



# HOME LOAN BASICS

A Friendly Guide to Getting  
Mortgage-Ready



If this ebook helps you avoid even one major mistake, it just paid for itself.

# LET'S TALK ABOUT CONTENTS

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# INTRODUCTION

Welcome! You're Not Alone.

Buying your home is a big deal—and it's normal to feel excited, nervous, and maybe even a little lost when it comes to home loans.

The truth? The mortgage world is filled with jargon, fine print, and assumptions that you should already know this stuff. But here's the good news: you don't need a finance degree to figure it out.

This guide was created to simplify the process. It's not a textbook—it's a practical resource designed to help you understand your options, prepare for what's ahead, and walk into the homebuying process with confidence.

This isn't just for "first-timers." Whether this is your first home or you've been through it before, everyone deserves a clear explanation of the steps, the terms, and the decisions that really matter.

No jargon. No pressure. Just honest, easy-to-digest information to help you take the next step toward homeownership.

You deserve to be celebrated for taking this step, no matter where you're starting from.

This guide is the first tool in your toolkit. Let's go.

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***“A KEY MAY FIT  
THE DOOR, BUT  
COURAGE TURNS  
THE LOCK- EACH  
HOME BEGINS WITH  
ONE BRAVE STEP”  
--M.N.HART***

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# CHAPTER 1

04

## THE LOAN PROCESS—SIMPLIFIED

You might be feeling nervous, excited, or like you're totally winging it—and that's okay. Here's what actually happens when you buy a home, and why each step matters.

You don't need a finance degree to understand how a mortgage works. Here's the big picture, step-by-step:

### 1. Get Pre-Approved

*“What if I'm not ready? What if they say no?”*

That's a common fear—but pre-approval isn't a commitment, it's clarity. It shows you how much house you can afford, what your payment might look like, and any credit or income issues to fix before shopping.

#### **Why it matters:**

- 💡 Helps you set a realistic budget.
- 💡 Makes your offer more attractive to sellers.
- 💡 Gives you time to fix red flags before you're in a rush.

### 2. Find a Home

*“What if I can't find anything I love—or worse, I fall in love and lose it?”*

This part is emotional—and that’s okay. Lean on your realtor to help you navigate bidding wars, neighborhood questions, and red flags in listings. Buying your first home is a big milestone—but remember, it’s just the beginning. Most people don’t stay in their first home forever. Life changes—careers grow, families expand, or you discover a neighborhood you love even more. That’s why this first step doesn’t need to be perfect—just smart, informed, and right for where you are now.

**Why it matters:**

💡 Your home is more than a payment—it’s a big first step in your journey. Having a trusted guide helps keep your heart and budget balanced.

### 3. Lock Your Rate

*“Rates move? Wait—why didn’t anyone tell me this?”*

Yes, mortgage rates can change daily. Once you’re under contract, locking your rate secures your monthly payment from market changes.

**Why it matters:**

- 💡 Protects you from unexpected payment hikes.
- 💡 Gives peace of mind during the rest of the process.

### 4. Submit Docs & Go Through Underwriting

*“Ugh, this feels invasive—why do they need all this stuff?”*

Because it’s a huge loan. In reality, Lenders are handing over a large sum of money. Underwriters make sure you can afford the house and that the loan meets guidelines. The process might feel repetitive, but it’s how lenders protect both you and themselves.

**Why it matters:**

- 💡 Verifies your income, debts, and savings.
- 💡 Builds a trustworthy financial picture for approval.

## 5. Get an Appraisal & Inspection

*“Isn’t this just more money out the door?”*

It might feel like extra costs—but they protect you. The appraisal confirms the home is worth what you’re paying. The inspection finds problems before you own them.

**Why it matters:**

- 💡 Prevents overpaying.
- 💡 Helps you renegotiate or walk away from a risky property.

## 6. Final Approval

*“Is it done yet?”*

Almost! This is the final green light. You’ll get a **Closing Disclosure (CD)** 24- 48 hours before closing with exact numbers (loan amount, payment, closing costs) and a chance to ask last-minute questions.

**Why it matters:**

- 💡 Ensures full transparency before signing.
- 💡 Gives you time to prep funds for closing day.

## 7. Close & Get the Keys!

*“Wait—is this real?!”*

Yes—this is the moment. You’ll sign your documents (bring your ID!), pay your closing costs, and officially become a homeowner.

