

A STEP-BY-STEP GUIDE FOR BUYERS

The Home Buyer's Workbook

2026 EDITION

Plain-English guidance and fill-in worksheets for first-time buyers and homeowners making their next move.

INSIDE

01 Readiness check & budget worksheets

02 Selling and buying at the same time

03 Financing options & creative strategies

04 Home scorecard & tour notes

05 Offer, inspection & closing checklists

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Welcome, and how to use this workbook

Buying a home is one of the biggest financial decisions you will ever make, and you deserve a guide who has seen it all. Over more than 35 years in real estate, I have helped buyers through hot markets, slow markets, rising rates and falling rates. The fundamentals that protect you have never changed.

Work through each worksheet in pencil. Check off items as you finish them, and bring this workbook to every meeting with me, your lender and your inspector.

Your roadmap

Most purchases take 60 to 120 days from first conversation to closing.

1 **Get financially ready**
Credit, budget, down payment and closing costs. Worksheets 1 and 2. Already own a home? Add the Sell & Buy section.

2 **Get pre-approved**
Documents, lender comparison and your financing options. Worksheet 3 and the Financing Guide.

3 **Start working together**
We sign our buyer agreement, review your wish list and set up your search. Worksheet 4.

4 **Shop for homes**
Tour, score and compare. Worksheet 5 and tour notes.

5 **Make an offer**
Price, terms, earnest money and contingencies. Worksheet 6.

6 **Do your due diligence**
Inspection, appraisal, title and insurance. Worksheet 7.

7 **Close and get your keys**
Walk-through, signing and funding. Worksheet 8.

What I most want out of my next home

Am I ready to buy?

Check each statement that is true for you today. The buyers with the smoothest purchases start preparing 3 to 6 months before they tour.

- [ ] **I plan to stay in the area at least 3 to 5 years**
  Buying and selling costs usually take a few years to recover.
- [ ] **I have pulled my credit reports and know my score**
  Free from all three bureaus at annualcreditreport.com. Conventional loans generally want 620+; the best rates usually go to 740+.
- [ ] My income has been steady for the last 2 years
- [ ] I have savings for a down payment and closing costs
- [ ] I will still have 2 to 3 months of payments in reserve after closing
- [ ] I know the monthly payment I'm comfortable with, not just what a lender approves
- [ ] I can avoid new debt and job changes until closing
- [ ] Everyone on the purchase agrees on the goals and budget

MY SCORE

____ of 8

MY CREDIT SCORE

Date checked: _____

> **7 or 8:** you look ready; get pre-approved next. **4 to 6:** you're close; the unchecked items are your to-do list. **3 or fewer:** start with your credit report and a savings plan, and let's map a timeline together.

Freeze your finances

From pre-approval until closing, don't change jobs, open new credit cards, finance a car or furniture, or move large sums of money without talking to your lender first.

My plan to get ready

What will this home really cost each month?

Lenders look at more than principal and interest. Work down the lines in pencil. Use the payment table on the next page for line F.

	LINE ITEM	AMOUNT
A	**Gross monthly income (before taxes)** Annual income ÷ 12	$
B	**Other monthly debt payments** Car, student loans, card minimums	$
C	**Home price you're considering**	$
D	**Down payment** C × your down payment %	$
E	**Loan amount** C − D	$
F	**Principal & interest** E ÷ 100,000 × factor from table	$
G	**Property taxes per month** C × tax rate ÷ 12	$
H	**Homeowners insurance per month** Annual quote ÷ 12	$
I	**Mortgage insurance per month** If under 20% down; ask your lender	$
J	**HOA dues per month**	$
K	**Total monthly housing payment** F + G + H + I + J	$
L	**Housing ratio** K ÷ A × 100. Aim for 28% or less	%
M	**Total debt ratio** (K + B) ÷ A × 100. 36% comfortable, 43% common ceiling	%

Also budget for maintenance: 1% to 2% of the home's value per year. On a $500,000 home that's about $420 to $830 a month set aside.

How much cash will I need?

	LINE ITEM	AMOUNT
N	**Down payment** Line D	$
O	**Closing costs** C × 2% to 5%; use your Loan Estimate	$
P	**Inspections** Usually $400 to $1,000+	$
Q	**Moving and setup** Movers, utilities, first repairs	$
R	**Total cash needed** N + O + P + Q	$
S	**Savings available**	$
T	**Left over after closing** S − R	$
U	**Months of reserves** T ÷ K. Aim for 2 to 3	

Monthly principal & interest per $100,000 borrowed

Example: a $400,000 loan at 6.25% for 30 years is 4 × $615.72 = $2,462.88 a month. Taxes, insurance and mortgage insurance are extra.

