

# Home Buying Guide

COURTESY OF BRIDGET THOMAS, REALTOR

---

*Let's get you Home.*

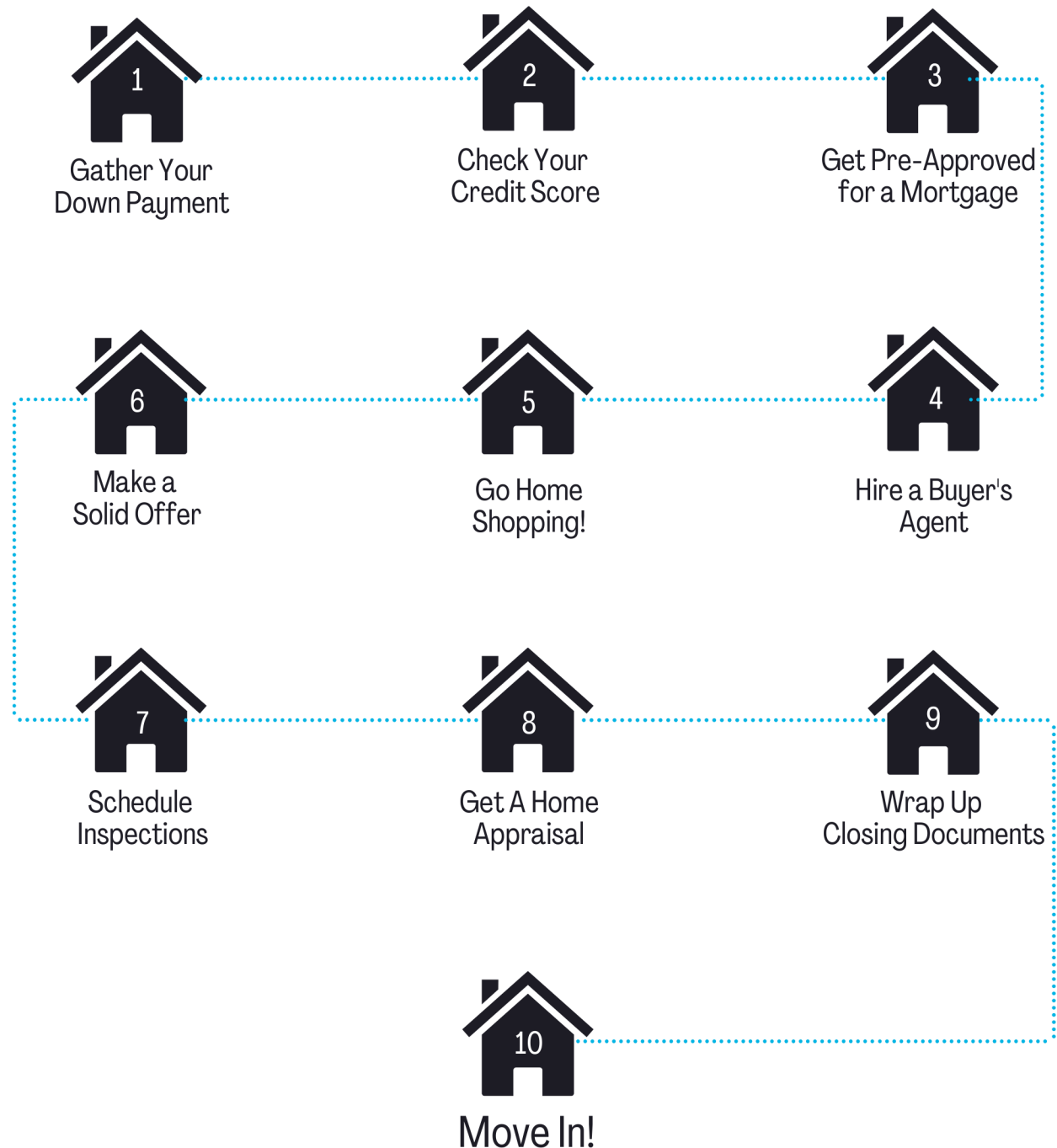
RAVENREALTORS.COM/BRIDGET  
(920) 980-7356



# 10 Steps to Home Ownership

Ready to learn about what it takes to become a Homeowner?

