed to making the process simple and seamless, so you can focus on what matters most—finding the perfect home and stepping confidently into homeownership.

Why Work With a Broker?



Access to 150+ lenders!

More lenders means more loan options. I shop the market to find the best deal for you.



Personalized service!

No one-size-fits-all here. I tailor every loan strategy to your unique goals and financial situation.



Bargain on interest rates!

With access to multiple lenders, I can often secure lower rates than big banks or online lenders.



Simplified process!

From pre-approval to closing, I walk you through every step and make the process stress-free.



We do all the legwork!

I handle working with lenders—structuring your loan to present the strongest file possible. My job is to make sure your application stands out and gets approved quickly and smoothly.



We know the market!

I stay informed on market trends and loan programs to give you an edge as a buyer.

The First Step to Homeownership: Getting Pre-Approved!

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WHAT IS PRE-APPROVAL?

Pre-approval is a **formal assessment** by a mortgage lender to determine how much they are willing to lend you. It's **based on your actual financial data**—not estimates—and shows sellers and real estate agents that you're a serious, qualified buyer.

Once you're pre-approved, you'll receive a Pre-Approval Letter, which outlines your approved loan amount and is often required before you can make an offer on a home.

Benefits

- **Knowing Your Budget.** Understand exactly how much home you can afford before you start shopping.
- **Standing Out From Other Buyers.** Show sellers you're serious and ready to make a strong offer.
- **Speeding Up Closing.** With much of the paperwork done early, you can close on your home faster.
- **Having Peace of Mind Shopping.** Shop with confidence knowing your financing is already in place.

Documents We Need

Bank Statements
Latest 2 Months

All Paystubs
In Last 30 Days

Signed Tax Returns
For 2 Most Recent Years

W2s
For 2 Most Recent Years

Proof of Identity
Driver's license, passport or military ID and
Social Security Card

Get Started:



CONSULTATION



ONLINE
APPLICATION



SUBMIT
YOUR DOCS



GET
PRE-APPROVAL
LETTER!



PRO TIP: Pre-approvals expire in 90 days—use that time to find your home and lock it in!

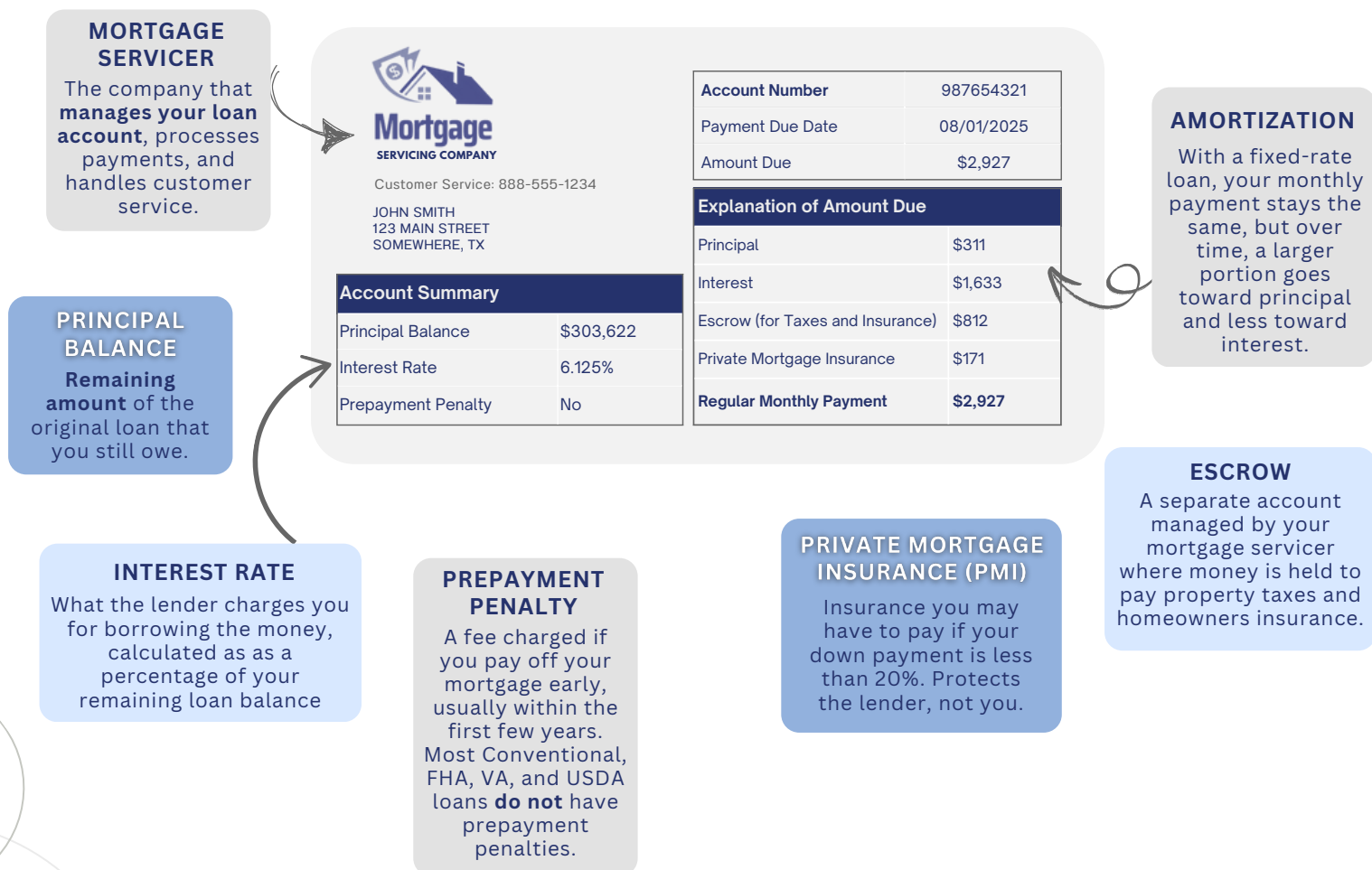
What is a Mortgage?

