



Alisa Morrison

REALTOR® • GREEN • SFR • C2EX

Making Value Visible

YOUR ROADMAP TO THE KEYS

The First-Time Homebuyer's Guide

Temecula, California

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Your Path to Homeownership

Six steps, in order, so you always know what comes next.

Buying your first home in Temecula is exciting, and it can feel like a lot at once. This guide breaks the process into six clear steps, from getting financially ready to getting your keys. Use it as a map: know where you are, what to do now, and what is coming.

1

Get financially ready

6+ MONTHS OUT

Down payment, closing costs, credit, and debt-to-income.

2

Hire your agent and learn the market

4 TO 5 MONTHS OUT

Define your needs, rank your priorities, start looking.

3

Get pre-approved

2 TO 3 MONTHS OUT

Choose a loan and a lender, and know your real budget.

4

Shop and make an offer

1 TO 2 MONTHS OUT

Tour homes, write an offer, and negotiate.

5

Move through escrow

30 TO 45 DAYS

Inspection, appraisal, repairs, and final loan approval.

6

Close on your home

CLOSING WEEK

Final walkthrough, sign, and get your keys.



YOUR GUIDE

Alisa Morrison, REALTOR®

With 17 years in real estate, Alisa helps buyers in Temecula wine country and coastal San Diego see the full value of a home, including how it performs. She holds the GREEN, GPRO, SFR, and C2EX designations and works with Pearl Certification to document high-performance features.

Making Value Visible

Get Financially Ready

Know your numbers before you start shopping.

3% to 20%

Typical down payment range, depending on the loan

3% to 6%

Closing costs as a share of the purchase price

50% or less

Common maximum debt-to-income ratio

620+

Minimum score for most loans; 720+ earns the best terms

Down payment

You may have heard you need 20% down. You do not. Many first-time buyers put down far less, and there are loans built for exactly that.

- **Conventional:** as little as 3% down (confirm with your lender)
- **FHA:** 3.5% minimum down payment
- **VA and USDA:** 0% down for eligible, qualified borrowers

A larger down payment can mean more loan options, a smaller monthly payment, and a lower rate. Put 20% down on a conventional loan and you no longer pay private mortgage insurance (PMI).

Closing costs

These are the fees to get your loan: appraisal, title insurance, lender fees, and more. On a \$600,000 home, plan for roughly **\$18,000 to \$36,000** (an example only). Before closing, your lender provides a Closing Disclosure listing every cost. Read it closely and catch any errors early.

Debt-to-income (DTI)

Lenders divide your monthly debts by your gross monthly income to see how much mortgage you can take on.

\$2,000 debts / \$6,000 income = 33% DTI

Example. Card minimums, loan payments, etc.

Credit health

Your score is shaped by payment history, amounts owed, length of credit history, types of credit, and new credit.

- Request all of your credit reports and fix any errors
- Pay down credit card balances
- Avoid new loans and large purchases until after closing

Income and employment

Lenders want about 2 years of work history. Salaried buyers typically provide recent pay stubs and W-2s. Self-employed buyers provide tax returns and other requested documents.

BUDGET BEYOND THE MORTGAGE

Homeownership brings costs you do not have as a renter: property taxes, homeowners insurance, maintenance, and possibly HOA dues or special assessments such as Mello-Roos. Ask about these on every Temecula home you consider and build them into your monthly budget.

Hire Your Agent

A great agent guides you through every step.

What a great agent does

- Guides you from first search to getting your keys
- Connects you with lenders, inspectors, and escrow and title professionals
- Sets up saved searches that update directly from the local MLS
- Prepares and submits your offers and manages negotiations
- Reviews your inspection results and flags red flags

Questions to ask

- How many first-time buyers have you helped?
- Which parts of Temecula do you know best?
- How will we communicate, and how quickly?
- How do you approach competitive offers?
- How do you handle repair negotiations?

Get to know your market

01**Browse online**

Start searching listings to get a feel for prices and homes.

02**Visit open houses**

Walk through homes to learn what you like.

03**Define needs and wants**

Separate your must-haves from your nice-to-haves.

04**Watch your spending**

Track credit use and avoid large new loans.

Rank your priorities

Rank these from most to least important and share the list with your agent. It helps your agent find homes that truly fit.

- | | |
|---|--|
| ☐ Price | ☐ Commute and public transportation |
| ☐ Square footage | ☐ Local entertainment and dining |
| ☐ Condition and possible repairs | ☐ Property value trends |
| ☐ Number of bedrooms | ☐ Property taxes and HOA dues |
| ☐ Backyard or pool | ☐ Energy efficiency and utility costs |
| ☐ Local school district ranking | ☐ Home performance features |

Get Pre-Approved

Show sellers you are serious and know your real budget.

