

Your First Home. ✓

First-time
Homebuyer Guide



Check all the boxes. ✓



texell
HOME LOANS

The First of Many Firsts

Owning a home is possible¹, and Texell's Home Loan Heroes are here to help. Trust our team of experts to guide you through the homebuying process from start to finish.

QUESTIONS ABOUT PRE-APPROVAL? ✓

UNSURE ABOUT THE LOAN PROCESS? ✓

NEED TO CLOSE QUICKLY? ✓

Our Mortgage Loan Officers have the experience and knowledge to check all the boxes.

Contact Texell Home Loans:

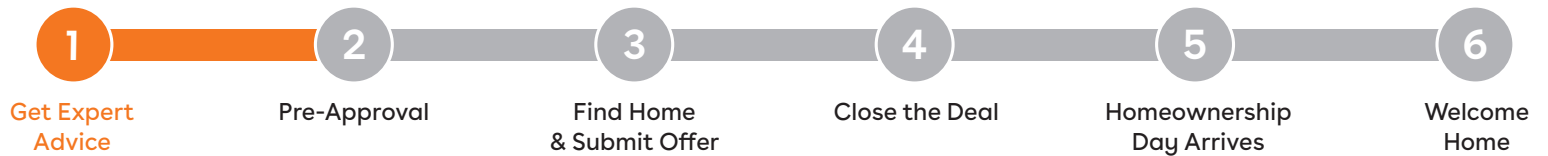
Call or Text: 254.774.5104

Email: mortgage@Texell.org

Visit: TexellHomeLoans.com



Follow these steps for an exceptional homebuying and mortgage loan experience.



Step 1 – Get expert advice.

Choose a Mortgage Loan Officer – Texell’s Mortgage Loan Officers make a complicated process simple.

A Mortgage Loan Officer guides you through:

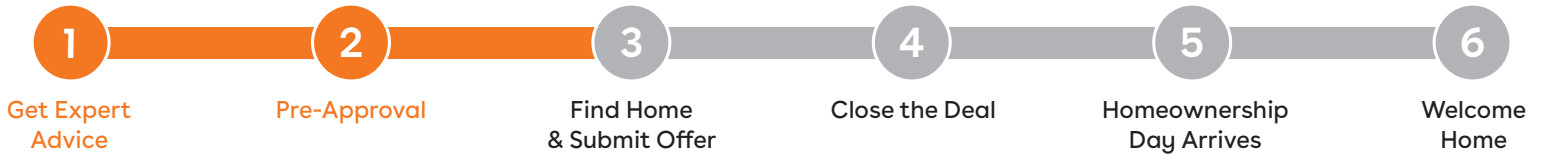
- The loan application.
- The pre-approval and provides you with a “needs list” to start the loan process.
- Interest rate trends to estimate how they may affect your payment.
- Closing cost estimates.
- Programs for first-time homebuyers with customized down payment options.
- Down payment assistance programs that expedite funding.

They’ll also give you expert advice on:

- How to check your scores and ways to boost your scores. Your credit score is a vital factor in your mortgage approval and what rate you will be offered.
- Ensuring you have sufficient funds for a down payment.
- Calculating funds required to cover closing costs and moving expenses.
- Reviewing your debt-to-income ratio. Our mortgage experts will review your financial situation and ensure your pre-approval amount fits your budget.



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Step 2 - Get pre-approved.

For first-time homebuyers, getting pre-approved ensures the best deal and speeds up negotiations for the ideal home.



Prepare

When getting pre-approved, ensure you have the following information available:

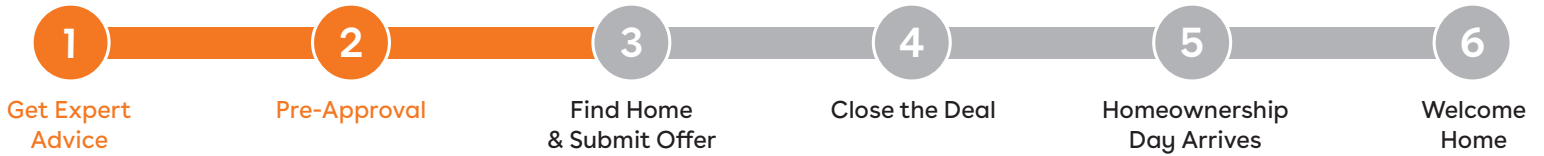
- Income Statements - Last two months' paycheck stubs.
- Bank Statements - Last two months' financial account statements.
- Personal and Business Tax Returns - Last two years.
- W-2's/1099's - Last two years.



