

The Ultimate Home Buyer's Guide

**10 VITAL STEPS TO SECURING YOUR
PERFECT HOME—GUARANTEED!**



Juan Luis Macedo  (713) 865-2017  JuanLuis@MRGRealty.com

Disclaimer and Copyright Notice

The author and publisher of this information, Juan Luis Macedo, has made his best efforts to provide a high-quality, informative book but makes no representation or warranties of any kind with regards to the completeness or accuracy of this book. This information was gathered from sources believed to be reliable but cannot be guaranteed insofar as they apply to any particular individual. Juan Luis Macedo specifically disclaims any liability, loss, or risk incurred as a direct consequence of the use and application of any of the techniques or contents of this book. This book is distributed with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional advice that is not related to obtaining a mortgage loan. If legal advice or other expert assistance outside the scope of obtaining a mortgage is required, the services of a competent professional should be sought.

If you have any questions, you can visit <http://www.MRGRealty.com> or email Juan Luis Macedo at JuanLuis@MRGRealty.com

COPYRIGHT NOTICE:

Copyright © 2004-2025 Juan Luis Macedo. All Rights Reserved.

No part of this book, in part or full, may be reproduced by any means without the express written consent of Juan Luis Macedo. This copyright will be enforced with full extensions of the law.

Contents

- Introduction: The American Dream. 4**
- Step 1: How to Check Your Credit Report and Improve Your Score. 7**
- Step 2: Creating a Budget That Works for You. 10**
- Step 3: Buying vs. Renting – Making the Right Decision..... 13**
- Step 4: Getting Pre-Approved for a Mortgage..... 15**
- Comparing the Most Common Loan Programs Available..... 17**
- Step 5: Why Choosing the Right Realtor® Matters. 22**
- Step 6: Search for your “Perfect Home” 26**
- Step 7: Making a Strong Purchase Offer & Understanding the Contract..... 30**
- Strategies to Submit an Attractive Offer and Win Against the Competition..... 31**
- Step 8: The Home Inspection Process. 33**
- What to Expect During a Home Inspection. 33**
- Step 9: Securing Your Mortgage. 36**
- Step 10: Closing Day – What to Expect..... 39**
- Congratulations! You've Completed the Journey to Homeownership! 40**
- Your Homebuying Toolkit: All the Links & Resources in One Place—Just Scan! 42**

Introduction: The American Dream.

– Understanding the path to homeownership.



In a world where market conditions fluctuate and buzzwords like "investment portfolios" and "real estate trends" dominate our conversations, one fact remains crystal clear: the decades of real estate history prove to be a stable avenue for accumulating wealth, no matter the market conditions. Owning a home is more than a financial decision; it's an investment in your future lifestyle and a step closer to financial stability and personal fulfillment. Yet, navigating the roads of real estate can be anything but straightforward, especially for first-time homebuyers.

Tackling challenges such as educational debt, shifting mortgage approval criteria, and credit issues can be daunting. However, overcoming these challenges is not just an achievement but a clear sign that you are moving in the right direction toward personal and financial security. The decisions you make now will be key in shaping the course of your life in the coming years. Will you continue down the path of renting, indirectly contributing to someone else's financial future, or will you seize the life-

changing opportunity to invest in your own? Ultimately, the responsibility for deciding whether to buy or continue renting rests solely on your shoulders, and each path comes with its own set of emotional and financial consequences.

This book is designed to be your comprehensive guide, walking you through each step of the home-buying journey—from understanding your credit score to closing the deal. Whether you're exploring loan options, navigating the details of contracts, or deciding whether to opt for a home inspection, this book has you covered. Think of us as your real estate "life coach," providing not just a set of keys but a complete toolbox.

Purchasing a home and deciding where to live is a deeply personal decision influenced by various factors, such as school ratings, your investment capacity, and your future lifestyle—not solely market trends. It's crucial to stay within your budget and adhere to your financial plan. With the insights and advice in these pages, you'll be equipped to make informed decisions, avoid common pitfalls, and most importantly, find a home where you can build equity, create lasting memories, and achieve the iconic American Dream.

HOME BUYER CHALLENGE

**Set Your
Goal To
Own a
Home**

Take the empowering step to commit to homeownership within the next 90 days, 6 months, or even a year — it's within your reach!

**Learn
About Home
Buying
Process**

Equip yourself with the knowledge you need to navigate the home-buying process, from understanding timelines to key steps involved.

**Find The
Right Real
Estate
Team**

Visit www.EZHomeCredit.com to get your pre-approval and get refer to a fantastic Realtor who will be your guide in finding the perfect home.

Don't let minor challenges stop your dream of owning your own home. You can achieve it!

*Set
Goal*

*Make A
Plan*

*Take
Action*

*Get
Motivation*

*Get
Support*

*The
Success*

Step 1: How to Check Your Credit Report and Improve Your Score.

– The foundation of your financial readiness.

The primary action to take is to assess your credit and identify your credit scores. Websites like **Credit Karma** and [Annual Credit Report](#) allow you to check your payment history and credit scores. Be aware that the scores displayed on such platforms may differ from the ones acquired when processing a mortgage credit report due to the varied credit scoring models used by entities like **Credit Karma**, mortgage lenders, and auto dealers, among others. Nevertheless, you will gain a broad understanding of your credit status.

Subsequently, your task is to examine your credit for any inconsistencies and contest them with the respective credit bureaus. These agencies are obliged to respond to and amend any false items within 30 days. It's crucial to dispute each inaccurate account with all credit bureaus involved, including **Experian**, **TransUnion**, and **Equifax**. Initiating these disputes promptly and resolving them before securing a mortgage is essential as some home loan programs won't accommodate pending disputes on your credit report.