A mortgage is a loan used **to purchase a home**, allowing you to pay for the property over time through **manageable monthly payments**, typically over a term of 15, 20, or 30 years. Each mortgage includes an interest rate or APR (Annual Percentage Rate), which reflects the cost of borrowing, including interest and certain fees, over the life of the loan.

Until the loan is fully repaid, the mortgage gives the lender a legal interest in the property. This means the home serves as collateral for the loan. **Once you've paid off the mortgage, the home is entirely yours**, free of any lender's claim.

A mortgage makes homeownership more accessible by spreading out the cost of a home and allowing you to **build equity as you pay down the loan**.

Sample Mortgage Statement



PRO TIPS:

- **Paying extra** on the principal can save you interest and shorten your loan term.
- **Check your escrow balance** each year to make sure taxes and insurance are covered.

Finding the Perfect Fit: Exploring Mortgage Options

Choosing the right mortgage is just as important as choosing the right home. There are many loan programs out there, and each one comes with its own benefits, requirements, and rules. That's why it's important to have a **mortgage expert** on your side—that's where we come in.

As your mortgage team, we take the time to understand your unique financial situation, long-term goals, and what you're comfortable with. Then, **we present the loan options that are the best fit for you**—not just what's popular or easy. We'll guide you through your options and make sure you have a loan that works for you, now and in the future.



CONVENTIONAL

- 3% to 5% down
- Good credit required
- PMI if under 20% down
- Min. 620 FICO
- Jumbo loans available for high loan limits
- Primary, second homes, or investment properties

FHA

- 3.5% down payment
- Flexible credit requirements
- Upfront and monthly mortgage insurance
- 580+ FICO and No Score Allowed
- 500+ FICO requires 10% down
- Primary Residence Only

USDA

- 0% down payment
- Low mortgage insurance
- Income and location restrictions
- For rural and suburban homebuyers
- Min. 500 FICO
- Primary Residence Only

VA

- 0% down payment
- No PMI
- Lower interest rates
- For eligible veterans, active-duty military, reservist and surviving spouses
- 500+ FICO or No Score Allowed
- Primary Residence Only

NON-QM

- Alternative income verification
- Bank statements accepted
- Flexible credit guidelines
- Ideal for self-employed, investors, and unique income situations

Special Loan Options

Flexible programs that expand your financing possibilities based on your unique needs and goals.