RATE	30-YEAR	20-YEAR	15-YEAR
5.25%	$552.20	$673.84	$803.88
5.50%	$567.79	$687.89	$817.08
5.75%	$583.57	$702.08	$830.41
6.00%	$599.55	$716.43	$843.86
6.25%	$615.72	$730.93	$857.42
6.50%	$632.07	$745.57	$871.11
6.75%	$648.60	$760.36	$884.91
7.00%	$665.30	$775.30	$898.83
7.25%	$682.18	$790.38	$912.86
7.50%	$699.21	$805.59	$927.01
7.75%	$716.41	$820.95	$941.28
8.00%	$733.76	$836.44	$955.65

Selling and buying at the same time

Most move-up buyers face one question: which comes first? There is no single right answer. It depends on your equity, your savings, your income and how competitive your market is. Check the options that could work for you, then let's talk through them.

FIT	OPTION	UPSIDE	WATCH FOR
☐	**Sell first, then buy** List and close on your current home, then buy with the cash in hand.	You know your exact budget and can make a clean, non-contingent offer.	You may need to move twice or rent short-term.
☐	**Buy first, then sell** Buy your next home using savings, equity financing or qualifying with both payments, then sell.	One move, no pressure to settle for the wrong house.	Carrying two homes; you must qualify for both payments.
☐	**Contingent offer** Your purchase depends on your current home selling by a set date. Often paired with a kick-out clause that lets the seller keep marketing.	Protects you from owning two homes.	Weaker in competitive markets; you can be bumped on short notice, often 72 hours.
☐	**Simultaneous closing** Your sale and purchase close the same day or back to back, with sale proceeds funding the purchase.	One move and no double payment.	Tight timelines; a delay on either side affects both.
☐	**Rent-back after you sell** Sell first, then rent your old home from the buyer for a set period after closing.	Cash in hand plus time to find your next home.	Needs a written rent-back agreement, deposit and insurance check.
☐	**Keep it as a rental** Buy your next home and lease your current one instead of selling.	Builds wealth; a signed lease may help you qualify.	Landlord duties, vacancy risk, and possible tax effects on a future sale.

Questions to answer before we choose

☐ How much equity do I have?
Complete Part 2 on the next page.

☐ Could I qualify for the new loan while still owning my home?
Ask your lender to run it both ways.

☐ Where would I live if my home sells first?
Rent-back, family, short-term rental or storage.

☐ How fast are homes selling in my neighborhood right now?
I'll pull days-on-market for your area so we can decide together.

Taxes on your sale: if you owned and lived in your home at least 2 of the last 5 years, you can generally exclude up to $250,000 of gain ($500,000 for married couples filing jointly). Confirm your situation with a tax professional.

How much will my sale bring?

We'll work through this together. Line 9 is the cash your sale could put toward your next home.

	LINE ITEM	AMOUNT
1	**Estimated sale price** I'll prepare a market analysis for you	$
2	**Mortgage payoff balance** From your lender's payoff statement, not your monthly statement	$
3	**HELOC or other liens**	$
4	**Agent compensation** As agreed in your listing agreement	$
5	**Excise / transfer tax** Varies by state; Washington uses a graduated real estate excise tax	$
6	**Title, escrow and recording fees** Your escrow officer can estimate	$
7	**Prep, repairs and staging**	$
8	**Buyer concessions or credits** Credits you may offer a buyer	$
9	**Estimated net proceeds** Line 1 minus lines 2 through 8	$

Can I carry both homes for a while?

	LINE ITEM	AMOUNT
10	**Current home payment** Principal, interest, taxes, insurance, HOA	$
11	**New home payment** Line K from Worksheet 2	$
12	**Both payments together** Line 10 + line 11	$
13	**Months I could carry both** Reserves after closing ÷ line 12	

MY PLAN

Sell first · Buy first · Contingent · Simultaneous · Rent-back · Keep as rental

TARGET LIST DATE

TARGET PURCHASE DATE

Get pre-approved and compare lenders

A full pre-approval, not a quick pre-qualification, is the most important thing you can bring to an offer.

