HOME BUYER RESOURCE

FINANCIAL READINESS & BUYER COSTS

Prepare your credit, cash, documents and monthly budget before the search becomes urgent.

CREDIT	CASH	PAYMENT	COSTS
Readiness	Planning	Comfort	Clarity

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Your Tri-Star Realtor | eXp Realty

Licensed in Delaware, Pennsylvania & Maryland

Turning Hope Into Homes

Where people come first and homes follow.

FINANCIAL READINESS

The Four-Part Readiness Check

A home purchase works best when all four pieces are ready.

CANDICE'S BUYER-READINESS BENCHMARK: 620+

Use 620+ as the working credit benchmark while recognizing that lender and program requirements can vary.

1. CREDIT

Know what is reporting, what needs attention and what actions should wait.

SmartCredit analysis when needed.

2. INCOME + DOCUMENTS

Be able to document income, assets and the financial story your lender is reviewing.

Keep common lender documents accessible.

3. MONTHLY COMFORT

Know the total housing expense that works in real life, not only the amount you qualify for.

Protect room for savings and normal life.

4. CASH + COSTS

Know which expenses are likely required, optional or transaction-dependent and what should remain after closing.

Do not use every available dollar.

THE GOAL

Not just to get approved. The goal is to enter the purchase with enough information, documentation and financial breathing room to make good decisions.

Credit Review & SmartCredit

Use the credit analysis to build a plan, not simply to chase a number.

WHAT I REVIEW

The credit profile, not only the score

- [ ] Payment history and late payments
- [ ] Revolving balances and utilization
- [ ] Collections, charge-offs or other derogatory items
- [ ] Recent inquiries and newly opened accounts
- [ ] Potential inaccuracies or items that need clarification
- [ ] Patterns that may affect lender readiness

SMARTCREDIT CREDIT ANALYSIS

Used when a buyer needs a detailed readiness review

SCAN TO SIGN UP

SmartCredit gives me access to review information from all three credit reports so I can perform a credit analysis and provide recommendations.

7-day trial currently offered for $1

smartcredit.com/join/?pid=35067

CREDIT HABITS THAT SUPPORT READINESS

- [ ] Pay accounts on time
- [ ] Reduce revolving balances where practical
- [ ] Avoid unnecessary new credit
- [ ] Ask before disputing, settling or closing accounts during mortgage preparation
- [ ] Tell your lender about major financial changes

NO SURPRISES

A credit action can help in one situation and create a problem in another. Coordinate major changes before acting once mortgage preparation is underway.

Income, Documents & Preapproval Preparation

Being able to document the story is part of being mortgage-ready.

INCOME READINESS

Know how your income is earned and what your lender may need to verify.

- ☐ Be prepared to explain variable income such as overtime, bonus, commission or self-employment.
- ☐ Tell your lender before changing jobs, hours, pay structure or employment status during the process.

COMMON LENDER DOCUMENTS

Exact requests vary, but buyers are commonly asked for the following.

- ☐ Recent pay stubs or income documentation
- ☐ W-2s and/or tax returns when applicable
- ☐ Recent bank statements
- ☐ Photo identification
- ☐ 401(k), 403(b) or other asset statements when applicable
- ☐ Documentation for bonus, support, disability, VA, pension or Social Security income
- ☐ Gift-fund documentation when applicable
- ☐ Additional documents requested by underwriting

MAKE THE PROCESS EASIER

A little organization now saves time later.

- ☐ Keep complete, legible copies of what you send.
- ☐ Respond quickly when the lender requests updated information.
- ☐ Expect some documents to be requested again later in the transaction.
- ☐ Ask before making large transfers, cash deposits or changes to accounts.
- ☐ Keep your lender and Realtor informed when something changes.

NO SURPRISES

Preapproval is a starting point, not the final approval. Updated documentation and underwriting are still part of the mortgage process.

Approved vs. Comfortable

A lender approval amount is not automatically your personal budget.

