CENTURY 21®

HOME *Buying* GUIDE

ABOUT ME

HOWDY!

MY NAME IS JALEN HARRIS, AND I'M COMMITTED TO HELPING PEOPLE NAVIGATE THE HOME BUYING PROCESS WITH CONFIDENCE AND CLARITY.

I PROUDLY SERVED 7 YEARS IN THE UNITED STATES AIR FORCE, WHERE I DEVELOPED STRONG DISCIPLINE, ATTENTION TO DETAIL, AND A MISSION-FOCUSED MINDSET THAT I BRING TO EVERY CLIENT RELATIONSHIP.

AFTER MY MILITARY SERVICE, I PURSUED HIGHER EDUCATION IN GLOBAL LOGISTICS MANAGEMENT, BUILDING EXPERTISE IN OPERATIONS, STRATEGY, AND PROBLEM SOLVING.

SINCE 2019, I HAVE WORKED WITHIN CORPORATE AMERICA, GAINING EXTENSIVE EXPERIENCE IN:

- NEGOTIATION
- LOGISTICS AND OPERATIONS
- SALES AND CLIENT RELATIONS
- LEADERSHIP AND MANAGEMENT

DURING THIS TIME, I ALSO HELPED PILOT AND SUPPORT LARGE-SCALE PROGRAMS, INCLUDING INITIATIVES WITHIN AMAZON, WHERE PRECISION, EFFICIENCY, AND RESULTS WERE CRITICAL.

TODAY, I BRING THAT SAME STRATEGIC THINKING, NEGOTIATION ABILITY, AND COMMITMENT TO SERVICE INTO REAL ESTATE. MY GOAL IS TO GUIDE CLIENTS THROUGH ONE OF THE MOST IMPORTANT DECISIONS OF THEIR LIVES WHILE MAKING THE PROCESS SMOOTH, INFORMED, AND SUCCESSFUL.

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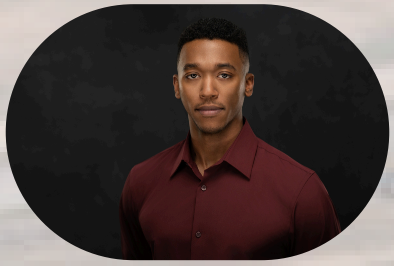


TERMS TO KNOW

01 *Fixed rate mortgage vs. Adjustable- Rate mortgage:*

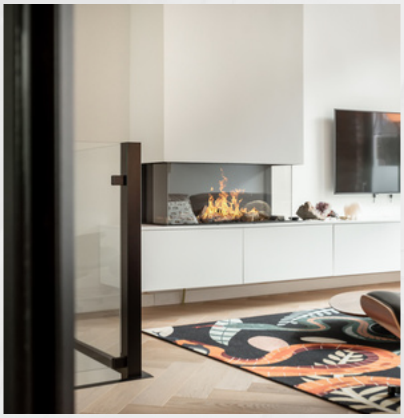
• **Fixed-Rate Mortgage**: Interest rate stays the same for the entire loan term
• **Consistent monthly payments** make budgeting predictable
• **Protection from rising** interest rates over time

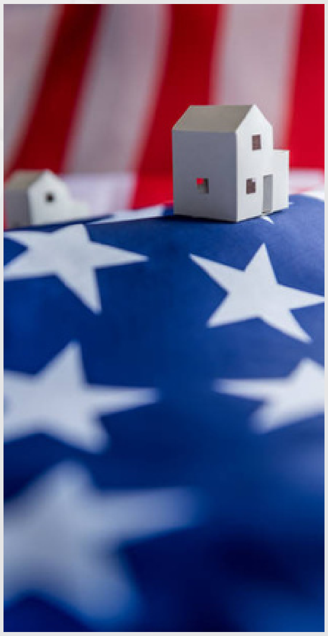
• **Adjustable-Rate Mortgage (ARM)**: Interest rate can change periodically
• **Often starts** with a lower initial rate than fixed loans
• **Monthly payment may** increase or decrease depending on market rates