Documents to gather

- [ ] Last 2 years of W-2s and federal tax returns (all pages)
- [ ] Last 30 days of pay stubs
- [ ] Last 2 months of statements for every bank and investment account
- [ ] Photo ID
- [ ] Gift letter, if family is helping with the down payment
- [ ] Self-employed extras
  2 years of business returns and a year-to-date profit and loss
- [ ] Pre-approval letter in hand

Loan types at a glance

LOAN	MIN. DOWN	TYPICAL SCORE
Conventional	3% to 5%	620+
FHA	3.5% (580+) 10% (500 to 579)	580+
VA	0%	Set by lender
USDA	0%	Set by lender
Jumbo	10% to 20%	700+

2026 baseline conforming limit: $832,750; up to $1,249,125 in high-cost counties. Limits change each January.

Lender comparison

Request Loan Estimates from at least three lenders on the same day. 5-year cost = points + lender fees + (monthly P&I × 60).

	LENDER A	LENDER B	LENDER C
Lender & loan officer			
Phone			
Interest rate / APR			
Points ($)			
Lender fees ($)			
Monthly P&I			
5-year cost			
Rate lock length / extension cost			

Ways to fund your next home before your current one sells

These tools let move-up buyers tap their equity early, so they can shop like a cash buyer. Each has trade-offs. Check the ones to ask your lender about.

Bridge loan

A short-term loan secured by your current home that covers your next down payment. Terms usually run 6 to 12 months and are repaid when you sell.

UPSIDE Lets you make a non-contingent offer.

WATCH Higher rates and fees than a mortgage; you may pay on three loans at once.

☐ Ask about this for me

Home equity line (HELOC)

A credit line against your current home's equity. Draw the down payment now and pay it off from your sale proceeds.

UPSIDE Usually cheaper than a bridge loan; interest only on what you draw.

WATCH Variable rate. Open it before you list, since many lenders won't open a line on a home that's for sale.

☐ Ask about this for me

Buy-before-you-sell programs

Some companies and lenders buy your next home in cash or guarantee your current home's sale, then you close on your terms.

UPSIDE Cash-strength offer and one move.

WATCH Program fees, and some guarantee a backup price below market. Read the fine print.

☐ Ask about this for me

Qualifying with both payments

If your income supports both mortgages, a lender can approve the new loan while you still own the old home.

UPSIDE No special loan product needed.

WATCH Higher debt ratio; you need strong reserves.

☐ Ask about this for me

Departing-residence rental income

If you'll rent out your current home, a signed lease and deposit may let a lender count part of the rent, often 75%, toward qualifying.

UPSIDE Helps you qualify; keeps a long-term asset.

WATCH Rules vary by lender and loan type.

☐ Ask about this for me

Loan recast

Buy with a smaller down payment, then put your sale proceeds toward the new loan. The lender re-amortizes it for a lower payment at the same rate.

UPSIDE Lower payment without refinancing; fees are usually small.

WATCH Not every loan allows it; ask before you choose a lender.

☐ Ask about this for me

Retirement-account loan

Some 401(k) plans let you borrow against your balance for a home purchase.

UPSIDE No credit check; you repay yourself.

WATCH Lost growth, and it may come due quickly if you leave your job. Talk to a financial advisor first.

☐ Ask about this for me

Cash-out refinance

Refinance your current home for more than you owe and use the cash as a down payment.

UPSIDE Fixed rate on the cash you take out.

WATCH Gives up a low existing rate, adds closing costs, and takes time.

☐ Ask about this for me

Creative ways to make the numbers work

A higher-rate market rewards creativity. These strategies can lower your payment, your cash to close or both. Bring the ones you check to your lender and to me.

Assumable loan

Take over the seller's existing FHA, VA or USDA loan, often at a lower rate than today's. The lender must approve you.

UPSIDE Can mean a much lower rate and payment.

WATCH You pay the seller's equity in cash or with a second loan; the process takes longer.

☐ Ask about this for me

Rate buydown

Pay to lower your rate, permanently with points or temporarily with a 2-1 buydown (2% lower in year one, 1% lower in year two). Sellers and builders often pay it.

UPSIDE Lower payment, especially early on.

WATCH You must still qualify at the full rate on a temporary buydown.

☐ Ask about this for me

Seller concessions

Ask the seller to pay part of your closing costs or a rate buydown instead of cutting the price.

