

THE ULTIMATE GUIDE TO *Buying A Home* FOR THE **FIRST TIME.**



Buying a home is one of the
most significant
investments you will make in
your lifetime.

The process can be exciting, but also overwhelming, especially if it's your first time. To help simplify the experience, we've broken down the homebuying process into 10 easy steps.



Step 1

Determine Your Budget

The first step in the homebuying process is to **determine your budget**. This means figuring out how much money you have to spend on a home, including a down payment, closing costs, and monthly mortgage payments. Salal Mortgage Advisors can assist you with this step if needed.

You should also take into account any other expenses you may have, such as furniture, renovations, and moving costs.



Step 2

Get Preapproved

Once you have a budget in mind, the next step is to **get preapproved for a mortgage**. This is an important step because it will give you an idea of how much you can borrow and help you understand your monthly payments.

Getting preapproved also shows sellers that your financing is ready to go, giving your offer a competitive advantage in the market. To get preapproved, you will need to provide your lender with some financial information.

What You'll Need For Preapproval:

- 2+ years of residence addresses
- 2+ years of employer information
- One month of most recent pay stubs
- W2 and tax information from past 2 years
- 2 years business tax information and financials (if self-employed)
- 2 months of most recent bank, investment, and retirement account statements
- Mortgage statements, insurance, and property tax info from properties you currently own
- HOA dues statment (if applicable)
- Permanent Resident Alien card or copy of current Visa (if not U.S. citizen)

Step 3

Find a Real Estate Agent



Having a real estate agent by your side is a valuable asset when buying a home. They will help you find homes that fit your budget and criteria, and negotiate the best deal for you. They will also guide you through the homebuying process, from start to finish.

Asking for referrals

Ask friends, family, or co-workers for recommendations for a real estate agent they have worked with and trust.

Searching Online

You can search for real estate agents in your area using websites like Zillow, Realtor.com, or Redfin.

Using HomeAdvantage®

Along with many other cost-saving real estate tools, HomeAdvantage® from Salal Home Lending features a network of trusted real estate agents. **Learn more.**

Interviewing multiple agents

When you find a few potential candidates, schedule a meeting with each of them to discuss your needs, along with their skills and experience. Choose the agent that's the best fit for you.

Step 4

Start House Hunting

With your budget and preapproval in hand, you can now start looking for your dream home. Your real estate agent will show you homes that meet your criteria, and you can visit open houses and attend property viewings.

Be sure to take note of any homes that you like and ask your agent any questions you may have.



Step 5

Make an Offer

You're Halfway There!

Budget

Preapproval

Find An Agent

House Hunting

Accepted Offer

Once you have found a home that you love, it's time to make an offer.

Your real estate agent will guide you through the process and help you negotiate the best deal. They will also advise you on the terms of the offer, such as the price, closing date, and contingencies.

When your offer is accepted, a purchase and sale agreement will be provided to your lender. At this point, your lender will begin processing your loan, working toward issuing your final loan approval.

Step 6

Loan Processing

During the processing phase, your loan application will be thoroughly reviewed by a team of professionals. Your loan processor will work closely with you to gather any additional documents or information needed to complete your loan file.

Your loan processor will also communicate with your real estate agent, title company, and other parties involved in the transaction to ensure that all necessary information is obtained and processed in a timely manner.

This process can be an overwhelming time for many, but don't forget that your Mortgage Advisor will be available to answer any questions. Make sure that you communicate often with your team to ensure your loan moves forward smoothly.



Step 7

Home Inspection



Before finalizing the purchase, it's important to have a home inspection. This will give you a better understanding of the condition of the home and any necessary repairs. If the inspection reveals any issues, you can renegotiate the terms of the sale or withdraw your offer.

Hire a professional inspector

It's important to have a neutral third party inspect the property to ensure an unbiased assessment.

Attend the inspection

It's a good idea to be present during the inspection so you can ask questions and get a better understanding of the property's condition.

Look at the big picture

A home inspection is not just about the property's condition, but also about the systems and components that make it livable, such as plumbing, electrical, heating, and cooling.

Focus on safety

The inspector will check for potential safety hazards such as carbon monoxide leaks, faulty electrical wiring, and fire hazards.

Take note of deferred maintenance

Be sure to note any areas of the property that need attention or repairs, as this information can be used to negotiate the purchase price.

Consider the age of the property

Older homes may have outdated systems or components that need to be updated or replaced.

Keep an eye on the budget

Remember to factor in the cost of any repairs or upgrades into your budget, as they can add up quickly.

Step 8

Close the Deal



Securing your financing and closing on your loan mark the final steps of becoming a homeowner. Once you and the seller agree on a closing date, your lender will complete the underwriting process and have final loan documents ready ahead of the date.

Closing day is when the sale of the home is finalized, and the ownership is transferred from the seller to the buyer. Prior to closing, you will review and sign all required paperwork, as well as provide any remaining funds due for your down payment and closing costs.

Your real estate agent and Mortgage Advisor will help you with this process and ensure that everything is in order.

Step 9

Moving Day & Onward

It's time to move into your new home! Coordinating a move after closing can be challenging on top of managing the homebuying process, so keep a checklist and a timeline for moving while you wait for your loan to close. That way, you're ready when the time comes.

As a homeowner, here's a short list of new things you'll need to manage from that first day in your new home forward:

- **Maintenance and Repairs**
- **Property Taxes**
- **Homeowners Insurance**
- **Utilities**
- **Landscaping and Lawn Care**
- **Home Improvements**





Step 10

Celebrate!



Loan
Processing

Inspection &
Appraisal

Underwriting
& Approval

Closing and
Moving Day!

Congratulations,
Homeowner!

Finally, it's time to celebrate! Buying a home is a big accomplishment, and you should take the time to celebrate this exciting new chapter in your life.

Buying a home is a complex process, but with the right support and preparation, it can be a fulfilling and enjoyable experience. Don't be afraid to ask for help along the way, whether it's from a real estate agent, a mortgage lender, or friends and family.

We're Here for You

Schedule a Free Homebuyer Planning Session

Salal Credit Union offers **complimentary First-Time Homebuyer Planning Sessions**. During your session, a qualified Mortgage Advisor will:

- **Assess the current state of your finances**
- **Find out what you can afford**
- **Learn what your down payment and future mortgage payments might look like**



Schedule a Free Homebuyer Planning Session Online at
SalalCU.org/homebuyer-planning.

Schedule My Free Homebuyer Planning Session

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