- Down Payment Assistance
- Renovation Loans
- One-Time-Close Construction Loans
- Refinances
- Cash-Out Refinances
- & More!

For educational purposes only. Not a commitment to lend. Programs and terms subject to change.

LET'S FIND THE LOAN THAT WORKS FOR YOU—TOGETHER.

What We Evaluate for Your Loan Approval

When you apply for a home loan, there are several factors we review to determine your eligibility. Knowing what to expect can help you feel more confident and prepared throughout the process.

- **Income & Employment History.** We verify your income to ensure it's consistent and reliable, usually requiring at least two years of employment history. This helps us confirm your ability to repay the loan.
- **Credit Score & Credit History.** Your credit score gives us a snapshot of how you've managed debt in the past. We'll review your credit report for payment history, current balances, and any concerns like late payments or collections.
- **Debt-to-Income Ratio (DTI).** This measures your total monthly debts compared to your gross monthly income. A lower DTI shows that you can comfortably handle a mortgage payment alongside other debts.
- **Assets & Savings.** We'll review your bank statements and other financial accounts to confirm you have enough funds for your down payment, closing costs, and reserves if required.
- **Employment Type.** Whether you're salaried, hourly, self-employed, or have multiple jobs, we evaluate how stable your income is over time.
- **Property Type & Appraisal Value.** The type of home you're purchasing and its appraised value both impact your loan. We need to make sure the property is worth the purchase price and meets lending guidelines.
- **Residency Status.** We confirm your legal residency status, as this can affect loan programs and requirements.

Initial Underwriting & Loan Conditions

Once we collect your documents, your file goes through **initial underwriting**. The underwriter reviews everything to confirm you meet the loan guidelines. **They may issue conditions**, which are additional items or documents needed to finalize your approval. These can be simple, like updated pay stubs, or more detailed, like a letter of explanation.

Once you've satisfied all conditions, we move to final approval and get ready for closing!





Step-by-step Guide to the HOMEBUYING PROCESS

Buying a home can feel overwhelming, but understanding the process makes it easier. This simple guide breaks down each step, so you'll know what to expect and feel more confident from start to finish.



1 Initial Consultation

Meet with your loan officer to assess your credit, establish expectations, and discuss financing options based on your situation.

2 Get Pre-Approved

Submit a loan application with your loan officer, providing key financial details such as income, debts, and credit history and learn how much you can afford.

3 Home Search

With a pre-approval in hand, you can begin your home search, considering your needs and desires in location, size, and price range.

4 Negotiations

You'll work with your real estate agent to negotiate a fair purchase price with the seller, based on the market and comparable properties.

5 Earnest Money Deposit



You'll submit an earnest money deposit, a good-faith payment that shows you're serious about moving forward with the purchase.

6 Inspection & Disclosures

The seller will provide you with property disclosures, which detail any known issues or repairs that need attention, ensuring transparency before proceeding.

7 Order Appraisal

Your broker will order an appraisal to ensure the home's value aligns with the loan amount, protecting you from overpaying for the property.

8 Underwriting Review

During underwriting, the lender will verify your financial information, including income, assets, and credit, to confirm that you meet their requirements for the loan.

9 Final Approval



Once underwriting is complete, you'll receive final loan approval, which means the lender is ready to provide the funds for your home purchase.

10 Closing Documents

You'll review and sign several important documents, including the loan agreement, title information, and any other legal paperwork.



11 Final Closing Disclosure

You'll receive a final Closing Disclosure outlining all the costs associated with the purchase, including loan terms, fees, and adjustments.

12 Close on Your New Home!



The final step is the closing, where you sign the paperwork, pay any remaining costs, and officially take ownership of your new home!

DOs & DON'Ts

Following these tips could be your key to a great loan process with low rates and fees.

✓ Stay current on existing accounts

One 30-day late notice can compromise your ability to be approved.

✓ Continue to use your credit as normal

Changing your pattern will raise a red flag and can lower your credit score.

✓ Call your mortgage loan professional first

If you have any questions or concerns, always contact your mortgage professional.

✓ Keep copies of all financial documents handy

Be prepared to provide updated pay stubs, bank statements, or additional paperwork if requested during underwriting.