Why it matters

A pre-approval from your chosen lender tells sellers you are a serious buyer when it is time to make an offer. Most pre-approval letters are good for **60 to 90 days**.

What you will need

- Bank statements
- Recent pay stubs and W-2s
- Tax returns (required if self-employed)

Until you close, avoid

- Taking out new loans, large or small
- Big purchases on credit
- Changing jobs or income without telling your lender first
- Ignoring lender requests for paperwork

Loan options at a glance

LOAN	DOWN PAYMENT	GOOD TO KNOW
Conventional	As little as 3%	The most common loan type in the U.S. Backed by Fannie Mae or Freddie Mac.
FHA	3.5% minimum	Government-insured, with credit requirements that are not as strict.
VA	0% down	For veterans, active-duty service members, and qualifying surviving spouses.
USDA	0% down	For eligible rural and suburban areas. Income eligibility rules apply.

Minimums and eligibility vary by lender and situation. Always confirm with your lender.

Choosing a lender

Get quotes from more than one lender and compare rates, fees, and estimated closing costs. Ask which loan programs fit your goals, and respond quickly to document requests so your approval stays on track.

QUESTIONS TO ASK YOUR LENDER

- What will my monthly payment include?
- How much cash will I need at closing?
- How long can I lock my rate?
- How long will underwriting take?

Shop and Make an Offer

Find the home, then write an offer that works.

Shop smart

- Set up saved searches so you hear about new homes right away
- Schedule showings and see plenty of homes before choosing one
- Keep your ranked priority list handy
- Do not be discouraged if the search takes longer than expected

What is in an offer

Your offer is written, prepared by your agent, and submitted to the seller's agent. It includes:

- Your details and the price you will pay
- Terms and contingencies
- A deadline for the seller to respond
- An **earnest money deposit**, typically 1% to 2% of the price. It goes toward your down payment and closing costs, but you typically lose it if you cancel without contingency protection.

The seller can respond three ways

Accept

Your offer is accepted. Move on to escrow.

Reject

The ball is back in your court. Submit another offer or move to a different home.

Counter

The seller changes the price or terms. You can accept, reject, or counter again.

Protect yourself with contingencies

- **Inspection contingency:** lets you back out or negotiate repairs without losing your deposit if the inspection reveals major issues.
- **Appraisal contingency:** lets you back out or negotiate a lower price without losing your deposit if the home appraises for less than your offer.

Negotiations can take time. Let your agent manage them, and do not be afraid to walk away if you cannot reach an agreement.

MAKING VALUE VISIBLE

Two homes with the same price and square footage can cost very different amounts to own. Ask for utility history and documentation of efficiency features such as insulation, windows, HVAC, and solar. Documented performance helps make a home's value visible.

Escrow and Closing

Typically 30 to 45 days from accepted offer to keys.

Step 5: Complete escrow tasks

Home inspection. Lenders usually do not require one, but you should get one. Review the report line by line. Minor issues are normal. Expensive ones, such as foundation cracks, may be worth reconsidering the purchase.

Appraisal. Your lender requires one so it does not lend more than the home is worth. If the value comes in low, you may have to renegotiate, and you can contest the result if you believe it is too low.

Repairs or credits. After the inspection, ask the seller to:

- Lower the purchase price
- Credit you toward closing costs
- Fix the problems before closing

Serious hazards such as lead paint or mold should be corrected before you close.

Stay in touch. Answer lender requests promptly, tell them your preferred homeowners insurance provider, and keep your agent in the loop.

CLOSING WEEK CHECKLIST

☐ Schedule the final walkthrough

☐ Confirm homeowners insurance

☐ Sign your paperwork

Step 6: Close on your home

Final walkthrough. The morning of or the night before closing, check that agreed repairs were made, the home is empty of the seller's belongings, and everything works.

Sign and get your keys. You will sign closing paperwork at the title company's office. Depending on the deal, it can take a few hours.

Start preparing to move

- Book a local moving company
- File your change of address with the post office
- Plan utility setup for your new home
- If renting, give your landlord notice per your lease

☐ Review your Closing Disclosure

☐ Bring ID and funds for closing

☐ Get your keys!



READY WHEN YOU ARE

Let's Take the First Step

Buying your first home is a big decision. You do not have to figure it out alone.

1

Start the conversation

Call or email to talk through your goals, timeline, and budget.

2

Get pre-approved

Compare lenders and choose a loan that fits.

3

Start your search

Set up saved searches and tour homes with a clear plan.



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SCAN TO CONNECT



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For general information only. This is not legal, tax, or financial advice.

Loan programs, requirements, and costs vary. Confirm details with your lender.