



# HOME BUYING GUIDE

FROM FIRST  
SHOWING TO  
CLOSING TABLE



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# Welcome to your Simple Home Buying Guide!

Buying a home is one of the biggest financial decisions you'll make—and it can feel overwhelming. That's why

Beau created this easy-to-follow booklet to help you understand the essentials: from credit scores and loan programs to what to avoid, and most importantly, why working with Beau, can make all the difference.

This guide walks you through every step of the home loan journey, empowering you with the knowledge to move forward with confidence. Let's get started on your path to homeownership!



# The Mortgage Loan Process

## 1. Meet with Beau

Connect with one of our knowledgeable agents to discuss what you're looking for—home style, budget, location, and must-have features. We'll help refine your vision and build a focused plan.

## 2. Get Pre-qualified

A pre-qualification gives you a clear budget and strengthens your position when making offers. You'll need a few key documents:

- Recent pay stubs
- Your latest W-2s
- Bank statements from the past two months

## 3. Search for Homes

Here's where the excitement begins! Beau will schedule showings and guide you through available listings until you find the perfect fit.

## 4. Make an Offer

Once you've found "the one," your agent will prepare and present a competitive offer based on current market conditions and your preferences.

## 5. Negotiate & Go Under Contract

Offers often involve a bit of back-and-forth. But don't worry—Beau is with you every step. Once both parties agree to terms, the home goes under contract and is reserved for you until closing.

## 6. Finalize the Details

During this phase, the home inspection is completed, your lender orders the appraisal, and you may be asked for final documents to complete your mortgage approval.

## 7. Closing Day

This is the big moment—the transfer of funds and ownership. A title company will oversee the final paperwork to ensure everything is legally and financially sound. Once the documents are signed, the keys are yours!

# Popular Home Loan Programs

## Conventional Loan

- Low down payment (as little as 3%)
- Best if you have good credit
- Might need mortgage insurance if you put down less than 20%
- Great for buying most types of homes

## FHA

- Min 3.5% down required
- Easier to qualify with lower credit scores
- Includes mortgage insurance

## USDA Rural Development

- Min 3.5% down required
- Easier to qualify with lower credit scores
- Includes mortgage insurance

## VA

- No down payment required
- Only for veterans, active military, and some surviving spouses
- No mortgage insurance
- Low overall costs if you qualify

## MSHDA

- Up to \$10,000 in dpa assistance, depending on location and eligibility.
- Affordable 30-year fixed-rate loans
- Income, purchase price, and credit guidelines must be met.

Loan Program	Min Credit Score	Min Downpayment
Conventional	620	3%
FHA	*580 lender overlays apply	3.5%
USDA	640	0%
VA	*600 lender overlays apply	0%
MSHDA DPA	640	TBD

# Mortgage Do's

## Keep Your Financial Records Handy

Lenders may ask for updates throughout the process. Keep your latest paystubs and any new financial documents ready. Your income and taxes might be verified with your employer or the IRS.

## Keep Paying Your Rent on Time

If you're currently renting, make sure to continue paying on time and save proof of your rent payments—especially from the last two years. If you're selling a home, be ready to show the closing documents.

## Keep Your Credit in Good Shape

Continue making all your payments on time. Your credit might be checked again before closing, and any negative changes could put your loan approval at risk.

## Be Prepared to Share Documents

Underwriters need a lot of information. Even if some requests seem unnecessary or repetitive, try to respond quickly. If they're asking for it, it's because it's required to move your loan forward.

# Mortgage Don'ts

## Don't Open New Credit Accounts

Avoid applying for credit cards, auto loans, or even borrowing from your retirement during the loan process. Any change to your credit can delay or even cancel your loan approval.

## Don't Change Jobs Mid-Process

Even a good job change can cause complications—especially if it affects your pay structure or involves a probationary period.

## Don't Make Unexplained Deposits

Lenders need to know where your money is coming from. Keep documentation for any large (or even small) deposits.

# Understanding Your Credit Score

Small differences impact monthly payments and total cost

## Payment History – 35%

Whether you've made payments on time.

*This is the biggest factor.*

## Amounts Owed – 30%

How much of your available credit you're using.

*Lower is better.*

## Length of Credit History – 15%

How long your credit accounts have been open.

*Longer is stronger.*

## New Credit Inquiries – 10%

How often you apply for new credit.

*Too many recent checks can hurt.*

## Types of Credit Used – 10%

The mix of credit you have,  
*Credit cards, car loans, or mortgages.*



■ Payment History (35%)   ■ Amounts Owed (30%)  
■ Length of Credit History (15%)   ■ New Credit Inquiries (10%)  
■ Type of Credit Used (10%)

## Hard vs. Soft Credit Pulls

### Soft Credit Pull

A soft pull is a quick look at your credit—like when you check your own score or a lender does a pre-qualification. It doesn't affect your score.

### Hard Credit Pull

A hard pull happens when you officially apply for a mortgage. It may lower your score slightly, but don't worry—multiple mortgage inquiries within a 45-day window only count as one for credit scoring purposes. This lets you shop around for the best rate without penalty.

# FAQs

## Q: How much money do I need to buy a home?

**A:** It depends on the loan program. Some loans, like VA and USDA, offer 0% down. Conventional and FHA loans typically require 3–3.5% down. You'll also need money for closing costs unless covered by the seller or assistance programs.

## Q: Will applying for a mortgage hurt my credit?

**A:** A mortgage application involves a hard credit pull, which might lower your score slightly. But multiple pulls within a 45-day window only count as one—so shop around confidently.

## Q: What's the difference between prequalification and preapproval?

**A:** Prequalification is an estimate based on self-reported info. Preapproval is more accurate—it's based on verified financial documents and a credit check, and shows sellers you're serious.

## Q: What credit score do I need to buy a home?

**A:** Most lenders look for at least a 620 score for conventional loans and around 580 for FHA. USDA and VA loans have flexible guidelines, but 620–640 is a safe minimum for most programs.

## Q: Can I use gift money for my down payment?

**A:** Yes, many loan programs allow it. You'll just need a signed gift letter and proof of the transfer.

## Q: How long does the home buying process take?

**A:** Typically 30 to 45 days from accepted offer to closing. It can vary based on your financing, inspections, and other steps.

## Q: What are closing costs and how much are they?

**A:** These are fees paid at the end of the transaction (e.g., loan origination, title, insurance, taxes). They usually total 2–5% of the home's price.



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