TOTAL HOUSING EXPENSE

Look beyond principal and interest

- [ ] Principal and interest
- [ ] Property taxes
- [ ] Homeowners insurance
- [ ] Mortgage insurance when applicable
- [ ] HOA or condominium fees when applicable
- [ ] Flood or other required coverage when applicable

REAL-LIFE BUDGET

What still has to work after closing

- [ ] Utilities and household expenses
- [ ] Vehicle and transportation costs
- [ ] Child care or family obligations
- [ ] Existing debt payments
- [ ] Healthcare, food and lifestyle expenses
- [ ] Savings, reserves and future goals

YOUR COMFORT TEST

- [ ] Can I make the total housing payment and still save?
- [ ] Could I handle a repair without immediately using new debt?
- [ ] Would the payment still feel comfortable if taxes, insurance or HOA costs rise later?
- [ ] Does this payment work based on my actual spending, not just my approval?

OPTIONAL: PRACTICE THE PAYMENT

If your future housing payment will be higher than what you pay today, consider saving the difference for a few months. It can test your comfort while building reserves.

CANDICE'S PRINCIPLE

The goal is not simply to qualify for the home. It is to comfortably live in it after you buy it.

What Is Typically Required, Optional or Conditional?

Know the category before you build the budget.

USE THE LABELS - NOT THE COLORS - TO GUIDE THE DECISION.

The wording tells you how to treat each cost. Your loan, contract and transaction-specific requirements control.

EARNEST MONEY

TYPICALLY CONTRACT-REQUIRED

Common if the purchase agreement requires a deposit. The amount and due date come from the contract.

HOME INSPECTION

OPTIONAL - STRONGLY RECOMMENDED

Usually a buyer choice. Specialized inspections or tests may depend on the property, contract, financing or concern.

APPRAISAL

TYPICALLY LENDER-REQUIRED

Most financed purchases require a valuation, though a waiver or alternative method may be available in some transactions.

DOWN PAYMENT

DEPENDS ON LOAN PROGRAM

The amount depends on the financing and borrower eligibility. Some eligible programs may allow no down payment.

CLOSING COSTS

TYPICALLY REQUIRED

Loan, title, settlement, recording, prepaid and other transaction expenses. Credits may reduce the buyer share.

CASH TO CLOSE

REQUIRED IF AN AMOUNT IS DUE

The final amount due from the buyer after deposits, credits and adjustments are included.

RESERVES

RECOMMENDED / SOMETIMES REQUIRED

Money kept after closing for emergencies, repairs and homeownership. Some loans may also require documented reserves.

MOVING + SETUP

PERSONAL / OPTIONAL

Moving, utility setup, locks, furnishings and early household costs are personal expenses but still need a plan.

NO SURPRISES

Required does not always mean you pay the full amount out of pocket. Deposits, credits, assistance and financing can change what you personally bring to closing.

Cash to Close, Credits & Your Final Plan

Bring the pieces together before you start making offers.

CASH TO CLOSE

The final buyer amount due at settlement

- [ ] Down payment, if required
- [ ] Closing costs and prepaids
- [ ] Minus earnest money already credited
- [ ] Minus eligible seller or lender credits
- [ ] Minus eligible assistance
- [ ] Plus or minus final transaction adjustments

CREDITS + ASSISTANCE

Helpful when confirmed, not before

- [ ] Seller concessions depend on negotiation and financing rules
- [ ] Lender credits can affect rate or pricing
- [ ] Assistance depends on eligibility, funding and program rules
- [ ] Gift funds must follow lender documentation requirements
- [ ] Do not count on a credit until it is confirmed

MY FINANCIAL READINESS CHECK

- [ ] I am at or moving toward the 620+ readiness benchmark.
- [ ] I understand my current credit strengths and concerns.
- [ ] I can access the documents my lender will commonly request.
- [ ] I know the total monthly housing expense that feels comfortable.
- [ ] I know which buyer costs are likely required, optional or conditional.
- [ ] I know my down payment depends on my financing.
- [ ] I am not relying on unconfirmed credits or assistance.
- [ ] I plan to keep money available after closing.

MY NEXT 3 ACTIONS

1. ______________________________
2. ______________________________
3. ______________________________

READY FOR THE NEXT STEP?

Once the financial foundation is in place, the next step is a focused home search built around what truly matters to you.