



FIRST TIME HOME BUYERS

Home Buying Step Four

**PLANNING FOR
CLOSING COSTS
& CASH NEEDED**

Understanding What to Expect
Before You Buy

WEST CAL FINANCIAL

REAL ESTATE · MORTGAGES · PROPERTY MANAGEMENT

Welcome! If you have questions while going through this, feel free to reach out anytime.

Angel Morales - Realtor [®] Broker Associate

Call/Text: 415-497-0768

Email: buyer@westcalfinancial.com

This helps us respond quickly and make sure nothing gets missed

You can also email me directly at Angel@WestCalFinancial.com if you prefer.

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Let's Talk About the Part Most Buyers Worry About

One of the biggest questions buyers have is:
How much money do I actually need?

And just as important:
When do I need it?

The good news is:
You don't have to figure this out on your own—we'll map it out together.

What Does “Cash Needed” Actually Include?

When buying a home, your total cash needed typically includes:

- Down payment
- Closing costs
- Prepaid items (taxes, insurance, etc.)

Think of this as an example of your total investment to get into the home.

Every buyer's numbers will be different based on their specific scenario.

Your Down Payment

Your down payment is the portion of the home price you pay upfront.

Common ranges:

- 3% - 5% → First-time buyer programs
- 10% → Lower monthly payment options
- 20% → Avoid mortgage insurance (PMI)

Important: You don't need 20% to buy a home.

We'll help you choose what makes the most sense for your goals.

What Are Closing Costs?

Closing costs are the fees associated with completing your home purchase.

They typically include:

- Loan fees
- Escrow and title fees
- Appraisal
- Credit report
- Recording fees
- Homeowners' Insurance Premiums
- Prepaid Interest

These are usually about 2%–3% of the purchase price, depending on your scenario.

Some of these may also fall under prepaid costs depending on how your loan is structured. However, regardless of their classification, they will be included in your total funds needed to close.

What Are Prepaid Costs?

Prepaid costs are expenses set up in advance when you buy your home.

These may include:

- Property taxes
- Homeowners insurance
- Interest for the first partial month

These aren't extra fees—they're costs you would be paying anyway.

They're just collected upfront at closing.

Let's Look at a Simple Example

Purchase Price: \$800,000

Estimated Cash Needed:

- Down Payment (10%): \$80,000
- Closing Costs (~2.5%): \$20,000
- Prepaid Costs: \$5,000

Estimated Total Cash Needed: \$105,000

Every situation is different—this is just an example. Actual costs will vary based on loan type, taxes, insurance, and timing.

Ways to Reduce Your Out-of-Pocket Costs

Many buyers don't realize there are strategies to reduce upfront costs.

Depending on your situation, you may be able to:

- Use seller credits
- Structure your loan differently
- Take advantage of lender programs
- Use our Exclusive Home Buyer Program

This is where planning makes a big difference.

What If I Don't Have Enough Saved?

You're not alone—this is one of the most common concerns.

The good news:

There are often more options than you think.

We can:

- Explore lower down payment options
- Identify areas to improve
- Create a savings plan
- Show you what's realistic today vs. later

The goal is clarity—not pressure.

Your Next Step - Simple & Easy

If you're thinking about buying a home, the best next step is a quick, no-pressure conversation

Call or Text: 415-497-0768

Email: buyer@westcalfinancial.com

Or simply reach out and say:
"Can you show me how much cash I would need?"

We'll help you:

- Understand your full numbers
- Explore ways to reduce costs
- Build a plan that fits your goals

Our goal is to make this process simple, clear, and stress-free for you.

Thank you!
We hope to hear from you soon!

Next: Step 5 - The Home Search Process

Exclusive Home Buyer Program

Before you go, here's something most buyers don't know: working with the right team can actually help you strategically reduce your out-of-pocket costs.

At West Cal Financial, we offer an exclusive home buyer credit designed to help offset closing costs.

WEST CAL FINANCIAL HOME BUYER CREDIT

PURCHASE PRICE : \$800,000
DOWN PAYMENT : \$160,000 (20%)

LOAN AMOUNT
X LOAN COMMISSION (1.25%)
BUYER CREDIT

$\$640,000 \times 1.25\% = \$8,000$ CREDIT

Example:

- Purchase Price: \$800,000
- Loan Amount: \$640,000
- Buyer Credit: \$8,000

What This Means for You

- Lower out-of-pocket costs at closing
- More flexibility with your cash
- A smarter way to structure your purchase

Important to Know:

Every scenario is different, and your credit amount will depend on:

- Loan structure
- Purchase price
- Financing details

Want to see what this could look like for you based on your numbers?

Let's run the numbers together.
Call or Text: 415-497-0768

www.WestCalFinancial.com/exclusive-home-buyer-2

About Your Team

Buying a home is more than just a transaction—it's a major financial decision.

Having the right team by your side can make all the difference.

At West Cal Financial, we combine real estate and mortgage expertise under one roof to simplify the process and give you a clear advantage.

Why Work With Us?

- One team for both real estate and financing
- Clear guidance from start to finish
- Strategic planning—not just transactions
- Personalized support based on your goals

Our goal is simple:

To help you make confident decisions and avoid costly mistakes.

Contact Information

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When you're ready, let's map out your next step.

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