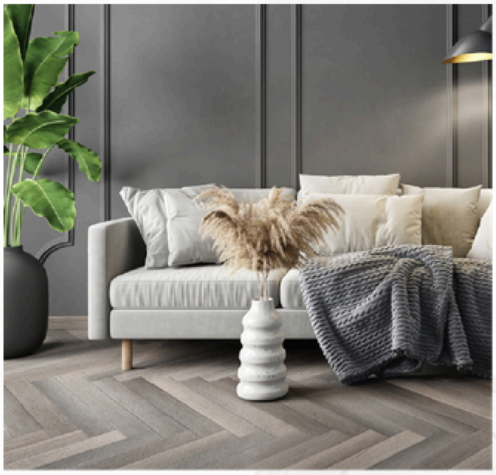
02 *Debt-to-income*

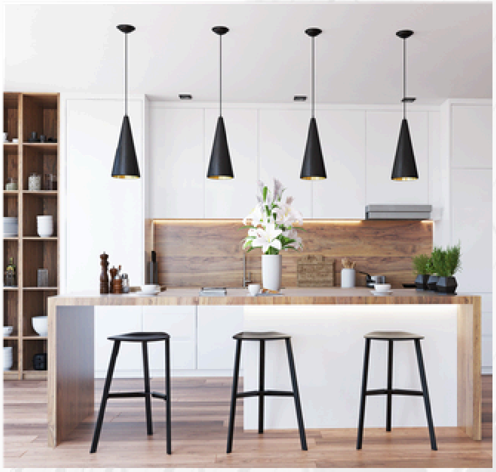
• **DTI measures how much of your monthly income goes toward debt payments**
• Includes debts like **car loans, credit cards, student loans, and the future mortgage**
• Calculated by dividing **total monthly debt payments by gross monthly income**

• **Lower DTI** = **stronger loan application**
• Helps lenders determine **how much home you can comfortably afford**
• **Better DTI often means easier loan approval**









03 *Initial Disclosures-*

• Also called the **Loan Estimate (LE)**
• **Preliminary mortgage disclosures** you must review and sign
• Required before your loan application can move forward
• Outlines the **initial terms of the mortgage loan**
• Includes **federal and state required mortgage disclosures**

04 *Closing Disclosures -*

• Often referred to as the **Closing Disclosure (CD)**
• Final version of the loan estimate provided before closing
• Shows the **exact loan terms and final costs**
• Includes the **actual numbers for your mortgage and closing fees**
• Important to **review carefully before signing**
• Ask questions if **anything is unclear or unexpected**

THE PRE-APPROVAL PROCESS

STEP 01

WHAT IS A PRE-APPROVAL?

- A lender reviews your **income, credit, assets, and debts**
- Determines **how much home you may qualify to purchase**
- Provides a **pre-approval letter** you can use when making offers
- Helps ensure you pursue a loan that **fits your financial situation**

STEP 02

WHY GET PRE-APPROVED FOR MORTGAGE?

Getting a pre-approval helps you:

- Present a strong offer
- Know how much you can afford
- Have negotiating power
- Speed up loan processing time for a
- quicker, smoother & more competitive closing

STEP 03

WHAT DOCUMENTS ARE NEEDED?

Basic documents each borrower will need to bring with them are:

- Valid Government-Issued ID
- Social Security Card (or SSN verification)
- 2 Most Recent Bank Statements
- 2 Most Recent W-2 Forms
- 1 Month of Recent Pay Stubs

STEP 04

LOAN APPLICATION & PROCESSING

- Complete the **loan application with your lender**
- Provide details about **income, employment, assets, and debts**
- Submit any **required supporting documents**
- Lender reviews your **Debt-to-Income Ratio (DTI)**
- Your **credit is pulled** to verify financial history
- File is prepared for **pre-approval and lender review**

STEP 05

UNDERWRITING, APPROVAL, & CLOSING

- Lender **analyzes the full loan file** for approval
- Additional documents or verifications may be requested
- Once approved, the lender issues a "Clear to Close"
- Closing date is scheduled with all parties
- Review final numbers/cash-to-close with your loan officer

WHAT'S IN A MORTGAGE PAYMENT?

