

HOMEBUYER HANDBOOK

Dream of owning a Home?


HOME

— SWEET —

HOME



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your journey *begins here.*

Wow! You're thinking of buying a home! No matter what stage of the process you're in, odds are you might be looking for a little more information.

***Start Here. Dream Big.
Let Us Help Make It Happen.***



Perhaps you've been in a home buying state of mind for months. You've probably talked to friends and family, looked at homes online and thought about your options (do I want to live in town or in the country?). Now you're ready to roll up your sleeves and get down to business...

Save for a Down Payment

While experts say you can typically afford a home that costs about 2½ times your yearly income, it's best to give yourself a little cushion by building up savings ahead of time. Save now, buy later. The ideal situation is to have a 20% down payment; however, you can buy a home with much less, but it will require the added expense of Private Mortgage Insurance (PMI). The good news is, there are many down payment assistance programs for qualified buyers.

Keep Your Credit Clean

There are a couple of factors that make up your personal credit history. The most important is having a clean record with few missed payments or collections. The second is having proven credit management, meaning the longer you've had good standing credit, the better your credit score. Run a free credit report at www.annualcreditreport.com and use it to update your record in terms of canceled cards, medical bills, paid collections, etc. In many cases, the better your credit, the lower your interest rate may be.

there
are
about
four
1 million
stages
emotions & questions
to
home
buying

dreaming

{stage 1 is the most fun, the sky is the limit!}



blue sky, no
holds barred

“what if” scenarios

lots of internet
searches



Determine your Priorities

Make a list of your home needs and wants (sample on the next page), then rate them based on ‘it would be nice’ to ‘gotta have it!’ Take into consideration your future desires: are there enough bedrooms and bathrooms, is the yard adequate, distance from work, school district, community events, and age of home, to name a few. The more specific you are, the more successful your search will be.

Don’t Forget the Extras

Home expenses don’t end at the mortgage. So keep in mind that you’ll probably want to decorate and furnish your new place, and don’t forget utilities such as cable, internet, water, and heat. While these things aren’t considered a direct part of the home buying cost, they should certainly be figured into your budget. Factor in other budgeted expenses: groceries, clothing, medical, automobile, entertainment, education, child care, and travel to name a few.

grounding

{stage 2 things are starting to get real!}



ok, what can I really afford?

back to reality!

who should we talk to?

FEATURES	NEED	WANT
Number of Bedrooms		
Number of Bathrooms		
Square Feet		
Style of Home		
Kitchen Features		
Yard Specifications		
Fireplace		
Garage Stalls		
Porch		
Windows		
Flooring Type		
Basement		
Other:		

Use your Resources

Real Estate Professionals and Mortgage Lenders are great resources to help guide you through the process. As professionals, they are experts in their field and have the experience to help you make the best possible home buying decision. Don't forget to do your own research online or with friends and family members. Explore the calculators at www.snbt.com and visit the SNBT Mortgage Center, there are a lot of great tools to help you run a few numbers ahead of time.

Establish a Relationship with a Realtor

No two homes are alike, but an experienced real estate professional can help guide you. They usually hear of a home when it first comes on the market or even before it's listed online. Plus, they can perform a database search of all the homes in the area, no matter which real estate company has listed them. Visiting homes with a qualified professional can help keep you grounded with realistic expectations of homes in your desired neighborhood and price range.

Run a 'What If' Reality Check

The term "house poor" describes a situation where a person has underestimated the amount needed for mortgage payments, maintenance, and other expenses. If you have a monthly loan payment in mind, play house for a couple of months. Set aside exactly that amount while paying your other monthly bills and see if you can comfortably make the transition to homeownership.



finding



{stage 3 you're on the hunt and getting closer}

everything looks
different in person!

can we afford this?

what if I make
a mistake?

Select an Experienced Lender

Think beyond dollars and rates when choosing your Lender, find someone committed to helping you understand the process. Plus, it makes a difference if they also service your loan after closing. Those who provide servicing: take your payments and answer your future questions. Those who sell your loan to another servicer: leave you with an unfamiliar financier should you have questions.