UPSIDE Saves cash at closing.

WATCH Loan programs cap how much a seller can contribute.

☐ Ask about this for me

Seller financing

The seller acts as the bank and you make payments to them, sometimes with a balloon payment due in a few years.

UPSIDE Flexible terms and qualifying.

WATCH Needs an attorney; a balloon may force a refinance later.

☐ Ask about this for me

House hacking

Buy a 2 to 4 unit property, live in one unit and rent the others. FHA allows this with 3.5% down.

UPSIDE Rent helps pay the mortgage.

WATCH You become a landlord; financing rules for multi-units differ.

☐ Ask about this for me

ADU or rental income

Buy a home with an accessory dwelling unit or a basement apartment, or plan to add one.

UPSIDE Income or space for family.

WATCH Check zoning, permits and how lenders count the rent.

☐ Ask about this for me

Renovation loan

Finance the purchase and repairs in one loan, such as FHA 203(k) or a conventional renovation loan.

UPSIDE Opens up fixer-uppers with less competition.

WATCH More paperwork, contractor bids and inspections.

☐ Ask about this for me

New-construction incentives

Builders often offer rate buydowns, closing credits or upgrades, especially through their preferred lender.

UPSIDE Can beat resale pricing on total cost.

WATCH Compare the preferred lender against outside offers.

☐ Ask about this for me

More ways to buy smarter

Co-buying

Buy with a family member, friend or partner and share the down payment and payments.

UPSIDE More buying power together.

WATCH Put a written co-ownership agreement in place covering exits and disagreements.

☐ Ask about this for me

Gift funds and assistance

Family gifts and state or local down payment programs can cover the down payment and closing costs.

UPSIDE Less cash of your own needed.

WATCH Gifts need a letter and paper trail; assistance programs have income limits.

☐ Ask about this for me

Adjustable-rate mortgage (ARM)

A lower fixed rate for the first 5, 7 or 10 years, then it adjusts.

UPSIDE Lower payment if you expect to move or refinance.

WATCH The payment can rise; know your caps.

☐ Ask about this for me

Self-employed loan options

Bank-statement and other non-traditional loans qualify you on deposits instead of tax returns.

UPSIDE Works when write-offs lower taxable income.

WATCH Higher rates and larger down payments.

☐ Ask about this for me

BEFORE YOU TRY ANYTHING CREATIVE

Get every arrangement in writing and have your lender, and for seller financing or co-buying an attorney, review it before you sign. Creative doesn't have to mean risky.

Ideas I want to explore

Know what you're shopping for

You can change paint, flooring and fixtures. You can't change location, lot or layout, so weigh those most heavily. Fill this in before your first tour, and we'll go over it together.

Must have	Nice to have	Deal-breakers

Search basics

PRICE RANGE

COMFORTABLE MONTHLY PAYMENT

BEDROOMS / BATHROOMS

IDEAL MOVE-IN DATE

NEIGHBORHOODS TO CONSIDER

LONGEST COMMUTE I'LL ACCEPT

SCHOOL DISTRICT NEEDS

How we'll work together

Before we tour any homes, in person or by live video, we'll sit down and sign a written buyer agreement together. It's required for agents who belong to an MLS, and it spells out the services I'll provide, how I'm paid and by whom, and how long our agreement lasts. Compensation is always negotiable, and we can ask for it to be paid by the seller as part of your offer. From there, I'll be with you at every step, from the first showing to the closing table.

- [ ] Dana and I have signed our buyer agreement, and I understand its terms
- [ ] We've reviewed my wish list together, and my listing search is set up

Compare the homes you tour

Circle how much each factor matters (1 low, 3 high). Rate each home 1 to 5 right after you leave, then multiply rating × weight in the small column. Add the columns for each home's total.

FACTOR	WEIGHT	HOME 1		HOME 2		HOME 3	
		RATE 1–5	× WT	RATE 1–5	× WT	RATE 1–5	× WT
Address							
List price							
Location	1 2 3						
Price vs. my budget	1 2 3						
Layout and flow	1 2 3						
Condition and updates	1 2 3						
Commute	1 2 3						
Schools	1 2 3						
Yard and lot	1 2 3						
Natural light	1 2 3						
Storage and parking	1 2 3						
Resale potential	1 2 3						
	1 2 3						
	1 2 3						
Total score							

Make extra copies of this page if you tour more than three homes.