**Why it matters:**

- 💡 This final step makes it legal.

**And yes, you can take the picture with your keys—you won’t be judged!** 📷

# MORTGAGE TERMS YOU SHOULD ACTUALLY KNOW—

Let's decode the mortgage lingo (because no one should need a translator to buy a home)

Mortgage-speak can feel like a foreign language—but some terms actually matter to you. Here are the ones worth learning, with real-life explanations.

## P&I (PRINCIPAL & INTEREST)

This is the basic monthly mortgage payment—not including taxes or insurance. It's made up of two parts:

**Principal:** What you borrowed

**Interest:** The cost of borrowing

## PITI (PRINCIPAL, INTEREST, TAXES & INSURANCE)

This is your total monthly mortgage payment. Most lenders require you to pay property taxes and homeowners insurance along with your loan.

PITI = the full amount you'll owe each month. It's what lenders use when they calculate what you can afford.

## DTI (DEBT-TO-INCOME RATIO)

This compares your monthly debt payments (including your future mortgage) to your gross income.

### **Front-End DTI:**

The percentage of your gross monthly income that goes toward housing costs—like your mortgage, taxes, insurance, and HOA fees.

### **Back-End DTI:**

The percentage of your gross monthly income that covers all monthly debt—housing plus credit cards, loans, and other payments.

**Example:** If you make \$5,000/month and your debts are \$2,000, your DTI is 40%.

### **Why it matters:**

Lenders use your DTI to decide how much home you can afford. Keeping it under 50% is a common rule of thumb—but lower is better!

# MORTGAGE TERMS YOU SHOULD ACTUALLY KNOW— CONT.

## APR (ANNUAL PERCENTAGE RATE)

Think of this as your true loan cost—it includes your interest rate plus fees. Use it to compare lenders.

**Why it matters:** A loan with a low rate but high fees could have a higher APR. Always check both.

## RATE LOCK

This “freezes” your quoted interest rate so it can’t go up while your loan is being processed—usually for 30–60 days.

**Why it matters:** Mortgage rates change daily. A lock protects your monthly payment from rising unexpectedly.

## LOAN ESTIMATE & CLOSING DISCLOSURE

These are standardized forms that break down your projected loan terms, payment, fees, and closing costs.

**Why it matters: You must sign these to go to the next step.** It’s legally required, but here’s the key: it’s only an estimate. You’re not committing to anything by signing it. Nothing is final until closing day, when you sign at the title agency. You will get an estimated ‘closing disclosure’ 3 days before closing, but again, it won’t be exact. An exact closing disclosure will be sent out 24-48 hrs before closing.

**Tip:** Use your Loan Estimate to spot red flags like unexpected fees or big jumps in costs—but don’t panic over small changes. Some numbers, like prepaid taxes or daily interest, may shift slightly by closing because they depend on your closing date. Red flags to watch for include new junk fees, a suddenly higher interest rate, or big increases in lender or origination charges that weren’t explained. If something doesn’t feel right, ask questions. A good loan professional will be transparent and help you understand any changes.

# MORTGAGE TERMS YOU SHOULD ACTUALLY KNOW— CONT.

## AMORTIZATION

Fancy word for how your loan is paid down over time. In early years, most of your payment goes to interest.

**Why it matters:** Helps you understand how much equity you're building—and why refinancing later can make a difference.

## CLOSING COSTS

These are fees paid at the end—usually 2–5% of the home's price. Includes things like title, appraisal, taxes, insurance, and lender fees.

**Why it matters:** They're often overlooked until the last minute—know what to expect before you're blindsided.

## DISCOUNT POINTS

Money you can pay upfront to lower your interest rate. Each point = 1% of your loan amount.

**Why it matters:** It's a trade-off—pay more now to save monthly. Great if you're staying in the home long-term

## LOAN SERVICER VS. LENDER

Your loan might get sold. The lender funds the loan, but the servicer is who you'll send payments to.

**Why it matters:** Just because you applied with Lender A doesn't mean you'll pay them long-term. That's normal!

## LOAN TERM

The number of years (or months) you'll take to pay back the loan. Most common: 15 or 30 years.

