



First-Time Homebuyer Checklist

1. Financial Assessment

a) Income Verification

- Calculate total monthly income from all sources
- Gather two years of W-2s and tax returns
- Document any side income or freelance work
- Keep recent pay stubs (last 30 days)

b) Credit Check

- Get credit reports from all three bureaus
- Check credit score (minimum 620 for conventional loans)
- Identify and resolve any credit issues
- Avoid opening new credit accounts

c) Savings Review

- Calculate total available funds
- Determine down payment capability (3.5-20%)
- Set aside closing costs (2-5% of loan amount)
- Build emergency fund (3-6 months of expenses)

2. Pre-Purchase Education

a) Loan Types

- Research conventional loans
- Understand FHA loan requirements
- Explore VA loan eligibility
- Learn about USDA rural housing loans

b) First-Time Buyer Programs

- Research state-specific programs
- Check city/county assistance options
- Investigate down payment assistance
- Look into tax credits

3. Mortgage Preparation

a) Documentation Gathering

- Last two years' tax returns
- Recent pay stubs
- Bank statements (2-3 months)
- Investment account statements
- Rent payment history

- Gift letters if receiving help
- Employment verification letter

b) Pre-Approval Process

- Research multiple lenders
- Compare interest rates and fees
- Submit pre-approval applications
- Understand pre-approval versus pre-qualification
- Get pre-approval letter

4. Budget Planning

a) Monthly Payment Calculation

- Principal and interest
- Property taxes
- Homeowners insurance
- Private Mortgage Insurance (PMI)
- HOA fees if applicable
- Utilities estimate
- Maintenance fund (1% of home value annually)

b) One-Time Costs

- Down payment
- Closing costs
- Home inspection
- Moving expenses
- Initial repairs/updates
- Basic furnishings
- Emergency repairs fund

5. House Hunting

a) Location Research

- School district quality
- Crime rates
- Property tax rates
- Flood zones
- Future development plans
- Commute times
- Local amenities

b) Property Features

- Size requirements
- Number of bedrooms/bathrooms
- Yard size
- Parking needs
- Age of major systems
- Energy efficiency

- Storage space

6. Offer Process

a) Market Research

- Compare recent sales prices
- Understand market conditions
- Calculate maximum offer
- Plan negotiation strategy

b) Offer Components

- Purchase price
- Earnest money amount
- Contingencies
- Closing timeline
- Included items
- Repair requests

7. Home Inspection

a) General Inspection

- Foundation
- Roof condition
- Electrical systems
- Plumbing
- HVAC system
- Windows and doors
- Insulation

b) Specialized Inspections

- Radon testing
- Termite inspection
- Lead paint (pre-1978 homes)
- Asbestos check
- Mold inspection
- Water quality
- Septic system if applicable

8. Insurance Requirements

a) Coverage Types

- Standard homeowners policy
- Flood insurance if required
- Additional hazard coverage
- Personal property coverage
- Liability protection

9. Policy Setup

a) Policy Setup Steps

- Get multiple quotes
- Choose deductible amount
- Set coverage limits
- Understand exclusions
- Plan payment schedule

10. Final Loan Processing

a) Rate Lock

- Understand lock period
- Monitor interest rates
- Lock at appropriate time
- Track lock expiration

b) Final Documentation

- Updated pay stubs
- Recent bank statements
- Explain large deposits
- Source of down payment
- Insurance proof
- Additional lender requests

11. Closing Process

a) Pre-Closing Steps

- Review Closing Disclosure
- Schedule final walk-through
- Prepare closing funds
- Get cashier's check/wire
- Arrange homeowners insurance
- Schedule utilities transfer

b) Closing Day

- Bring proper identification
- Review all documents
- Get copies of everything
- Receive keys
- Record deed
- Transfer utilities

12. Post-Purchase Tasks

a) Immediate Actions

- Change locks
- Copy all keys
- Set up security system
- Register warranty items
- Take photos for insurance

Store important documents

b) Administrative Tasks

Update address:

Driver's license

Voter registration

Credit cards

Bank accounts

Insurance policies

Online accounts

File for homestead exemption

Plan property tax payments

Note: Requirements and specific steps may vary by state and local jurisdiction. Consult with real estate and mortgage professionals for requirements in your area.