✓ Limit large purchases

Avoid buying big-ticket items (like furniture or a new car) until after your loan closes. Large purchases can impact your debt-to-income ratio and loan approval.

✗ Don't apply for new credit

Every time you have your credit pulled by a potential creditor or lender, you will lose points from your credit score. This includes cosigning for a loan or applying for new credit.

✗ Don't max out credit cards

Do not use more than 30% of your available credit limit during the loan process. If you pay down balances, do it across-the-board.

✗ Don't consolidate your debt

When you consolidate all of your debt onto one or two credit cards, it will appear that you are "maxed out" on that card, and your credit scores will suffer.

✗ Don't make career moves

Don't change jobs while obtaining mortgage financing. Should an opportunity arise, discuss the details with your mortgage professional.

✗ Don't transfer money between accounts

Unless receiving complete documentation from your bank, itemizing all transfers, don't transfer money.

✗ Don't withdraw or deposit large sums of money

Unless absolutely necessary, don't withdraw or deposit large sums into your checking or savings account.

✗ Don't pay off collections or "charge-offs"

If you want to pay them off, do it through escrow at closing.

✗ Don't close credit card accounts

Closing a credit card account negatively impacts your credit history.

✗ Don't let bank accounts go in the red

Any accounts with insufficient funds cannot be used. Be sure to keep all accounts in good standing.

✗ Don't have a friend or relative pay for anything related to the purchase of the home

Gifts are only allowed under specific lending guidelines. It must be documented. This includes your appraisal, earnest money, down payment, etc.

✗ Don't keep your cash in a safe or overseas account

If you plan to use these funds as a down payment, inquire about how and when would be the best time to put funds into your US bank account if needed.

✗ Don't give your personal information to anyone else who might run your credit report. Be protective of your credit while purchasing or refinancing your home. Additional credit inquiries will hurt your credit scores.



What to Expect After Closing



We're here for the long term.

Our goal with all of our families and buyers is to be with you through every phase of life. We are *always* available to answer your questions, so please don't hesitate to reach out at any time! **Below are some key things to expect after closing:**

First Payment Reminder

We'll check in with you before your first payment is due to make sure you know when and how to make it. If you have any questions about setting up your payments, we're here to help!

Annual Mortgage Review

Each year, we'll review your mortgage and the value of your home based on current market trends and comparable home sales in your area. This gives you the opportunity to: potentially eliminate PMI (if applicable), consider refinancing to lower your rate or term, explore upgrading your home, plan for a future sale and move to another area

Monitoring the Market for You

Interest rates fluctuate, and we keep an eye on them for you! If rates drop or your financial goals change, we'll let you know about opportunities to restructure your mortgage and save money.

Your First Homeowner Tasks



Loan Servicing Transfer (If Applicable)

Your loan *may* be transferred to a new servicer. Keep an eye out for mail or email notifications. We're here to answer questions if you need clarity during this transition.



HOA and Utilities

Make sure all utilities are in your name and you're clear on any HOA dues or rules. Staying on top of these tasks will make homeownership easier from the start.



Homestead Exemption (If Available)

Don't forget to file for your homestead exemption to reduce your property taxes. We can guide you through the process and deadlines specific to your area.



Keep Important Documents Safe

Store your deed, closing disclosure, and mortgage documents in a secure location. You may need them for taxes, refinancing, or if you sell your home.

Here's What New Homeowners Have to Say...



LOAN OFFICER NAME
Mortgage Broker

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BORROWER



Don is very professional and respectful with his clients! He is an amazing Mortgage Broker to work with. We worked with him just recently to close in on our new dream home in less than 10 days! Highly recommend his company :)

BORROWER



Donny was a great addition to the process and everything very easy and he was very responsive. 10/10 would recommend!



REALTOR



Very well organized and professional!

REALTOR



As a real estate broker, it is paramount to partner with an experienced mortgage professional to best position homebuyers in this competitive market. In the whirlwind of a competitive housing market, I can always count on Donald Washeleski

Connect with Us!

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Your Quick Guide to Understanding Mortgage Terms

Amortization

The gradual repayment of a loan over time through scheduled payments of principal and interest.

Annual Percentage Rate (APR)

The yearly cost of borrowing, including interest and fees, shown as a percentage.