Get Pre-Qualified

Talk to a Mortgage Lender for a quick evaluation of how much home you can afford. During a pre-qualification you're able to give the lender a snapshot of your finances so they can figure out a ballpark estimate of your maximum loan amount. Knowing this number is ideal before you start looking. That way you're shopping in your perfect price range and won't fall in love with a home out of your league. Added bonus: Sellers will take you more seriously knowing your financing is pre-qualified.

Make a House Call

Online research is a good first step, but be sure to visit potential properties in person. Pay close attention to anything that might seem out of place, like a rug to cover stained floors. Be thorough: turn on lights, water,

and appliances – you may even want to visit your favorite home more than once, at different times of the day or week. Better to be methodical than wind up surprised.

Make an Offer

Once you've found "the one", your real estate professional can help you structure an effective offer. Spell out the details such as inspections, items included in the sale, possession dates, repairs to be made, and other contingencies. At this point, the seller can either: accept your offer, counter it, or reject it. This is where a professional really pays off, their experience making offers and negotiating deals will represent you in the best way possible. Don't be afraid to negotiate or ask for additional repairs before signing your legally binding document.



buying

{stage 4 you're ready to make it yours}



they accepted
our offer!

lots to consider

now the fun
part begins!



Apply for a Mortgage

Once you've reached a pending agreement it's time to formally apply for a mortgage. When you meet with your Lender you'll need to provide information such as: household income, former addresses, job stability, sources of income or other assets, existing debt, and regular expenses. This may take the form of pay stubs, bank and investment statements, tax returns, and other documentation. The lender will also check your credit status, don't let this be the first time you view your credit report or you might be surprised at the information you find.

Comprehending Costs

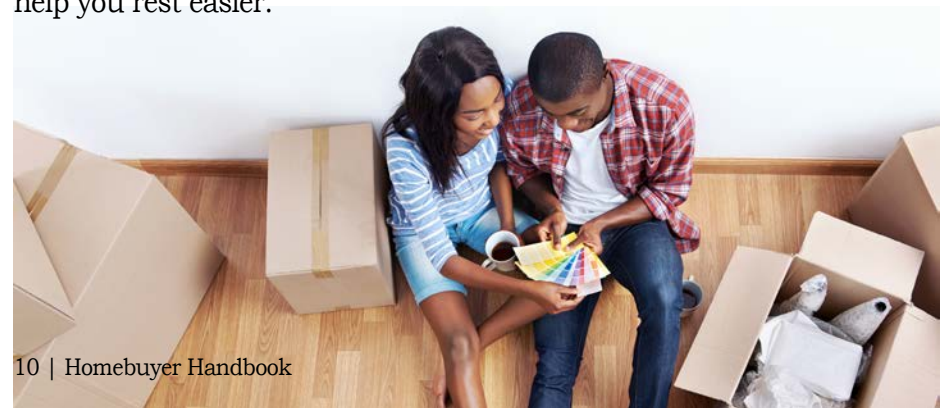
You may not realize all that goes into buying a home, factor in such things as: down payment, closing costs, points, loan origination fees, interest rates, private mortgage insurance (if needed) property taxes, and appraisal. Just because a home is listed at \$100,000 doesn't mean that's the only cost you have to pay. Talk to a trusted Lender, they will help you understand the true costs associated with buying your dream home.

Protect Yourself with an Inspection

Hiring a qualified inspector will protect you and help you feel confident knowing the condition of the home you're buying. It might be an upfront cost, but getting a thorough inspection could save you hundreds in the long run, and most importantly – help you rest easier.

Understand Escrow

From a Lender's standpoint, escrow is the term for an account where funds are held to pay for property taxes and homeowner's insurance on your behalf. This is where a portion of your monthly mortgage payment will be saved until your insurance and taxes are due.





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Advisors You Trust*

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www.snbt.com/applyonline*

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Crivitz Piggly Wiggly • 715-854-2220

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Menominee • 906-863-2526

Oconto • 920-834-7628

Pembine • 715-324-5217

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