In the third step, bear in mind that a minimum credit score of **580** is required to qualify for a home loan with a reduced down payment. For an **FHA** loan, it is preferred to have a **620**-credit score. If your scores are below this threshold, you need to work on improving them. Measures like maintaining your credit card balance at 30% of the limit could help improve your scores. For instance, if your credit card has a limit of \$1,000, the balance should be \$300 or less. If you're without any credit history, it's advisable to initiate building it by acquiring small credit cards or perhaps a minor auto or personal loan and then making consistent payments. In case you face challenges in obtaining a regular credit card, you might consider

applying for a **secured credit card** that requires a security deposit but typically does not demand income or credit checks.

If your credit report displays any collections or judgments, you might need to settle them to qualify for the first home buyer program. In such instances, we recommend contacting us to execute a mortgage credit report, providing more detailed data regarding these negative items. We also offer a credit analyzer tool and can send you a **Credit Action Plan** to hopefully enhance your scores to qualify for the program.

Once you've rectified any inaccuracies on your credit report and met the program's minimum credit score criteria, it's crucial to refrain from making significant purchases or applying for new credit cards until you are a homeowner. This is because new credit accounts or inquiries could adversely affect your credit scores. Furthermore, it's common practice for lenders to inquire about any newly opened accounts, which could lead to additional payments being factored into your monthly debts and potentially disqualifying you from obtaining a home loan.

What Does Your Credit Score Mean?

Credit Score	Rating
720+	Excellent
680-719	Good
640-679	Fair
580-639	Marginal
Below 580	Credit Challenged

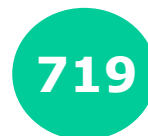
Which Credit Scores Do You Use?



Experian



TransUnion



Equifax

Lenders use the middle score not average. For example, if your scores are **647**, **641**, and **719** then your middle score is **647** which is not the same as the average score of **669**.

Step 2: Creating a Budget That Works for You.

– *Planning for a successful home purchase.*



You should initiate the process by preparing a budget to establish what mortgage payment you can reasonably afford. Consider utilizing a [**Affordability Calculator.**](#)

To begin with, you should determine your monthly net income or what you take home each month, factoring in only reliable, consistent income. For instance, if your income includes overtime pay, consider using your average monthly overtime earnings from the past 12 months.

Following that, document all your regular and variable expenses, including things like car loans, student loans, credit card payments, and utilities. I'd like to highlight that student loan debt often poses a substantial hurdle for first-time homebuyers. You might need to consider options like consolidating and extending your student loans, applying for an income-driven repayment plan, or placing your loans in forbearance to reduce or delay payments until your financial situation improves. Let's be honest, student loans might take a while to be fully paid off. If you delay homeownership until then, the cost of houses and interest rates may significantly increase, possibly putting your dream of owning a home out of

reach. Although renting might seem a more favorable option, the continuously rising rent prices make it harder to save for a home, leaving you paying your landlord's mortgage with no investment to your name.

After preparing your budget, you need to figure out how much you can comfortably afford for a mortgage payment. If you're currently saving money after covering your rent and other expenses, you may be able to manage a higher mortgage payment. However, if you're barely getting by at the end of the month, you might need to trim down your budget, possibly by reducing luxuries like weekly visits to the local steakhouse or frequent ballgame outings which have become quite expensive these days.

By assessing your available income, you might find that you can afford a slightly higher mortgage payment. For instance, if your rent is \$2,000 per month and you have an extra \$950 each month, you might be able to handle a \$2,950 mortgage payment. This could allow you to purchase a home worth approximately \$300,000. [Test our mortgage payment calculator](#) with your available income for a home. Usually, the monthly payment is approximately 1% of the home's value. For example, a home valued at \$400,000 would have an estimated mortgage payment of \$4,000 per month.

When making these calculations, be cautious and account for potential unforeseen expenses, such as major car repairs or medical bills. Additionally, consider that your income may increase in the future, which could help offset some of these expenses. As such, it's important to regularly review and adjust your budget as needed. Ultimately, you may need to make certain sacrifices to ensure you purchase a home that you can afford without becoming "house poor."

To assist with this, consider using our [Home Affordability Calculator](#) to estimate how much house you can afford based on your salary. For a closer look at managing your finances, check out our [Monthly Housing Budgeting Tool](#).

What is your budget for purchasing a home?

Step 1 Monthly Income	Amounts
Total Monthly Income (Step 1)	
Wages, Salaries, business income after expenses	
Interest, dividends or rental income	
Alimony, child support, pensions, or Social Security	
Other Income	
Other Income	
Step 2 Monthly Non-Housing Expenses	Amounts
Total Monthly Non-Housing Expenses (Step 2)	
Car payment and insurance	
Cell phone	
Student loan	
Credit card	
TV/Internet/Netflix Etc.	
Groceries/Gas/Other	
Travel/Recreation/Fun Money	
Child care	
Monthly bank loan payment (other than a mortgage)	
Alimony of child support you owe	
Savings and investments	
Other Monthly Non-Housing Expenses	
Other Monthly Non-Housing Expenses	
Step 3 Amount Available for Monthly Housing Expenses	Amounts
Equal Amount Available for Monthly Housing Expenses (Step 3)	
Total Monthly Income (Step 1)	
Minus Total Non-Housing Expenses (Step 2)	
Step 4 Monthly Estimated Housing Expenses-Use the MRG Realty Mortgage Calculator To Assist You With These Numbers.	Amounts
Total Monthly Estimate Housing Expenses (Step 4)	
Mortgage loan payment (Principal & Interest -Use MRG Mortgage Calculator)	
Property Taxes (Use 2.7% of the value of the property in Houston)	
Homeowner's insurance (Liability, Flood, Fire)	
Utilities (Heat, Water, Electricity, Gas, Trash Removal)	
Maintenance and repairs	
Other (Assessments, Homeowner's Association Dues)	
Any Other Housing Expense	

*** Compare Step 3 and Step 4 Totals

The Total Monthly Estimated Housing Expenses (Step 4) should NOT Exceed the Amount Available for Monthly Estimated Housing Expenses (Step 3).

Step 3: Buying vs. Renting – Making the Right Decision.

– *Weighing your options.*

There are several compelling arguments for buying a home versus continuing to rent, and it's critical to determine if homeownership aligns with your personal situation before beginning the home-buying process.

Historical evidence from the last century strongly suggests that home buying is among the most reliable investments. Take, for instance, if you had bought a house for \$80,000 (in today's dollars) after The Great Depression, you could have sold it eight years later for \$110,000, netting you a profit of \$30,000 even during one of the harshest downturns in the housing market. Today, the market closely resembles one from the past, with home prices constantly rising and a limited inventory of houses available for sale. Many first-time buyers are postponing their purchase, waiting for the perfect moment. However, the reality is that by waiting too long, they could miss the opportunity to buy a home within their budget, as prices and demand continue to rise.

Cease the cycle of pouring money into rent, which yields no long-term benefits for you. It's likely that you're transferring thousands of dollars to your landlord annually with no equity to show for it. When you own a house, a portion of your loan payment goes towards reducing the loan balance, thereby accumulating equity or value in the property. Additionally, the home's value should appreciate in value if you live in it for an extended period. Historical trends affirm that real estate typically proves to be a worthwhile long-term investment.

You should consider comparing the costs of renting versus buying to determine the more financially advantageous route for you. Our [Rent vs. Own Calculator](#) can assist with this.

Consider the table below, which indicates the average rent for two-bedroom apartments in Houston in the year 2023 is \$1,578 per month,

and if your rent increases at an average rate of 4% annually, you would have paid around \$102,563.28 over five years and \$227,346.72 over a decade. Some parts of the country have seen rent increase at a double-digit rate annually. The rental trap captures you in a situation where you can't accumulate savings for a home down payment due to the cost of rent. Thankfully, some loan programs for first-time home buyers allow low down payment programs to help you break free from this cycle. If you continue to rent, you'll keep going in the harmful cycle of throwing away money on ever-increasing rent payments.

Stop Throwing Money Away on Rent!

Rent	3 Years	5 Years	10 Years
\$1200	\$44,951.04	\$77,995.08	\$172,887.84
\$1300	\$48,696.96	\$84,494.52	\$187,295.04
\$1,578	\$59,110.56	\$102,563.28	\$227,346.72
\$1,750	\$65,553.60	\$113,742.72	\$252,128.28
\$2,650	\$99,266.88	\$172,239.12	\$381,795.00
\$3,750	\$140,472.00	\$243,734.52	\$540,275.16
\$4,250	\$159,201.60	\$276,232.44	\$612,311.64

Step 4: Getting Pre-Approved for a Mortgage.

– The key to becoming a serious buyer.

Obtaining pre-approval before commencing your home search is essential, as it determines the price bracket you should be considering. Many real estate agents won't even begin showing you properties until you possess a pre-approval letter. The [online pre-approval application](#) process is straightforward and can be completed in 10 minutes, requiring only your last 2 pay stubs, W2 forms and income tax returns from the previous 2 years, and the bank statements from the last 2 months.

Upon receiving your application and income documentation, we'll run a credit check and submit your application to underwriting for pre-approval. This usually takes less than a day if we have all the documents mentioned above, and subsequently, we can provide a pre-approval letter to demonstrate your serious buyer to the sellers.

Unfortunately, some lenders don't collect income documents or thoroughly verify the information provided in the application, which means you may not actually qualify for the maximum price range indicated on the pre-approval letter. Imagine the disappointment of setting your heart on your dream home, only to discover later that you cannot afford it due to inaccurate pre-approval figures. Even worse, you might find out that you could afford a bigger and nicer home, but your pre-approval letter was for much less than what you truly qualify for. Accurate pre-approval is essential to making informed and confident decisions when purchasing a home.

That's why we ensure thoroughness in our process. We collect your income details, authenticate the information in the application, and then submit it to underwriting for pre-approval. We also determine your maximum loan payment and only arrange home viewings that align with your financial capability. Factors like the current interest rates, taxes,

homeowners' insurance, and homeowners' association dues (if applicable) are considered to ensure you can confidently make an offer on a home.

You don't necessarily require excellent credit or a hefty down payment to buy a home. We offer numerous home loan programs and down-payment assistance for eligible homebuyers. [Browse through our selection of loan products.](#) Securing pre-approval before starting your house hunt is crucial to avoid unexpected challenges down the road. Without it, you risk finding the perfect home, moving forward with an accepted offer, investing in an appraisal and home inspection, only to discover it's beyond your financial reach

Once your pre-approval is complete, we'll send you a closing cost worksheet. This document provides a clear breakdown of the funds needed to close on your new home, along with your estimated monthly payment, ensuring you're fully prepared and avoiding any surprises at closing.

Comparing the Most Common Loan Programs Available.

– Understanding your financing options.

Conventional Loan

Description: Conventional loans are the most common type of mortgage and are offered by private lenders without any government backing. They are ideal for buyers with strong credit scores and a stable income.

Requirements:

- Minimum Credit Score: Usually, 680 or higher
- Down Payment: As low as 3% to 5%, but 20% is required to avoid PMI (Private Mortgage Insurance)
- Debt-to-Income Ratio: Generally, below 43%

FHA Loan (Federal Housing Administration)

Description: FHA loans are backed by the federal government and are designed to help low-to-moderate-income buyers qualify for a mortgage. They are more forgiving when it comes to credit scores and down payments.

Requirements:

- Minimum Credit Score: As low as 580, but it is always better to have a 620-score minimum to get better interest and terms on your loan.
- Down Payment: As low as 3.5%
- Mortgage Insurance: Required
- The FHA loan limits for 2025 allow homebuyers to borrow up to \$524,225 for a single-family home in most parts of the country. (This will change almost every year)

VA Loan (Veterans Affairs)

Description: VA loans are available to veterans, active-duty military personnel, and certain members of the National Guard and Reserves. These loans come with significant benefits, such as no down payment or private mortgage insurance.

Requirements:

- Eligibility: Must meet service requirements
- Credit Score: Varies by lender, but usually 620 or higher.
- Down Payment: None required.
- Mortgage Insurance: Not required, but a funding fee is charged.

**** Remember, these are general guidelines, and the specific requirements may vary by lender and over time. Always consult with a mortgage advisor for the most current information.

Conventional Loan



BUYER'S CONVENTIONAL LOAN INFORMATION

House Price	\$300,000.00
3% Down Payment	\$9,000.00
Loan At 6.5%	\$291,000.00
APR	7.62%

PREPAID COSTS

14 Months Of Insurance	\$2,380.00
4 Months Of Taxes	\$2,769.00
15 Days Of Interest	\$777.33
TOTAL PREPAID COSTS	\$5,926.33

MONTHLY PAYMENT INFO

Principal & Interest	\$1,839.32
Homeowners Ins.	\$170.00
Monthly Property Tax	\$692.25
PMI	\$203.70
TOTAL PITI	\$2,905.27

CLOSING COSTS

Fixed Costs	\$5,221.08
Prepaid Costs	\$5,926.33
TOTAL CLOSING COSTS	\$11,147.41
Down Payment	\$9,000.00
BRING TO CLOSING	\$20,147.41

This estimate is provided for informational purposes only, based upon the above proposed purchase price, type of financing and projected closing date, has been prepared to assist in computing costs. Amounts will vary depending upon differences between actual and estimated repairs that may occur in the transaction, assessments, liens, impound accounts, charges by lenders, escrow companies, title insurers and other service providers and other items. Not all liens may yet have been identified. Neither Broker, Agent nor PalmAgent guarantee, and assumes no responsibility for the accuracy, timeliness, correctness, or completeness of the above information. Any conclusions that users draw from the information presented here are their own and are not to be attributed to the Broker, Agent or PalmAgent. PalmAgent is not a financial institution engaged in mortgage lending and/or loan originations. The interest rates listed are for exemplary purposes only. All numbers are estimates and should be viewed as such. Total monthly payment identified includes PITI (Principal, Interest, Taxes and Insurance). Final numbers should be obtained from your lending institution prior to closing. By signing below client acknowledges that client has read, understands and agrees to this Disclaimer.

BUYER'S CONVENTIONAL CLOSING COSTS

TITLE FEES

Lender Title Policy	\$100.00
Escrow Fee	\$495.00
T 19 Endorsement	\$91.93
Survey Cover Endorsement	\$99.15
Mortgagee's T-17 Endorsement	\$25.00
Mortgagee's T-36 Endorsement	\$25.00
Mortgagee's T-30 Endorsement	\$25.00
Doc Prep.	\$250.00
Courier Fee	\$25.00
Tax Deletion Endorsement	\$25.00
HOA Transfer Fee	\$150.00
Total Title and Escrow Fees	\$1,311.08

LENDER FEES

Origination Fee	\$2,910.00
Misc. Lender Fees	\$450.00
Credit Report	\$50.00
Appraisal	\$500.00
Total Lender Fees	\$3,910.00

TOTAL FIXED COSTS: \$5,221.08

FHA Loan



BUYER'S FHA LOAN INFORMATION

House Price	\$300,000.00
3.5% Down Payment	\$10,500.00
Loan At 6.5%	\$289,500.00
MIP	\$132.69
APR	7.725%
TOTAL LOAN	\$294,566.25

PREPAID COSTS

14 Months Of Insurance	\$2,380.00
4 Months Of Taxes	\$2,769.00
30 Days Of Interest	\$1,568.13
TOTAL PREPAID COSTS	\$6,717.13

MONTHLY PAYMENT INFO

Principal & Interest	\$1,861.86
Homeowners Ins.	\$170.00
Monthly Property Tax	\$692.25
MIP	\$132.69
TOTAL PITI	\$2,856.80

CLOSING COSTS

Fixed Costs	\$5,455.82
Prepaid Costs	\$6,717.13
TOTAL CLOSING COSTS	\$12,172.95
Down Payment	\$10,500.00
BRING TO CLOSING	\$22,672.95

This estimate is provided for informational purposes only, based upon the above proposed purchase price, type of financing and projected closing date, has been prepared to assist in computing costs. Amounts will vary depending upon differences between actual and estimated repairs that may occur in the transaction, assessments, liens, impound accounts, charges by lenders, escrow companies, title insurers and other service providers and other items. Not all liens may yet have been identified. Neither Broker, Agent nor PalmAgent guarantee, and assumes no responsibility for the accuracy, timeliness, correctness, or completeness of the above information. Any conclusions that users draw from the information presented here are their own and are not to be attributed to the Broker, Agent or PalmAgent. PalmAgent is not a financial institution engaged in mortgage lending and/or loan originations. The interest rates listed are for exemplary purposes only. All numbers are estimates and should be viewed as such. Total monthly payment identified includes PITI (Principal, Interest, Taxes and Insurance). Final numbers should be obtained from your lending institution prior to closing. By signing below client acknowledges that client has read, understands and agrees to this Disclaimer.

BUYER'S FHA CLOSING COSTS

TITLE FEES

Lender Title Policy	\$100.00
Escrow Fee	\$495.00
T 19 Endorsement	\$91.67
Survey Cover Endorsement	\$99.15
Mortgagee's T-17 Endorsement	\$25.00
Mortgagee's T-36 Endorsement	\$25.00
Mortgagee's T-30 Endorsement	\$25.00
Doc Prep.	\$250.00
Courier Fee	\$25.00
Tax Deletion Endorsement	\$25.00
HOA Transfer Fee	\$150.00
Total Title and Escrow Fees	\$1,310.82

LENDER FEES

Origination Fee	\$2,895.00
Misc. Lender Fees	\$300.00
Credit Report	\$50.00
Survey	\$400.00
Appraisal	\$500.00
Total Lender Fees	\$4,145.00

TOTAL FIXED COSTS: \$5,455.82

VA Loan



BUYER'S VA LOAN INFORMATION

House Price	\$300,000.00
Loan At 6.875%	\$300,000.00
Funding Fee	\$6,450.00
APR	7.443%
TOTAL LOAN	\$306,450.00

PREPAID COSTS

14 Months Of Insurance	\$2,380.00
4 Months Of Taxes	\$2,769.00
15 Days Of Interest	\$865.83
TOTAL PREPAID COSTS	\$6,014.83

MONTHLY PAYMENT INFO

Principal & Interest	\$2,013.16
Homeowners Ins.	\$170.00
Monthly Property Tax	\$692.25
TOTAL PITI	\$2,875.41

CLOSING COSTS

Fixed Costs	\$5,079.79
Prepaid Costs	\$6,014.83
TOTAL CLOSING COSTS	\$11,094.62
Down Payment	\$0.00
BRING TO CLOSING	\$11,094.62

This estimate is provided for informational purposes only, based upon the above proposed purchase price, type of financing and projected closing date, has been prepared to assist in computing costs. Amounts will vary depending upon differences between actual and estimated repairs that may occur in the transaction, assessments, liens, impound accounts, charges by lenders, escrow companies, title insurers and other service providers and other items. Not all liens may yet have been identified. Neither Broker, Agent nor PalmAgent guarantee, and assumes no responsibility for the accuracy, timeliness, correctness, or completeness of the above information. Any conclusions that users draw from the information presented here are their own and are not to be attributed to the Broker, Agent or PalmAgent. PalmAgent is not a financial institution engaged in mortgage lending and/or loan originations. The interest rates listed are for exemplary purposes only. All numbers are estimates and should be viewed as such. Total monthly payment identified includes PITI (Principal, Interest, Taxes and Insurance). Final numbers should be obtained from your lending institution prior to closing. By signing below client acknowledges that client has read, understands and agrees to this Disclaimer.

BUYER'S VA CLOSING COSTS

TITLE FEES

Lender Title Policy	\$100.00
Escrow Fee	\$495.00
T 19 Endorsement	\$96.14
Survey Cover Endorsement	\$99.15
Mortgagee's T-17 Endorsement	\$25.00
Mortgagee's T-36 Endorsement	\$25.00
Mortgagee's T-30 Endorsement	\$25.00
Courier Fee	\$25.00
Tax Deletion Endorsement	\$25.00
HOA Transfer Fee	\$150.00
Total Title and Escrow Fees	\$1,065.29

LENDER FEES

Origination Fee	\$3,064.50
Credit Report	\$50.00
Survey	\$400.00
Appraisal	\$500.00
Total Lender Fees	\$4,014.50

TOTAL FIXED COSTS: \$5,079.79

Step 5: Why Choosing the Right Realtor® Matters.

– A guide to finding the best professional for you.



Buying your first home is an exciting milestone, but the process can be complex. Having the right Realtor® by your side can make all the difference, guiding you through every step with expertise and confidence. Here are the top 10 qualities and services to look for in a Realtor® to ensure you're working with the best:

1. Initial Consultation:

A good Realtor® will begin by understanding your needs and preferences, such as the number of bedrooms and bathrooms, desirable features like a fireplace, fenced yard, one or two stories, [schools rating](#) and your preferred location. They should create a personalized online portal to keep you updated with newly listed homes that match your criteria.

2. **Advanced Searching Power:**

Realtors® have access to exclusive databases and tools that go beyond public listings, offering you a broader range of options and increasing your chances of finding the perfect home.

3. **Coordinated Property Showings:**

A Realtor® takes care of scheduling and coordinating property showings, ensuring a seamless experience. They follow detailed instructions for each property, use secure key systems to track access, and provide a professional, organized approach to house hunting.

4. **Property Analysis:**

Realtors® offer valuable insights about the homes you're considering, including how long a property has been on the market, property taxes, neighborhood trends, and price comparisons with similar homes in the area.

5. **Understanding Market Conditions:**

An experienced Realtor® stays informed about market trends, property value fluctuations, and potential future shifts, helping you make well-informed decisions.

6. **Price Assessment and Offer Strategy:**

Through detailed Comparative Market Analyses (CMAs), Realtors® help determine a property's true value. They assist in crafting a fair and competitive offer that aligns with your budget and current market conditions, including specifics like your suggested price, closing date, and seller contributions to closing costs.

7. **Expertise in Negotiation:**

Negotiating the terms of a home purchase can be challenging. A skilled Realtor® acts as your advocate, using their expertise to secure the best possible deal while protecting your interests.

8. **Connections with Service Providers:**

Realtors® often have a network of trusted professionals, including home inspectors, mortgage brokers, and moving companies, ensuring you receive quality support throughout the buying process.

9. **Support Through Closing and Beyond:**

Your Realtor® will guide you through the closing process, answering questions and addressing concerns. Even after the deal is complete, they remain a valuable resource for any post-closing issues or future real estate needs.

10. **Record Keeping:**

Realtors® maintain thorough records of your transactions, which can be invaluable for tax purposes, resolving disputes, or planning future real estate endeavors.

The Next Step: Your Initial Consultation

Once you've secured your pre-approval and are ready to move forward, request your [**FREE, no-obligation Initial Consultation**](#) with one of our local real estate specialists. During this consultation, we'll learn about your needs, set up your personalized home search portal, and help you take the first step toward finding your dream home.

By signing up on [**www.MRGRealty.com**](http://www.MRGRealty.com), you'll receive:

- **Real-time alerts** for newly listed homes that match your criteria.
- **Price reduction notifications** for properties you're interested in.

A Final Note: Understanding Realtor® Commissions

When choosing a Realtor®, it's also important to consider commission arrangements. Real estate commissions have evolved; while they've always been negotiable, the cost of your Realtor®'s services often depends on the specific offerings and level of service provided. Although sellers still commonly cover a buyer's agent's commission, this has never been guaranteed.

As a buyer, it's essential to discuss these terms with your Realtor® before entering into a **Residential Buyers Agreement**. Scheduling a consultation with your agent is the best way to understand these details and ensure clarity on how their services will be compensated.

At **MRG Realty**, we're committed to providing exceptional service at every stage of your home-buying journey. Don't hesitate to reach out and experience the difference our team can make!

Step 6: Search for your “Perfect Home”

– *Strategies to find the right property.*



The exciting journey of exploring homes begins now. Start by identifying your "must-haves" versus "nice-to-haves"—features that are essential versus those that would simply be a bonus. Additionally, take time to research the surrounding factors that matter most, such as neighborhoods, [how to find school ratings](#), parks, transportation, and local amenities.

Our real estate brokerage specializes in Houston and the surrounding areas, and we are committed to helping you find your ideal home. You can browse properties on www.MRGRealty.com or schedule a one-on-one consultation—either in person or virtually—to discuss your preferences.

As you search, we'll keep you updated with the latest listings, complete with photos. However, keep in mind that photos can sometimes be misleading, making homes or rooms appear more spacious or attractive than they may be in person.

When touring homes, bring a checklist to jot down your likes and dislikes for each property, and consider taking your own photos for reference. Finding the right home could happen in one showing or take several. Remember not to overlook great opportunities because of minor imperfections, such as paint colors or flooring scratches. Instead, visualize each property as a blank canvas where you can create your dream home.

HOUSE HUNTING CHECKLIST

Her Wish List

- _____
- _____
- _____
- _____
- _____
- _____

His Wish List

- _____
- _____
- _____
- _____
- _____
- _____

The Minimum Must Haves

- _____
- _____
- _____
- _____
- _____
- _____

Note

- _____
- _____
- _____
- _____
- _____
- _____

Date: _____





JUAN LUIS MACEDO
Real Estate Broker & Loan Officer



MRG REALTY, LLC.

HOUSE HUNTING CHECKLIST

JuanLuis@MRGRealty.com
www.MRGRealty.com
LICENSE : TREC: 600310
CELL : 281-701-9303
OFFICE : 713-865-2017



Property Address _____

Price _____

of Bedrooms _____ # of Bathrooms _____

Total Sq. Ft. _____

First Impression: DISLIKE • LIKE • LOVE

THE HOME			
Exterior Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floorplan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dining Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Primary Bedroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Primary Bathroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bedroom(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bathroom(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garage Size	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE FEATURES			
Kitchen Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A/C & Heating System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does this house make the short list? YES NO
 MAYBE

ADDITIONAL NOTES _____

NOTES ABOUT THE NEIGHBORHOOD

Appearance _____

Traffic _____

Security/Safety _____

Nearby Schools _____

Close to: WORK SCHOOLS TRANSPORTATION MARKETS RECREATION/PARKS RESTAURANTS

This house won't work because _____

OVERALL RATING 1 2 3 4 5

Step 7: Making a Strong Purchase Offer & Understanding the Contract.

– How to stand out in a competitive market.



Your dream of owning a home is within reach. Upon finding a home that aligns with your vision, it's time to make an offer. Your real estate agent will first research ongoing and finalized sales of comparable homes nearby to guide you on a reasonable offer price and avoid overpayment. You'll then need to decide on a closing date and whether to request the seller cover some or all closing expenses.

Your agent will draft the offer paperwork and likely prompt you for a digital signature. After submitting the offer, you then await the seller's response. They might accept your offer, counter with altered price or conditions, or decline it. In the case of a counteroffer, you can either accept or counter until an agreement is reached on price and terms. If your offer is rejected, your search for a home continues. When your offer is accepted, you'll need to place some earnest money or a good faith deposit to reserve the house, refundable or applicable towards the down payment at closing.

Strategies to Submit an Attractive Offer and Win Against the Competition.

– *Insider tips to increase your chances.*

- **Increase Your Earnest Money Deposit:** Typically, this deposit represents 1% of the purchase price. For example, instead of a \$2,000 deposit on a \$200,000 offer, consider increasing it to \$5,000. Keep in mind that this amount is refundable at closing.
- **Offer Your Best Price from the Start:** If there are competing offers, you might consider offering above the listing price to strengthen your bid.
- **Obtain a Full Pre-Approval Letter:** This is a crucial step in the home-buying process. When submitting an offer, the listing agent or seller may contact the loan officer to verify the validity of the pre-approval and confirm the buyer's financial strength. At **MRG Realty**, we simplify this process with an in-house loan officer ready to answer these questions. This level of accessibility ensures smooth communication, instills confidence in the seller, and gives buyers a competitive advantage in securing their dream home.
- **Propose a Faster Closing Date:** Most sellers prefer to close within 30 days or less. Offering a 21-day closing period could be a great strategy, but consult with your loan officer beforehand.

These are just a few ways to strengthen your offer and increase your chances of securing a contract. Additionally, working with a bold and strategic **Realtor** who confidently negotiates the best price and terms for you can be highly beneficial.

Once your offer is accepted, you'll need to submit a check for the earnest money deposit and schedule a home inspection. After the title company receives the earnest money deposit ("**Opening of Title**"), they will initiate a **Title Search** to ensure there are no issues preventing the transfer of ownership.

10-STEP HOME BUYING PROCESS



Check Your
Credit Report



Create a
Budget



Decide Whether
to Buy or Rent



Get Pre-
Approved



Home
Inspection



Purchase Offer
and Contract



Find the
Perfect Home



Find a Real Estate
Agent



Secure Your
Mortgage



The Day of Closing
and Signing



Congratulations on Your New Home!

Step 8: The Home Inspection Process.

– Ensuring your investment is a smart one.



The Importance of a Home Inspection

When purchasing a home, one of the most critical steps is the home inspection. Typically, you have about a week after executing the contract to complete the inspection and address any concerns with the seller. During this period, you have several options:

- Request repairs or negotiate a cash credit at closing.
- Proceed with the purchase if the issues are minor.
- Exercise your right to terminate the contract under the option period and cancel without penalties if significant issues arise. (Keep in mind, you will lose the inspection cost and the option fee—usually \$250–\$850—but this is far better than moving into a home with major, costly problems.)

What to Expect During a Home Inspection.

A standard home inspection lasts between 2–3 hours, and it's recommended that you attend at least the final 30 minutes. This allows you to review the inspector's findings firsthand and ask any questions. Afterward, you'll receive a detailed, approximately 30-page inspection report, complete with photos and notes highlighting:

- Safety concerns, major defects, and minor defects.
- Items that need replacement, servicing, or repairs.
- Features that are in good condition but will require close monitoring.
- Ongoing maintenance requirements for the home.

What Home Inspectors Cover

The home inspection includes a thorough evaluation of both the **exterior** and **interior** of the property:

- **Exterior:** Roof, walls, foundation, garage, crawl spaces, yard, and more.
- **Interior:** Ceilings, floors, under-sink cabinets, plumbing, electrical systems, heating, air conditioning, kitchen appliances, bathrooms, laundry room, and basements.

What's not included: Inspectors typically won't examine areas like the inside of walls or pipes, behind electrical panels, or within chimneys. While home inspectors are skilled generalists who can flag potential issues, consulting a specialist may be necessary for further investigation.

Why a Home Inspection is Essential

Home inspection is a small but vital investment. While the exterior of a home may appear flawless, hidden problems such as attic mold, leaky pipes, faulty wiring, or a cracked foundation could pose significant safety and financial risks. Without an inspection, these issues might go unnoticed until after you've moved in.

Investing in a home inspection not only helps you avoid unexpected expenses but also provides peace of mind. By addressing potential issues early, you can ensure that the home you're purchasing is safe, secure, and comfortable for you and your family.



Step 9: Securing Your Mortgage.

– *Finalizing your home financing.*

It takes around 30 days after your realtor delivers an executed purchase contract to the lender of your future home. As soon as you have an accepted offer, it's crucial to reach out to your lender on **Day 1** and share with them a copy of your purchase contract.

Here is a brief schedule of tasks that will occur during the loan process:

Days 1-14: Documentation Gathering and Appraisal.

You'll need to present the purchase contract alongside the following:

1. Your pay stubs from the previous 30 days.
2. Tax returns along with W2 forms from the past two years.
3. Bank statements from the last two months (all pages).
4. Clear color copies of your driver's license and social security card.
5. Copy of your good faith or earnest money check.
6. A letter explaining any credit inquiries and derogatory items, if any, in your credit report.
7. Contact details of your home insurance agent and an initial home insurance quote.

Each home buyer has unique financial circumstances, and you may need to furnish additional documentation. It's important to collaborate with your lender and promptly supply all requested documentation to prevent any delays in closing. Afterward, your processor will seek employment and income verifications and order a home appraisal. It's important to recognize that the appraisal and a home inspection serve different purposes. An appraisal is carried out to determine the market value of the property, while a home inspection focuses on identifying both major and minor issues or defects in the home.

Days 15-18: Underwriting. After your processor gathers all necessary documentation, verifications, and appraisal report, they'll submit your loan file for underwriting approval. In this digital age, most loans are processed via automated underwriting, with the underwriter's role being to ensure everything on your application aligns with the automated approval findings.