## PREPAYMENT PENALTY

This would only apply to non-QM loans (non-qualified mortgage), such as loans that do not document income or assets. If you are a first-time homebuyer, it's very unlikely you would have one. Additionally, the lender has to tell you up front and disclose this penalty.

# MORTGAGE TERMS YOU SHOULD ACTUALLY KNOW— CONT.

## INTEREST RATE

The cost of borrowing money, expressed as a percentage. It may be fixed or variable.

### **Fixed Interest Rate**

Stays the same for the life of the loan. No surprises in your monthly payment.

### **Variable Interest Rate**

Can change over time based on the market. Your payment could go up or down.

## ORIGINATION FEE

A one-time fee your lender may charge to process your loan application. It's usually a percentage of your loan.

## PMI (PRIVATE MORTGAGE INSURANCE)

A type of insurance that **protects the lender**, not you, in case you stop making payments on your loan. It **helps you** by allowing you to buy a home sooner without needing a huge down payment

## CONVENTIONAL LOAN

These are the most popular types of loans and aren't backed by the government.

**Best for:** Buyers with decent credit and stable income.

**Down Payment:** As low as 3%

**Tip:** With most conventional loans, if you put down less than 20%, you'll pay monthly private mortgage insurance (PMI)—but once you reach 20% equity, you can usually request to remove it, and by law, it must end automatically at 22% equity.

# MORTGAGE TERMS YOU SHOULD ACTUALLY KNOW— CONT.

## FHA LOANS

Backed by the Federal Housing Administration, these are designed to help first-time or lower-credit buyers

**Best for:** Buyers with lower credit scores or smaller savings

**Down Payment:** As low as 3.5%

**Tip:** FHA loans require upfront and ongoing mortgage insurance premiums (MIP) even after you gain equity.

## VA LOANS

These are for veterans, active-duty military, and some surviving spouses, backed by the Department of Veterans Affairs

**Best for:** Qualified military borrowers

**Down Payment:** 0%

**Tip:** VA loans don't require PMI or MIP, but they usually include a one-time funding fee—typically between 1.25% and 3.3% of the loan amount—which can be rolled into the loan.

## USDA LOANS

Offered through the U.S. Department of Agriculture, these help buyers in rural or suburban areas

**Best for:** Buyers in eligible areas with moderate-to-low income

**Down Payment:** 0%

**Tip:** These have location and income limits, so check your eligibility early.

## ESCROW

Escrow is a safe account where money is held—like your deposit during the purchase. After you buy, most lenders require an escrow account to collect and pay your property taxes and insurance on time.



# CHAPTER 3

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## FIRST-TIME HOMEBUYER PROGRAMS

You’ve probably heard that being a “first-time buyer” automatically gets you free money, down payment assistance, or magical mortgage perks.

But here’s the truth:

The phrase “first-time homebuyer programs” refers to specific loan types or assistance programs—and they come with rules.

### Common Misunderstandings

**Myth:** “I’ve never bought a house, so I automatically qualify.”

**Reality:** Most programs are income-based, location-based, or have credit and debt requirements.

**Myth:** “The government gives me money to buy a house.”

**Reality:** Many programs offer loans or grants—but not everyone qualifies, and some must be repaid if you move or sell early.

## What First-Time Buyer Programs Can Include:

- ✔ Reduced down payments (as low as 3% with certain loans).
- ✔ Lower interest rates through local housing programs.
- ✔ Closing costs help by state or local agencies.
- ✔ Education courses that may unlock incentives.

A loan professional can help you explore what's available in your state—but these programs aren't automatic.

### STATE-SPECIFIC FIRST-TIME HOME BUYER PROGRAMS

Many states offer unique programs to assist first-time homebuyers. To explore options available in your state, refer to these comprehensive guides:

- NerdWallet's [First-Time Home Buyer Programs by State](#)
- Business Insider's [State-by-State Guide to First-Time Homebuyer Programs](#)

### IF YOU DON'T QUALIFY—DON'T PANIC

Many first-time buyers don't use official programs—and still buy successfully.

#### Here's how:

- 💡 Use a low-down-payment conventional loan (like HomeReady or Home Possible).
- 💡 Explore FHA loans—ideal for lower credit or higher debt.
- 💡 You can accept a gift from a family member (ask how to document it).
- 💡 Work with a mortgage broker (like us!) who can shop multiple options.
- 💡 Make a plan—even if you're 6–12 months out.