Apply and get your pre-approval - Apply with a Mortgage Loan Officer to get pre-approved. Your Mortgage Loan Officer issues you a customized Pre-Approval Letter.



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Do's and Don't After You're Pre-approved.



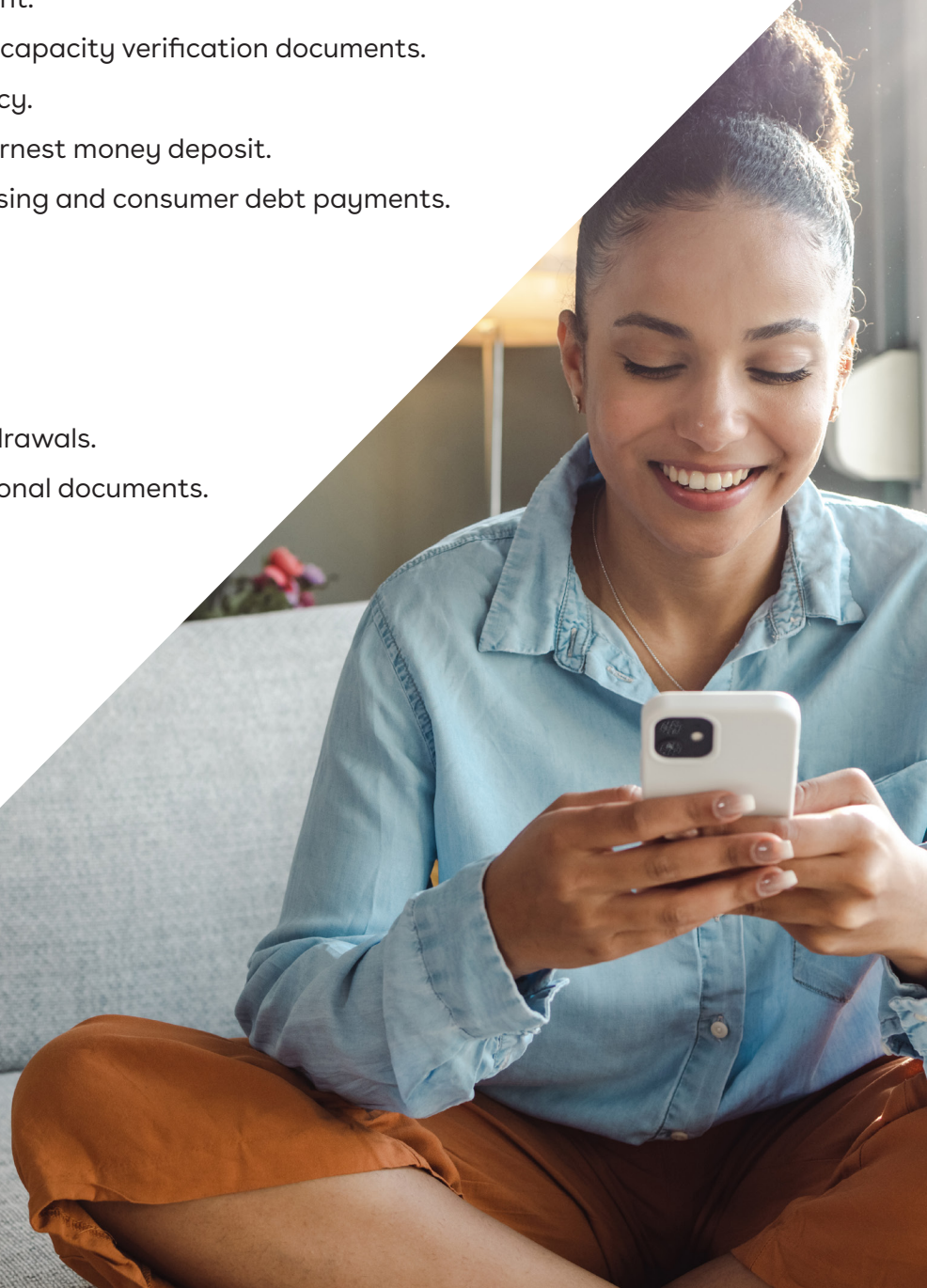
Do

- Check your email and text messages frequently during the loan process.
- Provide requested documents within 24 Hours including:
 - Purchase contract/agreement.
 - Gift funds letter with donor capacity verification documents.
 - Homeowners insurance policy.
 - Front and back copies of earnest money deposit.
- Continue to make all current housing and consumer debt payments.