PRINCIPAL OF THE LOAN

This is the amount you borrowed and is also referred to as the "amount financed."

INTEREST OF THE LOAN

The amount the lender charges you to borrow the money

PROPERTY TAXES

A portion of your payment will be used for property taxes to your local county/ municipality

HOMEOWNER'S INSURANCE

The amount you pay to insure your home from damage (fire, natural disasters, etc.)

PRIVATE MORTGAGE INSURANCE

Usually required on loans if your down payment is less than 20%

The DO'S & DON'TS of Qualifying for a Mortgage in Today's Market.

DO make all of your payments on time

DO avoid having your credit pulled

DO start pricing out homeowner's insurance

DO avoid overdrafting your bank account

DO send all requested documentation as quickly as possible

DO keep your loan officer informed of any major financial changes

DON'T spend the money you will be using for closing

DON'T deposit any large sums of money into your bank account

DON'T finance any new debt, including as a co-signor

DON'T change or quit your job

DON'T close any revolving accounts

DON'T payoff any debt unless required for your mortgage

DON'T enter any deferred payment plans

TYPES OF Mortgage LOANS

TYPES OF LOANS

UPFRONT	WHO QUALIFIES	DOWN PAYMENT	MORTGAGE INSURANCE	MONTHLY MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
VA ***Department of Veteran Affairs***	Veterans Personnel with honorable discharge, Reservists & National Guard Surviving Spouses	NONE	NONE	NONE	580
USDA ***Department of Agriculture***	Someone who is buying a home in a USDA - designated rural area	NONE	2% of the loan amount. Can be rolled into loan ammunt	REQUIRED	640
FHA ***Federal Housing Administration***	Anyone who meets the minimum credit and income levels	At least 3.5% of purchase price	1.75% of loan amount	REQUIRED	580
203K ***Federal Housing Administration***	Anyone who plans to purchases a fixer-upper or needs	At least 3.5% of purchase price	1.75% of loan amount	REQUIRED	580
Conventional	***Depending on the program, available first time home buyers (a buyer who hasn't owned in the last 3 years) can put 3% down with a Conventional 97 program***	Varies from 3%-20% of purchase price	NONE	REQUIRED	620
Down Payment Assistance	Anyone who meets lenders credit, income & debt level requirements	NONE	NONE	REQUIRED	620