#### Bottom line:

Whether or not you qualify for a special program, you've got options—and loan professionals are there to help you find the one that fits you.

# CHAPTER 4

## RETAIL LENDER VS MORTGAGE BROKER

### Whats the Difference?

When it's time to get a mortgage, you have two main options: work with a retail lender (such as a bank or a national mortgage company) or work with a mortgage broker, who partners with multiple lenders.

Understanding the difference can help you decide which path is the best fit for your situation.

### Retail Lender (Bank or Direct Lender)

These are companies that loan you money directly from their own funds.

#### Pros:

- \*Familiar names (banks you already know)
- \*One point of contact for everything

#### Cons:

- \*Limited to only their loan programs
- \*May be stricter on credit, income, or property types
- \*Sometimes less flexible on rates and fees
- \*Potential for longer close timelines

## Mortgage Broker

A broker acts like a personal shopper for your mortgage, working with multiple lenders to find loan options that may fit your financial profile.

### Pros:

- \*Access to more options = greater chance of finding a good fit

- \*Can often assist with unique credit, income, or self-employed situations.

- \*May locate lenders with competitive fees or faster service

### Cons:

- \*Some brokers may charge fees (always ask for disclosure)

- \*Not all brokers are the same—choosing someone experienced and trustworthy is key



### **BOTTOM LINE:**

Both retail lenders and mortgage brokers can be great choices—it depends on your priorities. Retail lenders may feel more familiar and straightforward if you like keeping everything in-house with one bank. Mortgage brokers, on the other hand, can often simplify the process by comparing multiple lenders on your behalf, giving you more flexibility and potentially better terms.

Whichever path you choose, the most important step is to **ask questions, compare offers, and work with a professional you trust.**

## CHECKLIST: SMART QUESTIONS TO ASK ANY LENDER

Buying a home is one of the biggest financial decisions you'll make. These questions can help you spot red flags and choose a lender who's actually on your side:

### Loan Details

- What type of loan are you recommending, and why?
- Is this a fixed or adjustable rate? How long is the fixed period?
- What's the interest rate and APR?
- Can you explain all the fees on the Loan Estimate?

### Monthly Costs

- What will my monthly payment be—including taxes, insurance, and PMI?
- Is there a prepayment penalty if I pay the loan off early?
- Will my payment change over time?

### Down Payment & Assistance

- What's the minimum down payment required?
- Are there any down payment assistance programs I might qualify for?

### Timing & Process

- How long will the loan process take?
- What documents will I need?
- Can you guarantee the rate if I lock today? For how long?

### Lender Transparency

- What happens if my appraisal comes in low?
- If I have questions later, who will I talk to—you or someone else?

# CHAPTER 5

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## MORTGAGE RED FLAGS

Watch Out for These Mortgage Red Flags  
(Because if something feels off—it probably is)

### "Too Good to Be True" Low Rates

If a lender quotes a rate that's way lower than everyone else, ask:

"What's the catch?"

Often, it comes with high discount points—which means you're paying a lot up front to "buy" that lower rate.

**What to do:** Always compare the APR, not just the interest rate.

### "No Closing Cost" Loans

Sounds great, right? But that is not usually true. What they mean is that they are not charging a lender fee.

Legally, there will always be closing costs that include: Title fees, County fees, Insurance ect.

**What to do:** Ask them to show you a side-by-side comparison. You deserve to see the tradeoff.

### **Sneaky Junk Fees**

Watch for oddly high charges for things like:

\*Application fees

\*Processing fees

\*Document prep fees

**What to do:** Ask for a clear explanation—reasonable fees (like appraisal or credit report fees) are expected, but if a charge seems vague or unusually high, it could be a junk fee worth questioning.

### **Rushed or Vague Explanations**

If a lender is pressuring you to “just sign,” won’t explain the paperwork, or dodges your questions, walk away.

**What to do:** choose a professional who explains clearly what you’re signing. That’s not too much to ask.

### **Not Asking About Source of Funds**

If a lender isn’t asking where your down payment is coming from—they’re not doing their job.

**Why it matters:** Certain sources (like cash under the mattress or unverified gifts) can’t be used.

### **BOTTOM LINE:**

Trust your gut. If someone makes you feel confused, rushed, or uncomfortable—you can walk away.