Tour notes

ADDRESS

LIST PRICE

DATE TOURED

BEDS / BATHS / SQ FT

YEAR BUILT / HOA

Quick checks while you're there

- [ ] Photographed the address, then each room
- [ ] Opened closets, cabinets and windows
- [ ] Ran faucets, flushed toilets, checked pressure
- [ ] Looked for ceiling stains and sloping or soft floors
- [ ] Noticed smells (musty can mean moisture)
- [ ] Asked the age of roof, furnace and water heater
- [ ] Drove by at rush hour, evening and weekend
- [ ] Got a homeowners insurance quote

What I loved

Concerns and questions

GUT FEELING, 1 TO 10

NEXT STEP

Plan a winning offer before emotions run high

The strongest offer is not always the highest price. Sellers weigh certainty and timing just as heavily. Decide your walk-away number now, while you're calm.

PROPERTY ADDRESS

LIST PRICE

RECENT COMPARABLE SALES RANGE

MY OFFER PRICE

MY WALK-AWAY NUMBER

EARNEST MONEY (1% TO 3% TYPICAL)

TARGET CLOSING / POSSESSION DATE

SELLER-PAID COSTS OR AGENT COMPENSATION REQUESTED

ITEMS INCLUDED (APPLIANCES, WINDOW COVERINGS, ETC.)

Contingencies I'm keeping

Each one protects you. Each one you shorten or waive makes your offer stronger and riskier. We'll talk through any waiver together before you decide.

KEEP	CONTINGENCY	WHAT IT PROTECTS	TYPICAL WINDOW	MY DAYS
☐	Inspection	Renegotiate or walk away over defects	5 to 10 days	
☐	Financing	Your earnest money if the loan falls through	21 to 30 days	
☐	Appraisal	You, if the home appraises below price	Tied to financing	
☐	Title	Objections to liens or ownership problems	After title report	
☐	Sale of my home	Buying only if your current home sells; see the Sell & Buy section	Weakest in hot markets	

Ways to compete without overpaying: a larger earnest money deposit; a shorter inspection window or a pre-inspection; flexibility on the seller's closing or rent-back date; an appraisal gap commitment only if you have the cash to cover it.

Learn everything before you're committed

Never skip the inspection, even on new construction. Attend the last hour so the inspector can walk you through the findings.

Inspections to schedule

- [ ] General home inspection
- [ ] Sewer scope
  Homes over 20 years old or with large trees
- [ ] Radon test
- [ ] Pest and wood-destroying organisms
- [ ] Roof, chimney or structural engineer, if flagged
- [ ] Oil tank scan, septic or well, if applicable

Documents to review

- [ ] Seller disclosure statement
- [ ] Preliminary title report: liens, easements, restrictions
- [ ] HOA budget, reserves, rules, special assessments
- [ ] Permit history for additions and remodels
- [ ] Appraisal received, at or above price
- [ ] Homeowners insurance bound for closing day

My repair requests

Focus on safety, structure, water and major systems, not cosmetic items. Credits are often cleaner than seller repairs because you control the quality of the work. Priority: S = safety, M = major system, m = minor.

ITEM FROM REPORT	PRIORITY	ASK FOR (CIRCLE)	EST. COST
	S M m	Repair · Credit · As-is	
	S M m	Repair · Credit · As-is	
	S M m	Repair · Credit · As-is	
	S M m	Repair · Credit · As-is	
	S M m	Repair · Credit · As-is	
	S M m	Repair · Credit · As-is	

If the appraisal comes in low

You can renegotiate the price, cover the gap in cash, challenge the appraisal with better comparable sales, or cancel under your appraisal contingency.

Closing day without surprises

You'll receive your Closing Disclosure at least 3 business days before closing. Compare it line by line with your Loan Estimate and ask about any change.

WIRE FRAUD WARNING

Criminals send fake emails that look like they come from me, your lender or your escrow officer with "updated" wiring instructions. Before you wire any money, call your escrow or title company at a number you already know, never one from an email. Your instructions will not change by email.

ESCROW OFFICER

VERIFIED PHONE NUMBER

Final walk-through

Usually within 24 to 48 hours of closing.

- [ ] Agreed repairs completed, with receipts
- [ ] Included appliances and fixtures are present
- [ ] Heat, air, water heater and appliances work
- [ ] No new damage from the seller's move
- [ ] Home is empty and broom-clean

CLOSING DATE AND TIME

KEY PICKUP / POSSESSION

Bring to signing

Confirm the time and place with escrow.