Steps to a Home Purchase

STEP 1

- LENDER PRE - APPROVAL
- PREVIEW HOMES & WRITE OFFERS
- OPEN TITLE & SIGN INITIAL DISCLOSURES

STEP 2

- HOME INSPECTIONS
- REQUEST FOR REPAIRS
- APPRAISAL ORDERED BY LENDER

STEP 3

- TITLE SEARCH
- ORDER HOME WARRANTY (OPTIONAL)
- SCHEDULE HOMEOWNERS INSURANCE

STEP 4

- REVIEW & SIGN CLOSING DISCLOSURES
- FINAL AMOUNT NEEDED FOR CLOSING

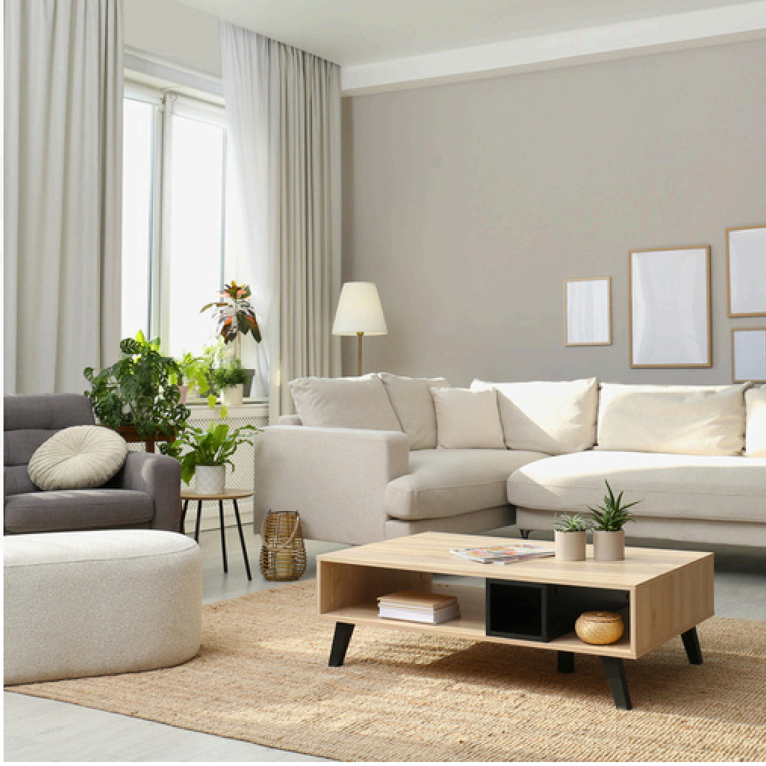
STEP 5

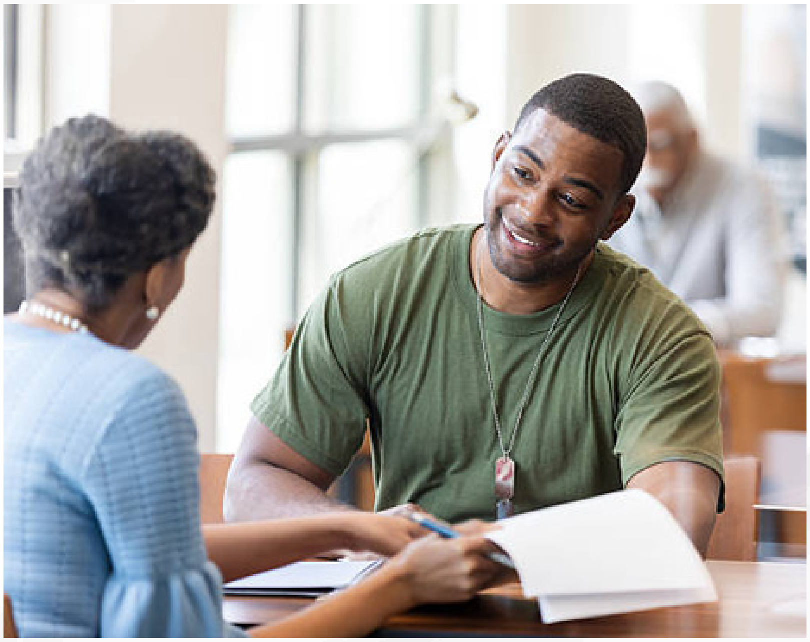
- SCHEDULE UTILITY TRANSFER
- FINAL WALK THROUGH
- MOVE INTO YOUR NEW HOME!

STEP 1

MAKE A HOME MUST-HAVE CHECKLIST

After determining your home pre-approval budget, partner with your agent to create a must-have checklist. This can include how many rooms, bathrooms, square feet, location, etc.