There are plenty of good lenders who will treat you with respect and transparency.



# CHAPTER 6

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## CREDIT CONCERNS & INCOME? LET'S TALK TRUTH

### Worried About Your Credit?

Let's Clear Things Up. You don't need perfect credit to buy a home—but you do need to understand how your credit (and income) affect your approval. This page will help you stop guessing and start preparing.

### Credit Score: What Lenders Look For

Most lenders use your middle FICO score (not the average) from three bureaus. Here's a general idea:

740+ = Great (best rates)

680–739 = Good (very loan-worthy)

620–679 = Okay (may have slightly higher rates)

Below 620 = Challenging, but not impossible with the right loan

### Worried a mortgage credit check will tank your score?

**Don't be.**

When you apply for a mortgage, your credit score might drop just 4–5 points—not 30 or 40 like it can with car loans, credit cards, or furniture store credit.

Even better, you have a 45-day window where multiple mortgage lenders can pull your credit—and it counts as one single inquiry. So don't be afraid to shop around.

## Credit Repair Tips That Actually Work

- ✓ Pay down credit cards to below 30% of the limit
- ✓ Avoid new debt during the mortgage process
- ✓ Don't close old cards—this can hurt your score
- ✓ Check your report for errors early (we can help!)

**Important:** Quick fixes are rare. Start early if you think credit may be a hurdle.

## HOW DOES MY INCOME AFFECT MY APPROVAL?

### Income: Not Just What You Make—But How?

Lenders care about income stability just as much as the amount. Here's what you need to know:

**W-2 Employee?** Great—just send recent pay stubs.

**1099 Contractor or Self-Employed?** You'll likely need 2 years of tax returns and bank statements.

**New job?** If it's in the same field, you're usually fine—but VOE (Verification of Employment) is required.

### Overtime, Bonuses & Side Hustles: Maybe...

Lenders can only count consistent overtime or bonus income—usually if you've received it for 2+ years.

**Tip:** Keep good records and ask a lender to review early if this applies to you.

### Write-Offs: Good for Taxes, Not Always for Loans

If you're self-employed and write off a lot of expenses, your taxable income may look much lower than what you actually earn.

**Why it matters:** Lenders go by what's on your tax return—not what's in your bank.

**Bottom Line:** Loan professionals are not here to judge—they are here to help you build a strategy that works. Whether you're ready now or 6 months from now, a loan professional can help you get there.

# CHAPTER 7

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## WHERE YOUR DOWN PAYMENT COMES FROM MATTERS

### Let's Talk About Down Payments (And Where Yours Can Come From)

You've probably heard that buying a home requires a massive down payment. Not true. Some loans require as little as 3% down—and there are even options for 0% down if you qualify (like VA or USDA loans).

But here's the part most people don't realize: It's not just about how much money you have—it's about where it comes from.

### Acceptable Sources for Your Down Payment

To meet loan guidelines, your down payment must be:

- 👍 Documented (you need to show where it came from)
- 👍 Sourced (no large mystery deposits!)
- 👍 Seasoned (ideally sitting in your account for 60+ days)

Here are common acceptable sources:

- ✅ Your personal savings or checking account
- ✅ A 401(k) loan or withdrawal
- ✅ A gift from a family member (with a signed gift letter)
- ✅ A bonus or tax refund
- ✅ Grants or down payment assistance programs

## Gift Money Is Allowed (But Must Be Verified)

If a relative wants to help with your down payment, that's wonderful! You will need:

- ✓ A gift letter signed by the giver
- ✓ A copy of the transfer (bank statement or check)

**Tip:** Ask your loan professional for guidance before depositing gift money—it can make things smoother.

## What Doesn't Work

- ✗ Cash deposits without proof of where it came from
- ✗ Under-the-mattress money (sorry—if it's not in the bank, we can't count it)
- ✗ Loans from friends unless properly documented

**Bottom Line:** You don't need to be rich—you just need to show that your funds are legitimate, safe, and allowed under loan rules.

## Home Inspections

I thought it was important to put in a little snippet on home inspections. It's a common misconception that a loan might be denied if a home inspection reveals problems.

In reality, home inspections aren't required for conventional, FHA, or VA loans, but they are incredibly valuable.