Appraisal

A professional evaluation of a home's market value used to determine loan amounts.

Assessed Value

The dollar value assigned to a home by a public tax assessor for property tax purposes.

Asset

Anything you own with monetary value, such as cash, investments, or real estate.

Balloon Loan

A mortgage with low payments for a set time, followed by one large final payment.

Borrower

The person who applies for and is responsible for repaying a loan.

Bridge Loan

A short-term loan that helps homebuyers purchase a new home before selling their current one.

Cash-Out Refinance

Refinancing a mortgage for more than you owe and taking the difference in cash.

Closing

The final step in a home purchase or refinance when ownership transfers and documents are signed.

Closing Costs

Fees and expenses paid at closing, like loan origination, title insurance, and appraisal fees.

Co-Borrower

A second person on a loan application who shares responsibility for repaying the loan.

Collateral

Property used to secure a loan, typically the home being financed.

Commitment Letter

A formal offer from a lender stating the terms of the loan they are agreeing to provide.

Conforming Loan

A mortgage that meets Fannie Mae or Freddie Mac guidelines for size and credit standards.

Construction Loan

A short-term loan used to finance the building of a home.

Conventional Loan

A mortgage not backed by the government, typically requiring higher credit scores and down payments.

Credit Report

A detailed report showing your credit history, including debts and payment history.

Credit Score

A number reflecting your creditworthiness, used by lenders to determine loan eligibility.

Debt-to-Income Ratio (DTI)

A percentage that compares your total monthly debts to your gross monthly income.

Deed

A legal document showing who owns the property.

Down Payment

The upfront cash payment you make toward the purchase price of your home.

Earnest Money Deposit (EMD)

A deposit showing your serious intent to buy a home, usually applied to your down payment or closing costs.

Encumbrance

A claim or liability attached to a property, such as a mortgage or lien.

Equity

The difference between your home's market value and what you still owe on your mortgage.

Escrow Account

An account managed by your lender to pay property taxes and insurance on your behalf.

Fannie Mae (FNMA)

A government-sponsored enterprise that buys and guarantees mortgages from lenders.

Federal Housing Administration (FHA) Loan

A government-backed loan with more flexible credit and down payment requirements.

Fixed-Rate Mortgage

A home loan with an interest rate that stays the same for the entire term.

Flood Certification

A document verifying whether a property is in a federally designated flood zone.

Forbearance

A temporary pause or reduction in mortgage payments during financial hardship.

Foreclosure

The legal process where a lender takes possession of a home due to non-payment.

Freddie Mac (FHLMC)

A government-sponsored enterprise that buys and guarantees mortgages from lenders.

Funding Fee

A fee charged on VA loans to help fund the VA loan program.

Good Faith Estimate (GFE)

An outdated estimate of closing costs (replaced by the Loan Estimate).

Home Equity Line of Credit (HELOC)

A revolving line of credit that allows you to borrow against your home's equity.

Homeowners Association (HOA)

An organization in a community that enforces rules and collects dues for shared amenities and maintenance.

Homeowners Insurance

Insurance that protects your home against damages and liabilities.

Interest Rate

The percentage charged by a lender for borrowing money.

Jumbo Loan

A loan that exceeds conforming loan limits and often requires stricter qualification criteria.

Loan Estimate (LE)

A standardized form showing key loan details, rates, and closing costs.

Loan Servicer

The company that collects mortgage payments and manages your escrow account.

Loan-to-Value Ratio (LTV)

A percentage showing the ratio of the loan amount to the home's appraised value.

Mortgage

A loan used to buy a home, secured by the property itself.

Mortgage Broker

A licensed professional who connects borrowers with lenders.

Mortgage Insurance Premium (MIP)

An insurance fee required on FHA loans, protecting the lender if you default.

Origination Fee

A fee charged by the lender for processing a new loan application.

PITI

An acronym for Principal, Interest, Taxes, and Insurance—the components of your monthly mortgage payment.

Pre-Approval

A lender's preliminary assessment of your loan qualifications, showing how much you can borrow.

Prepayment Penalty

A fee charged if you pay off your mortgage early, depending on your loan terms.

Principal

The amount of money borrowed or the remaining unpaid portion of the loan, excluding interest.