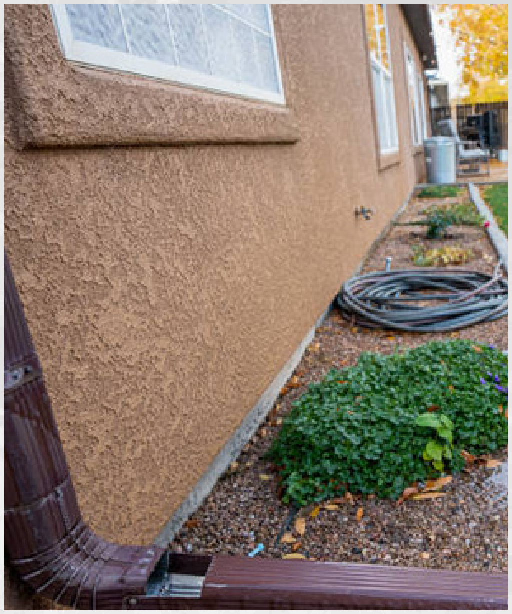
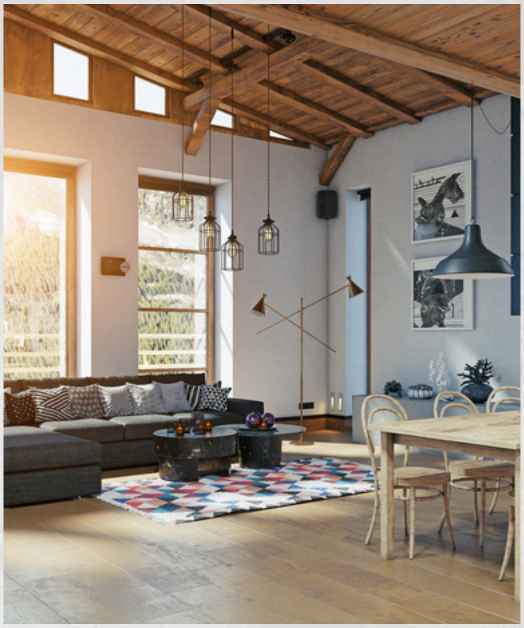
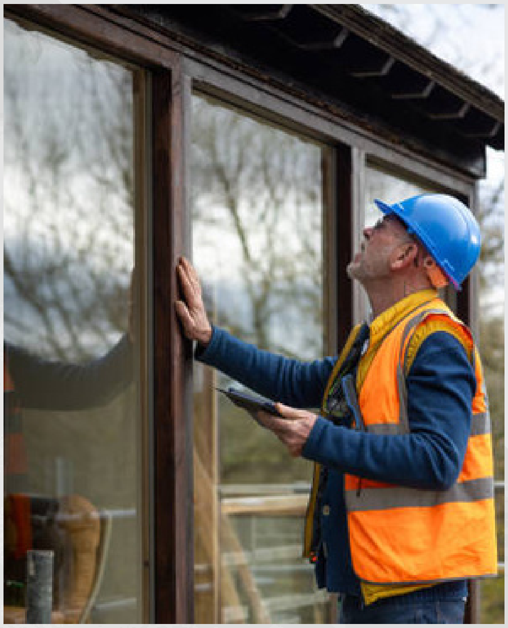
PREVIEW HOMES & WRITE OFFER

After touring homes in your price range, your agent will assist you in writing an offer on the right home. They'll present a fair offer based on the value of comparable homes in the area. They may need to negotiate this offer with the sellers until accepted.

OPEN TITLE AND SIGN INITIAL DISCLOSURES

After your offer is accepted, you will sign the purchase agreement. Congratulations! You are under contract! Your loan officer will then send your initial disclosures via email to be signed as soon as possible. Once signed, the inspections and appraisal will be scheduled. Your loan officer will go over the next steps in detail as the loan progresses.

STEP 2

HOME INSPECTIONS

• After your offer is accepted, the next step is completing any inspection contingencies in the contract

• If a home inspection contingency is included, you will have a limited number of days to complete the inspections

• Inspections help identify potential issues with the property before moving forward with the purchase

• Common inspections may include:
• General Home Inspection
• Termite / Pest Inspection
• Sewer Line Inspection
• Septic Inspection

• Based on the inspection results, buyers may request repairs, negotiate, or move forward with the purchase

REQUEST FOR REPAIRS

- Used after the home inspection is completed
- If any safety concerns or repair issues are identified, the buyer can submit a Request for Repairs.
- This form serves as a counteroffer to the seller, asking them to address or fix specific items found during the inspection.
- The requested repairs are typically based on the findings listed in the home inspection report.