It may seem like a confusing or challenging process, especially if you're a first-time homebuyer or it's been a long time since you've been through the process. But, take a deep breath! I'm here to help guide you and make the process easy and effortless.



# Gather Your Down Payment

The very first step in buying your new home is to figure out your finances and start saving for your down payment. While 20% down is ideal (to avoid any extra fees such as private mortgage insurance and higher interest rates) many first-time homebuyers will qualify for 3.5% down, or even 0% if you qualify for a VA or USDA loan. You will want to speak to a mortgage lender early on to decide what loan type you should save for.

## Common Loan Types

### Conventional

A conventional mortgage or conventional loan, is any type of loan that is not offered or secured by a government entity. Instead, conventional mortgages are available through private lenders, like your banks, credit union, or a mortgage company.

### Federal Housing Administration (FHA)

An FHA loan gives borrowers an opportunity to buy a home with a lower minimum down payment (under 5% down) and lower credit scores than many conventional loans. You'll need a credit score of at least 580 to qualify. If your credit score falls between 500 and 579, you may still qualify for an FHA loan, if you can provide a higher down payment.

### Veterans Administration (VA)

VA loans assist active service members, veterans, and surviving spouses to become homeowners. VA loans offer up to 100% financing on the value of a home. VA loan recipients do not have to be first-time buyers.

### U.S. Department of Agriculture (USDA)

A USDA home loan is a \$0 down payment mortgage for eligible rural and suburban buyers. A USDA loan allows you to get low mortgage interest rates, even without a down payment. If you put little or no money down, you will still have to pay a mortgage insurance premium, known as private mortgage insurance (PMI).

# Check Your Credit Score

For better or for worse - your credit score matters.

Your credit score helps determine the interest rate and other costs you pay on a mortgage loan. Scores range from 300 to 850. A high score tells lenders that you've paid your credit card bills and debts on time, you haven't "maxed out" your credit cards, you haven't missed payments, and so on.

With a higher score, lenders see you as more likely to make your loan payments consistently and on time. They view you as a lower-risk investment and can offer a lower interest rate and reduced fees on your loan. You can qualify for certain loans with a credit score in the lower 500s, but lower scores can mean paying higher interest rates and insurance.

**For Example**

*If the 30-year primary mortgage rate were 3.875%, someone with good credit may pay 4.125% in interest (.25% above the primary rate) and someone with a lower credit score may pay 4.5%. The latter person's monthly payment will be \$82.99 more each month, and \$29,876.40 more over the 30-year life of the loan.*

It is a good idea to work on your credit if you have a low score and want to buy a home - even if you already own one. To increase your credit score, start by ordering your credit report and verifying the information. Dispute any errors. Avoid new credit card purchases or applications. Do not apply for any new loans, like a vehicle loan. Pay off past due balances and existing credit card debts, starting with the highest interest rates first. Do not close any of your accounts, as your credit history plays an important part in your score. You may also consider asking for your limit to be raised, but do NOT use that line of credit for additional purchases. This will show a lower debt-to-credit ratio.

## Action Plan

STEPS TO INCREASE CREDIT SCORE

DEADLINE:

<div></div>	_____	.....
<div></div>	_____	.....
<div></div>	_____	.....
<div></div>	_____	.....
<div></div>	_____	.....

# Get Pre-Approved For A Mortgage

---

Before you head out to look at homes, you will want to know exactly how much home you can afford or how much you want to spend on a monthly payment. This depends on what you are approved for and will be crucial in your ability to make strong offers.

You may think that you will want to spend \$400,000 on a new home, but a lender may think otherwise. You may also qualify for \$500,000, but not want to make the higher payment that comes with borrowing more money.

## **Pre-Approval vs. Pre-Qualification**

Make sure to get pre-approved by your lender, not just pre-qualified. A pre-approval will give you your exact loan terms and will be required when making an offer. Some Seller's even require proof of a pre-approval to schedule a showing. If possible, get a broad pre-approval that isn't tied to a specific property address, but rather the amount you're approved for. Submitting this with your offer can make it more appealing to Sellers.

Pre-approval will require you to complete a mortgage application, where the lender will check paperwork like your W-2, paystubs, bank statements and tax returns. They will also check your credit and employment history. All of this will determine how much a bank will approve you for and at what interest rate.

**Note: If mortgage rates are changing rapidly, your pre-approval amount may also change.**

## List of Preferred Lenders

- Phil Bujnowski, Altra Federal Credit Union  
(608) 787-4545  
pbujnowski@altra.org
- Angela Czerwinski, WNB Financial  
(608) 399-3188  
angelac@wnbfinancial.com
- Su Vang, Coulee Bank  
(608) 784-3911  
svang@couleebank.net



# Hire A Buyer's Agent

Buying a house is a very exciting time and one that takes preparation to do well.

Whether it's applying for a mortgage or shopping for houses, a Buyer's Agent will guide you and help you avoid making mistakes that could cause many future headaches.

Most houses on the market will have an Agent representing the Seller, which is frequently referred to as a Listing Agent or Seller's Agent. The Listing Agent's main responsibility is to make sure their seller's best interests are protected. Therefore, you will want an agent to represent you, and be looking out for YOUR best interests.

## **Best of all?**

It does not cost you anything to hire and work with a Buyer's agent. In almost every case, the Seller pays the commission.

## Tips For Working With Your Agent:

- Make your expectations known. We'll fight for what you care about.

- Rely on your Agent to show you properties so they can best serve your interests.

- Don't sign things you don't understand. This is a legal process. Ask if you don't understand.

- Be ready to buy. If you aren't, that's fine - but save your energy for the time when you are.



## Why Buyers Choose To Work With Me

*"If you want something done, have a Mom do it."*

When I was working in tech startups, this was the mantra we thrived on. A whole team of women who were crushing it at work and at home. We were efficient and effective because we had to be.



Real estate is a detail business that requires a keen ability to go to task for your clients. After almost a decade negotiating 6-figure contracts for health systems and national brands, I am thrilled to be putting my skills to use for something more tangible – working for my friends and neighbors to build their futures and generational wealth.



Finding the right home is one of the most exciting and stressful milestones in someone's life – I've been there! My husband and I bought our first home fresh out of grad school in the Great Recession of 2008. When a relocation brought us to the Coulee Region, we met another stellar agent who drove us all over La Crosse County to find the perfect lot to build our dream home on. And when we decided we'd rather live in a flip than a new build, we once again relied upon the expertise of a qualified REALTOR® to help make that dream come true.



Whether you're new to the region, looking to build, buy or remodel – I've done it ALL. And I look forward to being your partner to bring your dreams to life.

# Time To Shop For A Home



Once you've chosen your Buyer's Agent, you will want to discuss your needs and wants for your new home. You should have some ideas of non-negotiables.

Do you need...

A large yard? 4-bedrooms? Home office/gym? Specific school district?

Short commute? Storage shed? Finished basement? New construction?

These needs may adapt during the process as you start touring properties and that's OK!

Your Agent can set up your home search requirements so that you can be notified immediately when a home that meets your needs and wants list hits the market.

When a house you want to see becomes available, your Agent will set up a property showing for you.



# Wants & Needs List

Ready to start home shopping?

Consider the items below before meeting with your Agent so you can start receiving homes that meet your requirements.

PRICE

# BEDROOMS

# BATHROOMS

SQUARE FEET

LOT SIZE

YEAR BUILT

OTHER NEEDS/WANTS:

---

---

---

---

Community/Neighborhood Preference:

New Construction

YES

NO

Finished Basement

YES

NO

Needs Renovations

YES

NO

HOA Community

YES

NO

# Make An Offer

Once you've found "The One," it's time to make an offer.

Making an offer is basically sending a proposal to the Seller's Agent, who presents it to their Seller. If they like your terms and conditions, they will accept it. If it's not quite there yet, they will counter back with their own terms. This is very common, so don't be discouraged if they counter.

Your Agent will work through the conditions with you to help craft an offer that meets your needs and will be likely to gain acceptance.

Once an offer is accepted, it is signed by all parties in the transaction and is legally binding. It is important that your offer contain all desired inclusions and contingencies as there is no easy way to go back to make changes.

(And changes can void the contract!)

## Common Negotiation Points

Price

Inspection Contingencies: Home, Septic, Termite, etc.

Value of Home Warranty

Coverage of Closing Costs

Appraisals

Home Repairs

Testing: Radon, Well Water

What and how much you ask for will depend on current Market Conditions.

# Get A Home Inspection



I consider a home inspection a **must** when buying a home, and they're often required when using a loan to finance. This is a Buyer cost and most home inspectors charge a few hundred dollars for their service.

A home inspection will be done by a professional, who will check for anything that may be wrong with the house. Think mold, leaky roof, faulty foundation, aging mechanicals (HVAC), improper plumbing or electric work, etc. They also mark minor defects, such as missing floor tiles or broken seals around the faucet.

You can (**and should!**) be present right alongside the inspector. After the inspection is complete, you and the Seller will get a full report on the home and any faulty findings. Should something come up, you have an opportunity to ask the Seller to fix the issue, back out of the contract, or decide to fix issues after you move in.

Many lenders will require major issues to be fixed before they will sign off on the loan.

## HOME INSPECTION CHECKLIST

- |  |  |
|--|--|
| <input type="checkbox"/> Basement and Garage                             | <input type="checkbox"/> Porches and Balconies                         |
| <input type="checkbox"/> Walls, Ceilings, Floors, Doors, Windows         | <input type="checkbox"/> Walkways and Driveways                        |
| <input type="checkbox"/> Foundation, Roof, Attic Space                   | <input type="checkbox"/> Plumbing Fixtures, Faucets, and Water Heater  |
| <input type="checkbox"/> Exterior Paint, Brick, Siding                   | <input type="checkbox"/> Appliances                                    |
| <input type="checkbox"/> Electrical Panel, Light Switches, Power Outlets | <input type="checkbox"/> Missing Tiles, Peeling Paint, Cosmetic Issues |
| <input type="checkbox"/> Thermostats and HVAC Systems                    | <input type="checkbox"/> Stairs, Steps, and Railings                   |

The background of the image is a bright, modern interior. On the left, a round gold-framed mirror hangs on a white wall. Below it, a dark metal shelving unit is partially visible. In the center, a dark rectangular text box contains white text. To the right of the text box, a white ceramic vase with a green plant sits on a white countertop. A black metal cage-style pendant light hangs from the ceiling. In the foreground, the legs of white upholstered chairs with black metal frames are visible on a light-colored wooden floor.

# Get A Home Appraisal

A home appraisal is likely needed if you are financing your home. It is required by the lender to estimate the home's value.

Just because you and the Seller agreed to a price, doesn't mean that the lender will. The home is their collateral in case you fail to make mortgage payments. The bank could foreclose and resell the home to make back their money.

If the home appraises for less than the contract price, the Seller will need to either come down in price, you will have the choice to make up the difference with cash, or you may back out of the deal. This is why financing contingencies are important.