Don't

- Make any major purchases.
- Apply for new credit.
- Make any large deposits or withdrawals.
- Fret if you need to provide additional documents.



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Step 3 – Find your home.



Once you get pre-approved, look for homes within your budget and narrow down your choices to find your dream home.

There are many ways to look for your dream home and often homebuyers begin their searches online. When you are ready, our mortgage team can recommend a local, trusted real estate agent. A Realtor can schedule private home viewing and help you narrow your home choices. Also, agents have access to information not available to the public, like new home listings.

Wish List

Any first-time homebuyer should make a list that identifies “must-haves” and “nice-to-haves.” Here are some questions to help you start your list:

- ✓ How many bedrooms and bathrooms?
- ✓ What is the ideal square footage?
- ✓ How many floors?
- ✓ Is there a garage?
- ✓ Is it new or a fixer-upper?
- ✓ What is the ideal location?
- ✓ Neighborhood? School district?
- ✓ What is the perfect yard size?



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Step 3 – Submit an offer.

Never rush into your first home purchase. Remain patient and look at several homes before you submit your offer.

Once you find your home, it's time to make an offer. Work with your real estate agent to submit your offer in writing that includes:



Your desired price,



Earnest money deposit,



Desired closing date and,



Deadline for the seller to respond.

The seller will either accept, decline, or propose a counteroffer. Counteroffers are common during this step. Your agent will work with you and the seller to settle the offer and be your champion to get the best deal possible.



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Step 4 – Close the deal.

Now that the seller has accepted your offer, it's go time! Texell's Mortgage Team will be busy finalizing your paperwork completing these steps:

- Issuing your Initial Disclosure Package, answering questions and helping you sign the paperwork.
- Submitting your application for final underwriting
- Helping you complete any loan conditions
- Ordering your appraisal
- Ensuring your loan receives final approval and you hear the words **"Clear to close!"**

We also recommend that you have your new home inspected to identify repairs that need immediate attention or work that needs to be completed in the future.



Texell and all home lenders require homeowners insurance. Our Insurance agents can help protect your new home with the right policy. Visit [TexellInsurance.com](https://www.texellinsurance.com) or call **254.774.5181** to receive your quote.

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INSURANCE

Texell Financial, LLC is a wholly owned subsidiary of Texell Credit Union and does business as Texell Insurance. Insurance products are not issued, guaranteed, underwritten, or insured by the Texell Credit Union or the National Credit Union Administration. Purchase of insurance from Texell Insurance not required for loan approval.

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Step 5 – Homeownership day arrives

It's time to seal the deal on your new house. On closing day, you will finalize the purchase contract and officially become a homeowner.

Right before closing, Texell's Closing Team issues the final closing disclosure, which includes:

- Final transaction fees and terms.
- Your Closer contacts you to review the document and respond to questions you may have.

The Closing Team also confirms how you will provide closing funds to the title company. Options include:

- Cashier's check
- Wire transfer (preferred and recommended method)

Your Closer confirms the closing location.

Options include:

- Realtor's office
- A Texell branch
- Title company
 - **Bring your ID to closing.**
 - **Save your first payment document.**



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Step 6 – Welcome home.

You did it! Congratulations on your new home.

Loan payments

- You will receive information on when and how to make your monthly mortgage payments.
- You also want to consider strategies to pay your mortgage off early:
 - Use unexpected income to make principal only payments.
 - Make one extra mortgage payment each year. A budget-friendly way to do this is the pay 1/12 of an extra payment each month.
 - Round up your mortgage payments. When budgeting, round up to the next highest \$100 amount.

Property Tax Exemptions

- As a property owner, you may qualify for property tax exemptions, including a homestead exemption. Homestead exemptions have the potential to lower your taxes by removing part of your home’s value from taxation. Visit [Comptroller.Texas.gov](https://www.comptroller.texas.gov) for additional exemption details.

Read more about property taxes in our blog article, [“Property Tax With a New Home Purchase.”](#)



Your New Home To-do List

1. Change the locks
2. Deep clean
3. Set up safety precautions for kids and pets
4. Consider a security system
5. Test your smoke detectors
6. Update your address
7. Transfer utilities

And don’t forget some of the fun parts of being a homeowner, start decorating and meet your neighbors!

Did you know that Texell Home Loans also offers land loans, refinancing, and home equity loans? Whatever questions you have about home loans, we check all the boxes.

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¹With approved credit.