APPRAISAL

- An appraisal is an estimate of a property's value.
- The primary purpose is to confirm the home's value so the lender can justify the amount being loaned.
- It also helps protect the buyer from paying more than the property is worth.
- The lender orders the appraisal through a licensed appraiser.
- The buyer pays the appraisal fee, either upfront or at closing, depending on the lender.

STEP 3

- *Title refers to the legal right to own, possess, use, control, and transfer a property.*
- *When you purchase a home, you are actually buying the seller's title (ownership rights) to the property.*
- *Before closing, a title search is conducted to check for any issues that could affect ownership, such as liens, unpaid taxes, or other claims.*
- *This process helps ensure you receive clear title, meaning there are no legal problems preventing full ownership.*
- *Buyers must also decide how they want to hold title, especially when purchasing with a spouse, partner, family member, or business partner.*

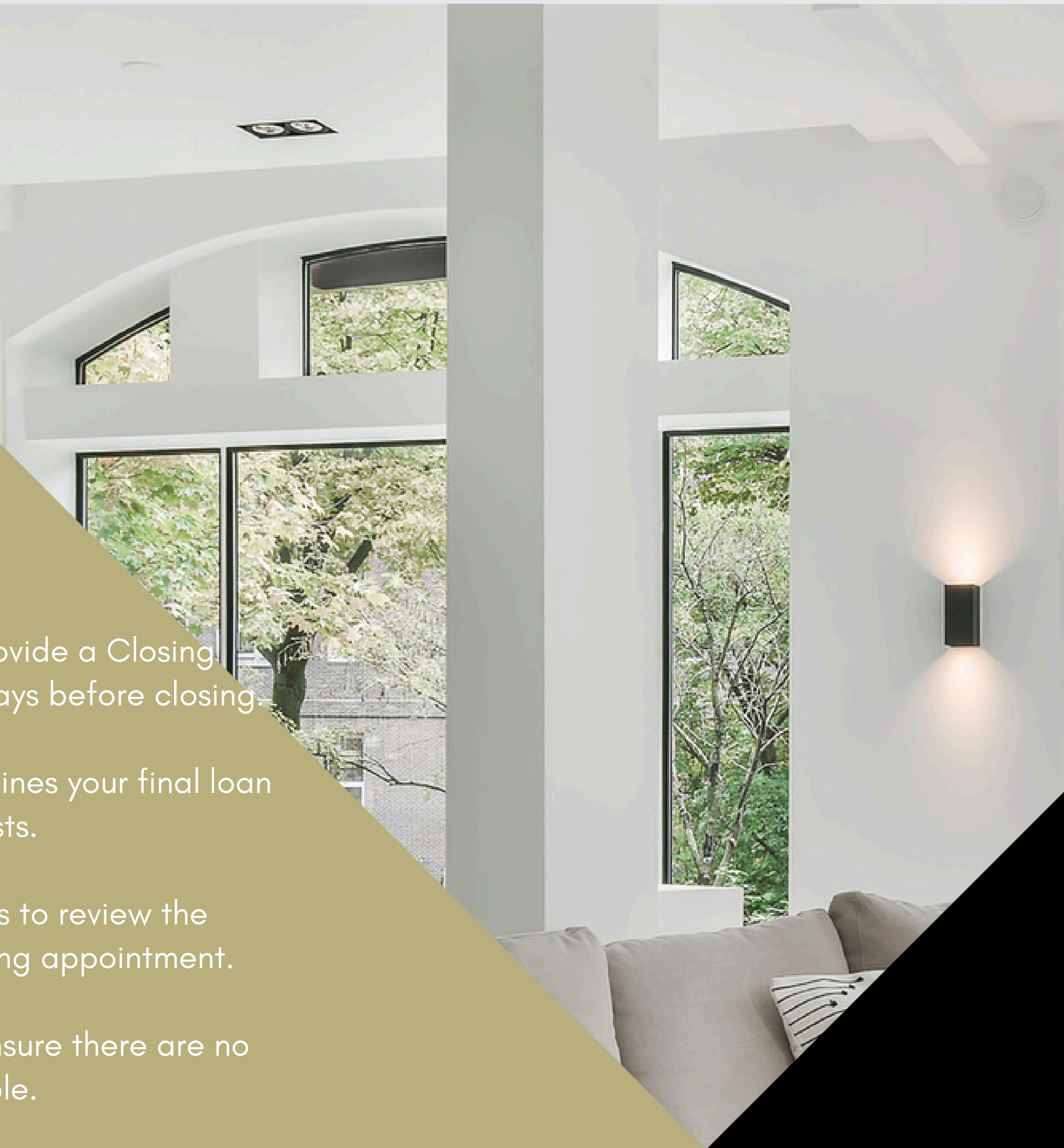
HOME WARRANTY

- ***A home warranty can be purchased to help cover the repair or replacement of major home systems and appliances.***
- ***Coverage typically lasts for one year.***
- ***A home warranty can provide added peace of mind by helping reduce unexpected repair costs during your first year of homeownership.***

HOMEOWNERS INSURANCE

- ***Lenders require proof of homeowners insurance before issuing a mortgage.***
- ***Homeowners insurance helps protect the property against potential damage or loss.***
- ***The cost of the insurance policy is typically included in your monthly mortgage payment through an escrow account.***

STEP 4



CLOSING DISCLOSURES

- Lenders are required to provide a Closing Disclosure at least three days before closing.
- The Closing Disclosure outlines your final loan terms and total closing costs.
- Buyers are given three days to review the document before the closing appointment.
- This review period helps ensure there are no surprises at the closing table.

FINAL AMOUNT FOR CLOSING

- Your loan officer will review your final cash-to-close amount with you 1-2 days before signing your closing documents.
- An estimated cash-to-close amount can be found on your Closing Disclosure.
- The final amount confirms how much money you will need to bring to closing.

STEP 5