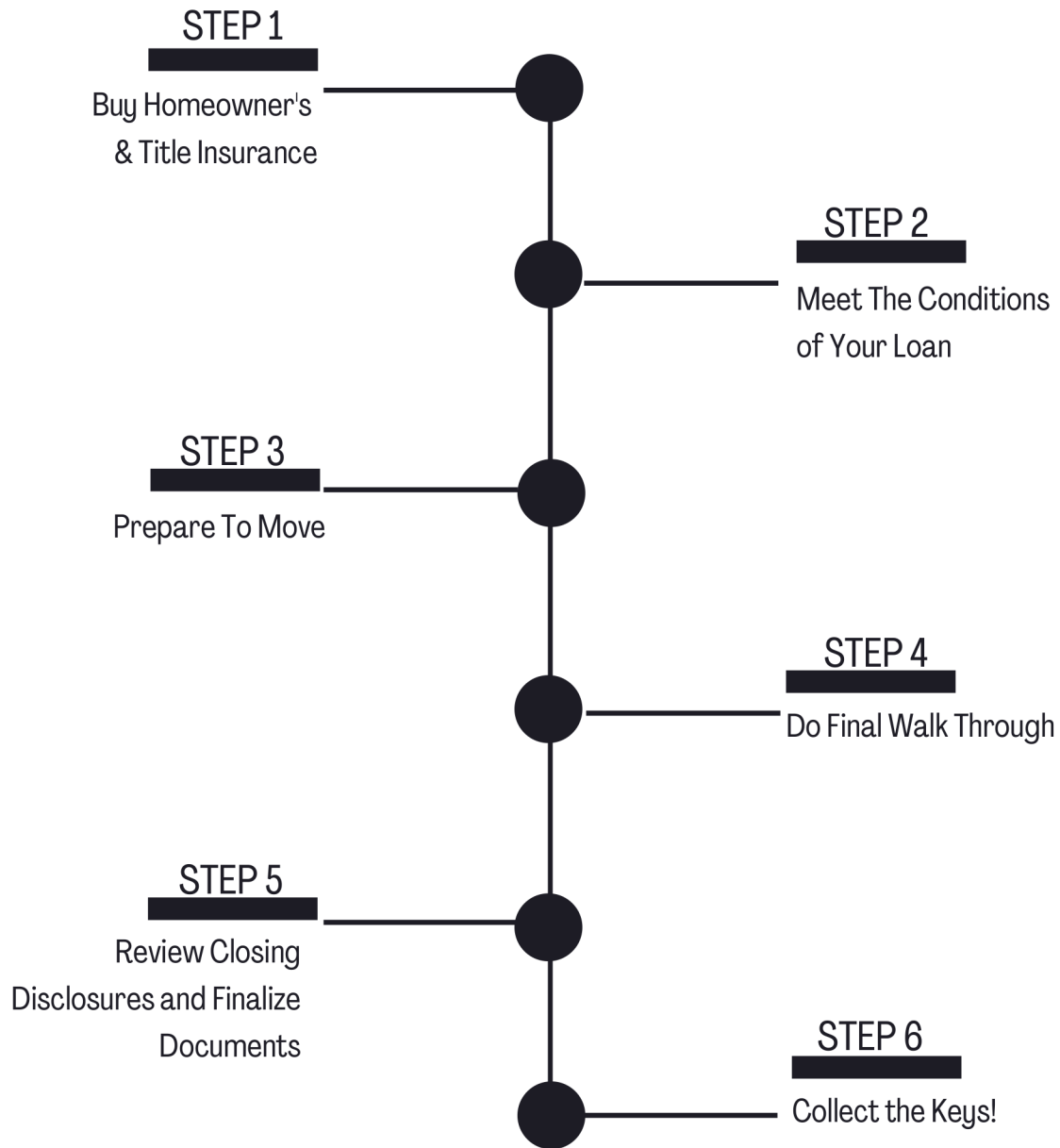
Overall, an appraisal is a good thing for a Buyer. It will keep you from falling into a bad deal and over paying.

# Final Steps To Close

Before you get the keys handed over to you on closing day, there are a few steps. Your Homeowner and Title insurance will happen through Escrow, along with meeting the conditions of your loan, such as paying your down payment and finalizing your loan. Your Lender will guide you through this and you can start packing up your current home and/or hiring movers.

Within a few days of closing, you will walkthrough your new home to make sure that the home has been vacated and left in an acceptable condition. This is NOT the time to nitpick at little things.

Now grab a good pen and get ready to sign, sign, sign! At the closing location you will finalize all your documents and close on escrow. Congratulations! You are now a homeowner!



# Let's Do This!

Buying a home can be a stressful process. There is a lot to do along the way and dates and deadlines you must meet. This is why I'd love to help guide you through it! You have enough to worry about, leave the details to me. If you see your future as a homeowner, we will get there TOGETHER.

When you choose to work with me as your Agent, I will help guide you to becoming a confident homebuyer and lead you to making a deal on that dream home.

Let's get you Home.



[RAVENREALTORS.COM/BRIDGET](https://RAVENREALTORS.COM/BRIDGET)



[FACEBOOK.COM/BRIDGETRAVENREALTY](https://FACEBOOK.COM/BRIDGETRAVENREALTY)



[@BRIDGETRAVENREALTY](https://www.instagram.com/BRIDGETRAVENREALTY)

Call or Text: (920) 980-7356

[bridget@ravenrealtors.com](mailto:bridget@ravenrealtors.com)

*"Don't wait for the right opportunity. Create it."*  
-Unknown



LOOKING FORWARD TO YOUR FUTURE!