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The Smart
Homebuyer Guide

Your blueprint to
Homeownership Success

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Introduction

Are you thinking about your next move and ready to step into homeownership with a solid plan? This guide is designed to be your go-to resource for navigating the home buying process with confidence. Whether you're relocating, buying your first home, or making your next investment, the goal is simple. Help you make smart, informed decisions every step of the way.

If you're a military member, veteran, or spouse, you may have access to powerful advantages like the VA loan and housing allowances that can increase your buying power and make homeownership more accessible. If not, there are still great financing options available, and understanding those is just as important. No matter your situation, having the right strategy is what sets you up for success.

Inside, you'll find practical, real-world guidance on how to move through the buying process without feeling overwhelmed. From understanding your finances and building the right team, to house hunting, making strong offers, and getting to the closing table, this guide breaks it all down in a way that actually makes sense.

By the time you finish this guide, you'll have a clear understanding of what to expect, how to avoid common mistakes, and how to make decisions that support your lifestyle and long-term financial goals.

Let's make your next move a smart one!

Please note the following disclaimer. This guide is intended for informational purposes only. The content provided herein is not a substitute for professional advice and should not be relied upon as such. The information shared in this guide reflects general tips and suggestions and may not apply to your specific circumstances. Before making any significant decisions related to your Permanent Change of Station (PCS) or home buying process, it is crucial to consult with appropriate professionals. This includes but is not limited to financial advisors, real estate agents, legal advisors, and military relocation specialists. These professionals can provide tailored advice based on your individual needs and situations. The author of this guide are not responsible for any actions taken based on the information provided. All decisions you make should be based on thorough research and consultation with qualified professionals.

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Part 1: Buying A Home

Buying a home is one of the biggest financial decisions you'll make, so understanding the process is key. This guide walks you through what to expect, what to do, and how to make confident, informed choices along the way. If you're eligible for a VA loan, you have some powerful advantages like no down payment, competitive rates, and no private mortgage insurance, making homeownership more accessible and financially smart.

The following pages are packed with everything you need to navigate a real estate transaction. From preparing your finances and building your team, to house hunting, making offers, and closing the deal, this guide gives you a clear path forward. Whether it's your first home or your next investment, the goal is simple. Make smart decisions that fit your lifestyle and set you up for long-term success.

Home Buying Process Overview

The purpose of this guide is to give you the info you need to make smart decisions and ask the right questions. Work with a real estate agent who takes the time to educate you and answers all your questions. Every transaction is unique, but here's what a typical homebuying process looks like when financing is involved:

- 1. Preparation:** Set your budget, get pre-approved for a mortgage, and work with your agent to define your must-haves and nice-to-haves.
- 2. Home Search:** Tour homes, attend open houses, and research neighborhoods with your agent to find the right fit.
- 3. Making an Offer:** Draft an offer with your agent, including purchase price, earnest money, contingencies (financing, inspection), and other terms.
- 4. Offer Negotiation:** The seller may accept, reject, or counter your offer. