First-Time Homebuyer Guide

Welcome to Your Homeownership Journey with Edge Home Finance INC!

Buying your first home is an incredibly exciting milestone, and it's natural to have questions. At Edge Home Finance INC, led by Chad Mullenix (NMLS #260298) and with over 25 years of experience, we're dedicated to making your first home purchase a clear, confident, and rewarding experience. This guide will walk you through the essential steps, from preparing your finances to getting the keys to your new home.

Step 1: Get Your Finances in Order

Before you start house hunting, it's crucial to understand your financial standing. This foundational step will empower you and give you a clear picture of what you can afford.

- **Check Your Credit Score:** Your credit score is a major factor in determining your loan eligibility and interest rate. Obtain a copy of your credit report from all three major bureaus (Experian, Equifax, TransUnion) and dispute any inaccuracies. Aim for a score of 620 or higher for most conventional loans, though options like FHA loans can accommodate lower scores.
- **Assess Your Debt-to-Income (DTI) Ratio:** Lenders look at your DTI, which is the percentage of your gross monthly income that goes towards debt payments. A lower DTI (ideally under 43%) indicates you can manage new loan payments.
- **Save for a Down Payment & Closing Costs:** While many loan programs offer low or even no down payment options (like VA and USDA loans), having some savings is always beneficial. You'll also need funds for closing costs, which typically range from 2% to 5% of the loan amount, covering fees like appraisals, title insurance, and loan origination.

Step 2: Get Pre-Approved for a Mortgage

This is one of the most vital steps for a first-time homebuyer. Pre-approval from Edge Home Finance INC shows sellers you're a serious and qualified buyer.

- **Understand Your Buying Power:** Pre-approval gives you a realistic budget, so you know exactly how much home you can afford.
- **Strengthen Your Offer:** In a competitive market, a pre-approval letter makes your offer more attractive to sellers, as it signals that a lender has already reviewed your finances.

- **What to Expect:** We'll review your financial documents (income, assets, credit) to determine the loan amount you qualify for. This process is often quick, and our online application makes it seamless. We'll also discuss various loan programs that might fit your needs, such as Conventional, FHA, VA, or USDA loans.

Step 3: Find the Right Home

With your pre-approval in hand, you're ready to find your dream home.

- **Work with a Real Estate Agent:** A local agent can help you navigate the market, identify properties that fit your criteria and budget, and negotiate on your behalf.
- **Define Your Priorities:** Make a list of your must-haves, nice-to-haves, and deal-breakers (e.g., number of bedrooms, location, school district, yard size).
- **Explore Options:** Visit open houses, schedule showings, and don't be afraid to ask questions about the property and neighborhood.

Step 4: Make an Offer & Go Under Contract

Once you find the perfect home, your agent will help you craft a competitive offer.

- **Crafting Your Offer:** Your offer will include the purchase price, any contingencies (like a home inspection or financing approval), and proposed closing dates.
- **Negotiation:** Be prepared for potential counter-offers. Your agent will guide you through this process.
- **Under Contract:** Once your offer is accepted, the home is "under contract," and the official loan application process begins.

Step 5: Secure Your Mortgage & Underwriting

This is where Edge Home Finance INC takes the lead in ensuring your loan is finalized.

- **Full Loan Application:** You'll complete the full loan application, providing all necessary financial documents. Our team will guide you on what's needed.
- **Appraisal:** An independent appraisal will be conducted to determine the home's fair market value, ensuring it justifies the loan amount.

- **Inspection:** A home inspection is highly recommended to uncover any potential issues with the property before closing.
- **Underwriting:** Our underwriters will review all your documents, the appraisal, and the inspection report to ensure everything meets lending guidelines. We work diligently to make this process as smooth as possible.

Step 6: Closing Day

The big day! This is when ownership of the home officially transfers to you.

- **Final Walk-Through:** You'll typically do a final walk-through of the property to ensure it's in the agreed-upon condition.
- **Signing Documents:** At the closing table, you'll sign numerous legal documents, including your new mortgage agreement. Our team will ensure you understand everything before you sign.
- **Getting the Keys:** Once all documents are signed and funds are transferred, the home is officially yours!

Congratulations, Homeowner!

Welcome home! The team at Edge Home Finance INC is thrilled to have been part of your journey. Remember, even after closing, we're here as your trusted financial partner. If you have any questions about your mortgage or future financial planning, don't hesitate to reach out.

Ready to take the first step towards owning your dream home in Texas?

Contact Chad Mullenix and the Edge Home Finance INC Team Today!

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- **Email:** chad.mullenix@edgehomefinance.com
- **Apply Online:** [Insert your Apply Now Link here: https://app.docnaire.com/TeamMullenix/register-user?q=1m48z4kv2qoSwiR3jo%2FvhDHij8h59lvDcecgmoOgqDX5F7nmx8YvIkOP0usZKEt8mlTiNO2teWPiH2RIFvq7KZnr3wSuPPOj8E7SzmeT%2BC8%3D]