Private Mortgage Insurance (PMI)

Insurance that protects the lender on conventional loans when the down payment is less than 20%.

Processing

The stage in loan origination where documents are gathered and reviewed for underwriting.

Promissory Note

A legal agreement in which the borrower promises to repay the loan under agreed terms.

Property Taxes

Taxes paid by homeowners to local governments based on the assessed value of their property.

Purchase Agreement

A legal document that outlines the terms and conditions of a home sale between buyer and seller.

Quitclaim Deed

A deed transferring any ownership interest in a property without warranties or guarantees.

Rate Lock

An agreement between borrower and lender to fix an interest rate for a specified time.

Refinancing

Replacing an existing mortgage with a new one, often to get better terms or access home equity.

Reserves

Savings or assets a borrower must show they have, often equal to several months of mortgage payments.

Second Mortgage

An additional loan taken against a property, typically subordinate to the first mortgage.

Seller Concessions

Costs that a seller agrees to pay to help close the deal, such as closing costs or repair credits.

Short Sale

When a home is sold for less than the amount owed on its mortgage with lender approval.

Survey

A drawing or map showing property boundaries, structures, and easements.

Term

The length of time to repay a mortgage loan, typically 15, 20, or 30 years.

Title

Legal ownership of a property.

Title Insurance

Insurance that protects lenders and buyers against disputes over property ownership.

Truth in Lending Act (TILA)

A federal law requiring lenders to disclose the true cost of credit to borrowers.

Underwriting

The process lenders use to assess risk and determine whether to approve a loan application.

USDA Loan

A government-backed loan program for rural homebuyers that offers 100% financing.

VA Loan

A government-backed loan program for eligible veterans and active-duty military members that offers 100% financing and no PMI.

Variable Rate Mortgage

A mortgage with an interest rate that can change over time based on market conditions.

Verification of Employment (VOE)

A lender's process of confirming a borrower's employment status and income.

Walk-Through

A final inspection of the property by the buyer before closing to ensure it's in agreed-upon condition.

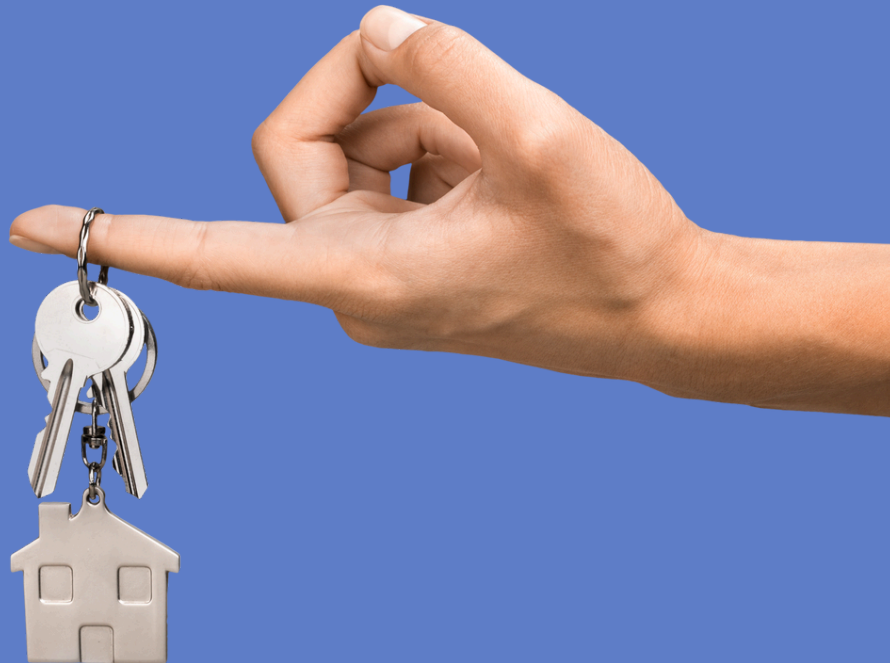
Warranty Deed

A deed guaranteeing clear property title to the buyer, free from claims or liens.

Zoning

Local government regulations that dictate how property can be used (residential, commercial, etc.).

Let's get you home.



★ More Questions?

That's okay! We're just
a call away.



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