CLOSING

- The closing process finalizes the purchase of your home and makes the transaction official.
- Also known as settlement, this is when the final paperwork is signed.
- At closing, you will take title to your new home, officially becoming the owner.

- Before closing, you should transfer all utilities into your name.
- Buyers should also complete a final walkthrough of the home.
- The walkthrough allows you to confirm agreed-upon repairs were completed and ensure there are no outstanding issues with the property.

A FEW THINGS TO BRING TO CLOSING

- A valid government issued photo ID
- Cashier's check for the total amount due or wire money to title
- Outstanding documents for the title company or mortgage loan officer

WHAT TO EXPECT

The Escrow/Title officer will look over the purchase contract to identify what payments are owed and by whom; Prepare documents for the closing, conduct the closing, and make sure taxes, title searches, real estate commissions, and other closing costs are paid. Ensure that the buyer's title is recorded and ensure the seller receives any proceeds due.

YOUR COST

Some of the most common fees include:

- Escrow fees
- Recording and notary fees
- Title search and Title Insurance
- Origination, application, and underwriting fees
- Appraisal fees
- Credit report fees
- Local transfer taxes
- Homeowners Insurance
- Home Owners Association fees, if applicable

AFTER CLOSING

Be sure to keep copies of all closing documents for tax purposes.

Be sure everything is file properly with the assessors office, specifically file primary residences for homestead taxes to save money in the future.

TURNING ON YOUR UTILITIES

Congratulations on your new home!

Here is a brief overview on how to turn on your utilities and some things to consider

1. **Identify Providers:** Find out who supplies your electricity, gas, water, internet, etc.
2. **Contact Providers:** Call or go online to set up accounts in your name.
    a. DTE: 800-477-4747
    b. Consumers: 800-477-5050
3. **Schedule Activation:** Arrange dates for services to start before you move in.
4. **Know Billing Options:** Understand how you'll be billed and set up payment methods.
5. **Update Information:** Keep your contact details current with each provider.
6. **Consider Extras:** Think about other services you might need, like security or landscaping.