- [ ] Closing Disclosure reviewed against Loan Estimate
- [ ] Government-issued photo ID
- [ ] Funds wired after phone verification, or cashier's check as instructed
- [ ] Checkbook for small last-minute amounts

LOCATION

FINAL CASH TO CLOSE

Your first month in the new house

A few hours of setup now saves headaches for years.

- [ ] Change or rekey exterior locks and garage codes
- [ ] Find the main water shutoff, gas shutoff and electrical panel
- [ ] Test smoke and carbon monoxide detectors
- [ ] File closing documents, deed and inspection report somewhere safe
- [ ] Apply for any homestead or senior property tax exemption
- [ ] Ignore paid deed-copy offers
  The county recorder has your deed free or cheaply
- [ ] Start a maintenance fund and seasonal calendar
- [ ] Keep receipts for improvements; they can lower taxes when you sell

Your loan servicer may change. You'll get written notice. Never pay a new servicer without verifying the notice with your original lender.

The mistakes that cost buyers the most

Shopping before pre-approval. You may fall for a home you can't buy, or lose it to a buyer who is ready.

Buying at the top of your approval. Leave room for repairs and rising taxes and insurance.

Big financial changes before closing. A new car loan or job change can derail your mortgage.

Skipping the inspection to win. A few hundred dollars can save you from a five-figure surprise.

Forgetting the total monthly cost. Taxes, insurance, HOA dues and utilities add up fast.

Ignoring resale. Even a forever home may be sold one day.

Trusting wiring instructions in an email. Always verify by phone.

Going it alone. A seasoned agent, lender and inspector are worth far more than they cost.

Trusted resources and your team

RESOURCE	WEBSITE
CFPB: Buying a House Loan Estimate and Closing Disclosure explainers	consumerfinance.gov/owning-a-home
Free credit reports Reports from all three bureaus	annualcreditreport.com
HUD Housing Counseling Free or low-cost homebuyer counselors	hud.gov/findacounselor
FHFA Loan Limits Conforming limit for your county	fhfa.gov/data/conforming-loan-limit
VA Home Loans Eligibility for veterans and service members	va.gov/housing-assistance/home-loans
USDA Eligibility Map Check whether an address qualifies	eligibility.sc.egov.usda.gov
FEMA Flood Maps Flood zone for any address	msc.fema.gov
NAR Buyer Agreement Guide What to expect in your agreement	nar.realtor/the-facts
WA Housing Finance Commission Down payment assistance in Washington	wshfc.org · heretohome.org

Down payment help is more common than most buyers think. Most states run programs through a housing finance agency, usually paired with a first mortgage from an approved lender and a free homebuyer education class. Ask your lender which ones you qualify for.

My home-buying team

ROLE	NAME	PHONE / EMAIL
Real estate agent	Dana Lunceford	(206) 380-7829
Lender		
Home inspector		
Escrow / title		
Insurance agent		
Attorney (if used)		

Real estate terms in plain English

Appraisal	An independent estimate of the home's value, ordered by your lender.
Buyer agreement	The written agreement we sign together before touring homes. It sets out the services I provide and how I am paid.
Closing costs	Fees for the loan, title, escrow and prepaid items, usually 2% to 5% of the price.
Closing Disclosure	Your final loan terms and costs, delivered at least 3 business days before closing.
Conforming loan	A loan within the limits set for Fannie Mae and Freddie Mac.
Contingency	A condition in your contract that must be met, or you can cancel.
Debt-to-income ratio (DTI)	Your monthly debt payments divided by your gross monthly income.
Earnest money	A good-faith deposit held in escrow and credited to you at closing.
Escrow	A neutral third party that holds funds and documents until closing.
Loan Estimate	A standard 3-page form showing a lender's rate and fees.
Mortgage insurance (PMI / MIP)	Protects the lender when your down payment is under 20%. Always required on FHA loans.
Points	Money paid upfront to lower your interest rate. One point is 1% of the loan.
Pre-approval	A lender's written commitment to lend, based on verified documents.
Rate lock	A guarantee of your interest rate for a set period.
Title insurance	Protection against ownership claims or liens missed in the title search.

This workbook is for general education and is not legal, tax or financial advice. Loan limits, program rules and regulations change; confirm current details with your lender, attorney or tax professional.

Notes and questions