Days 19-21: Condition Clearance. After your loan has been approved, there are typically some remaining conditions that must be met to finalize that approval. For example, the underwriter may require a letter explaining a substantial salary increase or further details about the origin of a large deposit in your bank account. Once these conditions are reviewed and cleared up by the underwriter, you'll receive a "**Clear to Close**" on your loan, and the file moves to the closing department for the finalization of documents.

Days 22-25: Reviewing the Closing Disclosure. At least 3 business days before closing, the lender will provide a **Closing Disclosure**, outlining the final closing costs and the cash you'll need to bring to closing. Your loan officer will go over this disclosure with you to ensure you understand the final figures and loan terms.

LOAN PROCESS

01 Days 1 through 14: Process Loan

Provide the lender with a purchase contract and documents such as pay stubs and bank statements to start processing your loan. Sign the initial mortgage paperwork and order the appraisal.



02 Days 15 through 18: Underwriting

After the processor has collected the necessary documentation, received verifications of employment, and appraisal report. Then your loan is submitted for approval.



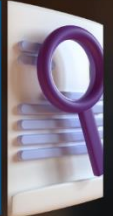
03 Day 19 Through 21: Clear Conditions

Once your loan is approved there may be some conditions to clear which require you to provide some additional documentation. Once the conditions are clear by the underwriter then your loan is "Clear To Close."



04 Days 22-25: Review Closing Disclosure

Your lender will send you the Closing Disclosure at least 3 business days prior to closing to receive final closing cost figures and cash needed to close your loan.



05 Day 30 Closing

You will Sign the final mortgage documents and get the keys to your new home. Congratulations! You are now a homeowner.



www.EZHomeCredit.com



GetHomeLoan@OutLook.com



713-865-2017



Step 10: Closing Day – What to Expect.

– The final step to becoming a homeowner.



On the day of closing, you'll have an opportunity for a final walkthrough of your soon-to-be home, ensuring it remains in the condition you expected when you agreed to buy it. Ideally, the property should be cleared of all furniture and personal items, presenting a "broom-swept" appearance.

The much-anticipated closing moment is now upon you. Your realtor will be by your side, ready to address any potential issues that come up during the walkthrough or answer any questions you might have about the property. Keep in mind that your loan officer should have discussed all the financial details with you three days prior to this. While the notary at the title company will brief you on all the paperwork you're about to sign, it's wise to consult with your real estate agent regarding any property negotiations, and your loan officer for specifics on financing terms. Remember, a day or two before closing, you should be informed of the exact amount required for the cashier's check. This will cover your down payment and associated closing costs. Once the title company declares, **"We are funded,"** your realtor will joyfully hand over the keys to your new home.

Congratulations! You've Completed the Journey to Homeownership!

– What comes next after getting the keys.



You've now navigated the essential steps to purchasing a home—from checking your credit and creating a budget to closing the deal. Buying a home is a significant milestone that requires careful planning and informed decisions, and by following the guidance in this book, you've equipped yourself with the tools and knowledge to succeed.

As you prepare to step into your new role as a homeowner, remember that the benefits extend far beyond financial investments:

- **Equity:** Every mortgage payment brings you closer to owning your home outright, building financial security along the way.
- **Stability:** Homeownership provides a sense of permanence, enabling you to establish roots and connect with your community.
- **Freedom:** Whether it's renovating a room, planting a garden, or decorating your space, you have the creative freedom to make your home truly yours.









- **Education:** Studies show that children of homeowners tend to perform better academically and graduate at higher rates, highlighting the value of stability and roots.
- **Tax Savings:** Homeownership offers significant financial advantages, including deductions for mortgage interest and other home-related expenses, which can lower your taxable income.

Owning a home is more than just a transaction—it's a foundation for memories, growth, and opportunity. While the process can feel overwhelming at times, the reward of achieving this milestone makes it all worthwhile.

Congratulations on taking this transformative step toward homeownership. Whether you're unlocking the door to your first home or your next chapter, you're not just buying a house but creating a home where you're building a future.

Your Homebuying Toolkit: All the Links & Resources in One Place—Just Scan!

– Making it easy to understand how to buy your next home

Description	The QR Code
MRG Realty Website	
Mortgage Payment Calculator	
How Much House Can I Afford Based on My Salary?	
Rent vs. Buy Calculator	
List of Documents Required to Apply for a Home Loan.	
Apply for a Home Loan.	
Download our Home Search App to Your Smartphone	
Schedule a FREE Home Consultation	
Benefits of Home Ownership & The Buyer's Roadmap and Steps.	 



APPLY ONLINE
GET PRE-APPROVED
TODAY!



FIND YOUR
HOME

ARE YOU READY TO FIND YOUR — DREAM HOME?

You need a realtor who's quick to respond with many years of experience and who uses the latest technology! I can help you find that dream home you've been searching for, meeting all the important features you want in your ideal side of town, school, or community!

Whether you're a first-time home buyer in search of your dream home, a seller looking for a better home, or an investor looking for a great opportunity, working with a dedicated real estate professional can make all the difference. I'm pleased to offer my expertise in both residential and commercial real estate to meet all your property needs. Contact me today so we can get you started on your journey!



CONTACT :

JUAN LUIS MACEDO
REAL ESTATE BROKER & LOAN
OFFICER

✉ JUANLUIS@MRGREALTY.COM
☎ 281-701-9303 | 713-865-2017
🌐 WWW.MRGREALTY.COM

📷 @MRG.Realty

📘 @TheMRGRealty

📺 @MRGRealty.Buyers