They help buyers uncover potential issues, allowing for better negotiation and planning. This way, buyers can make informed decisions without the fear that inspection findings will automatically impact their loan approval.



# CHAPTER 8

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## SHOULD I WAIT FOR RATES TO DROP?

Why buying now might actually be the smarter move.

If you've been thinking:

"Maybe I should wait until interest rates go back down..."

—you're not alone. But let's break down why waiting might not save you as much as you think.

### Home Prices Aren't Likely to Drop

Even with higher rates, home values in most areas are holding steady—or climbing. That's because there's still more demand than supply.

Waiting = higher home prices + still-uncertain rates.

### You Can Always Refinance Later

The phrase we live by in lending is:

"Marry the house, date the rate."

Buy the home you love now—and refinance to a lower rate when the time is right.

Bonus: If rates drop, you may be able to refinance later.

### You Build Equity Now, Not Later

Every mortgage payment you make builds equity and credit history. Waiting means more rent, less ownership.

Rent builds their wealth. Buying builds yours.

## You Might Miss the Perfect Home

If you find a home that fits your needs and your budget—don't let interest rates scare you off. That specific home may not be available later, even if rates improve.

Don't regret NOT taking action.

## Rates Might Not Drop Significantly Anytime Soon

No one can perfectly predict rates. Even if they dip a little, home prices or buyer competition could still cancel out the savings.

Remember: If they do, you can always refinance

**Bottom Line:** If you're financially ready to buy and you've found a home that fits your lifestyle and budget—waiting could actually cost you more in the long run.

Also, don't believe everything you read on the internet. There's a lot of fear, noise, and clickbait out there. Rates will go up, down, and sideways—but your life doesn't need to be on pause.

Trust professionals who live and breathe this stuff every day—not headlines written to get views. Talk through your real numbers and options, and make a plan that works for you.



# CHAPTER 9

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## THE REAL TALK ABOUT WORKING WITH YOUR MORTGAGE BROKER

Let's Be Real—This is a Team Effort  
(How to make your mortgage process smoother —  
for you and your loan pro!)

Your loan professional isn't just hitting "submit" on paperwork. They're matching your financial puzzle to the right loan, navigating rules, and coordinating with multiple people—all while cheering you on from behind the scenes.

Here's how we can make this partnership a win-win.

### What Not to Do (With Love)

#### 1. Ghosting

If you disappear after applying, your loan pro is left wondering: Did they find another lender? Buy a boat? Move to Mars?

Listen—Shopping around is smart—just communicate.

If you find another offer, let your loan professional know. Sometimes they can match or even beat it. If not, a quick message allows them to close your file and wish you well—no hard feelings.

## 2. Uploading Chaos

Your mortgage pro has seen it all: sideways pay stubs, photos of tax returns with the family cat's paw in the corner, and blurry screenshots.

**Pro tip:** Clean, legible PDFs = faster approvals and fewer emails back and forth.

## 3. Unrealistic Expectations

“You got my docs 10 minutes ago—am I approved yet?”

We love enthusiasm, but remember: there are multiple steps (underwriting, verifications, disclosures, timelines). Speed matters—but accuracy matters more.

## 4. Not Knowing the Basics

You don't need a finance degree, but learning key terms like PITI, rate lock, and DTI helps the process feel less confusing—and helps you feel more in control.

**Bonus:** You're already doing that just by reading this guide!

## What We Deal With Behind the Scenes

While you're gathering documents, your loan pro is coordinating with lenders, underwriters, processors, title agencies, and your Realtor.

And... definitely NOT the appraiser. (That's illegal—thanks, 2008.)

There's a whole team moving parts to make your dream come together—so if it feels like it takes time, it's because it does.



## Let's Keep It Honest

- ✦ Everyone has financial quirks—don't be shy.
- ✦ Job change coming? Say something early.
- ✦ Co-signed on a car? It matters.
- ✦ Gift from grandma? Document it right.
- ✦ Truth helps others help you. Always.

### **Bottom line:**

You don't have to be perfect. Just be responsive, honest, and open. Clear communication and teamwork can mean the difference between a stressful loan process and a smooth one. 🙌

# CHAPTER 10

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## WHY YOU NEED A REALTOR (AND WHY IT'S USUALLY FREE!)

