

Your Guide Home

A first-time homebuyer roadmap for moms building wealth for their families — clear steps, no jargon, no pressure.

Buying a home is one of the biggest financial moves you'll ever make — and it should feel like something you're walking into with confidence, not confusion. This guide breaks the process into plain-language steps so you know exactly what to focus on, what to gather, and what to expect.

1. Homeownership Readiness Checklist

Start here. These are the foundational questions that shape everything else.

- I have a clear picture of my monthly income and expenses
- I know my approximate credit score
- I have (or am building toward) savings for a down payment and closing costs
- My income has been stable for the last 2 years (or I can explain any gaps)
- I understand roughly how much home I can afford, not just how much I can borrow
- I have an emergency fund separate from my down payment savings

2. Budgeting for a Home

Your mortgage payment is more than just principal and interest. A realistic budget accounts for:

Cost	What it covers
Principal & Interest	Repayment of the loan amount plus the lender's interest
Property Taxes	Set by your local county/city; often collected monthly via escrow
Homeowners Insurance	Protects the home; required by lenders
Mortgage Insurance	May apply if your down payment is below 20%
HOA Dues (if applicable)	Set by the community; varies widely by neighborhood
Maintenance & Utilities	Budget roughly 1–2% of home value per year for upkeep

Rule of thumb: Many lenders look for total housing costs to stay around 28% or less of your gross monthly income — but your comfortable number may be lower depending on your other goals.

3. Understanding Your Credit

Your credit score influences your interest rate and loan options. Here's what matters most:

- Payment history — paying every bill on time is the single biggest factor
- Credit utilization — aim to use less than 30% of your available credit limits
- Length of credit history — older accounts in good standing help your score
- Avoid opening new credit accounts or making large purchases before closing
- Check your credit report for errors well before you apply

4. Debt-to-Income Ratio (DTI)

DTI compares your monthly debt payments to your gross monthly income. Lenders use it to gauge how much additional mortgage payment you can comfortably take on.

How it's calculated: Total monthly debt payments ÷ gross monthly income = DTI

Example: \$2,000 in monthly debts ÷ \$6,000 gross monthly income = 33% DTI

Many loan programs prefer a DTI of 43% or lower, though this varies by loan type and overall financial picture. Paying down revolving debt (like credit cards) before applying can meaningfully improve this number.

5. Documents You'll Need

Gathering these ahead of time speeds up the pre-approval process significantly.

- Last 2 years of W-2s or tax returns (self-employed: 2 years of full returns)
- Last 30 days of pay stubs
- Last 2 months of bank and asset statements
- Photo ID (driver's license or passport)
- Landlord contact info or mortgage statement for current housing
- Documentation for any additional income (bonus, child support, etc.)
- Gift letter, if any part of your down payment is a gift from family

6. The Home Buying Process, Step by Step

1. Get Pre-Approved

Share your financial picture with a loan officer to find out what you qualify for and lock in a realistic budget.

2. Find Your Realtor

Partner with an agent who knows your target neighborhoods and can advocate for you.

3. Shop for Your Home

Tour homes within your pre-approved range and think long-term about your family's needs.

4. Make an Offer

Your Realtor helps structure a competitive offer based on local market conditions.

5. Home Inspection & Appraisal

The home is inspected for condition and appraised to confirm its value supports the loan.

6. Loan Processing & Underwriting

Your lender verifies documentation and finalizes loan approval.

7. Final Walkthrough

Confirm the home's condition one last time before closing.

8. Closing Day

Sign the final paperwork, pay closing costs, and get your keys.

Quick Recap Checklist

- Reviewed my budget and comfortable monthly payment range
- Checked my credit report and score
- Calculated my rough debt-to-income ratio
- Started gathering income and asset documents
- Connected with a loan officer to discuss pre-approval
- Connected with a Realtor partner

This guide is meant to help you walk into the process informed and steady. Every family's situation is different — when you're ready for next steps, I'm happy to walk through your specific numbers with you.