If you've ever thought, "Can I just do this on my own?"—you're not alone. But buying a home is not like buying a couch or booking a trip.

It's one of the biggest financial decisions of your life—and a good realtor is your insider guide. A realtor works for YOU, not the seller, not the listing agent. You.

### What they actually do:

- ✓ Help you find homes that fit your needs (and budget)
- ✓ Schedule showings and provide insight into market value
- ✓ Write offers that protect your interests
- ✓ Negotiate repairs and contingencies
- ✓ Communicate with lenders, appraisers, and title companies
- ✓ Keep everything on track so you don't miss deadlines

## Wait—Do I Have to Pay Them?

Usually, no. The seller typically pays the buyer's agent commission out of the sale proceeds.

So you get professional help—for free.

Even if a new law changes this structure in some areas, many sellers are still offering compensation, and you always have a right to representation.

## Choosing the Right Realtor: 4 Qualities to Look For

Not all real estate agents are created equal. A good realtor can make the entire process smoother, less stressful, and even save you money. Here's what to look for:

### 1. Great Communication

You want someone who keeps you informed, answers your questions quickly, and explains things clearly—without making you feel rushed or overwhelmed.

### 2. Local Market Knowledge

A good realtor knows the neighborhoods, schools, price trends, and common issues in the area. That insight helps you make smarter decisions and avoid surprises.

### 3. Negotiation Skills

From making your offer stand out to asking for repairs or price reductions, a skilled negotiator can make a big difference in your deal.

### 4. Experience with First-Time Buyers

Look for someone who understands the extra questions and guidance first-timers need—and who has the patience to walk you through every step.

**Pro Tip:**

Ask for references or read reviews before committing. A great realtor works for you, not just the sale.

**The Power of the Team: Realtor + Mortgage Professional**

Your realtor and mortgage pro working together can make or break your experience. Remember, it's your right to choose who you want in these professions. No one should pressure you into working with someone you're not comfortable with—it's your decision and your experience.

However, as a team, they coordinate timelines, smooth over hiccups, and solve problems before you even know they exist.

One of the biggest misconceptions is that realtors just show homes, sign papers, and mortgage pros click a few buttons on a computer for loan applications. In reality, they work tirelessly behind the scenes to ensure everything goes smoothly. There's a lot more to it than meets the eye, which is why they're so good at what we do. Trust the process. This allows you to relax and enjoy the journey, knowing you're in capable hands.

**Tip:**

If you don't click with the first realtor you meet, that's okay. Find someone who listens, explains things clearly, and has your back. You deserve that, but don't ghost the first realtor. Politely let them know that you are moving on.



# CONCLUSION

You've just walked through the essentials of the mortgage process—from the first step of getting pre-approved to the day you pick up the keys.

## Here's what we hope you take away:

- ✦ The mortgage process doesn't have to be intimidating.
- ✦ You don't need perfect credit or a massive down payment to get started.
- ✦ You have options—different loans, lenders, and timelines.
- ✦ Working with trusted professionals makes all the difference.
- ✦ Taking action now can build equity and stability for your future.

Buying a home isn't about being perfect—it's about being prepared. This guide is just the beginning of your toolkit. When you're ready for the next step—whether that's getting pre-approved, connecting with a Realtor, or simply asking more questions—you'll know where to start.



## Next Steps (When You're Ready)

If you're feeling more prepared now—great! Here's what you can do next:

- \*Check your credit and savings
- \*Chat with a mortgage professional about pre-approval
- \*Get connected with a local realtor
- \*Use the cheat sheet to organize your info
- \*Take the first step—even if it's small

### You Don't Have to Do This Alone

Whether you're ready to buy now or just getting your ducks in a row, you have help—with zero judgment and lots of real talk.

Homeownership is possible, and your journey begins with knowledge.

# YOU'RE CLOSER THAN YOU THINK

This guide was created to give you the confidence and clarity to take your next step toward homeownership.

At Noyes Nest Academy, we believe knowledge should be simple, practical, and empowering. That's why we're building a library of resources designed to help buyers, sellers, and real estate professionals navigate the process with confidence.

Want More?

 Download additional toolkits and checklists

 Visit [NoyesNestAcademy.com/Realtors](https://NoyesNestAcademy.com/Realtors) to see what's new.

Because when it comes to homeownership, the right knowledge makes all the difference.

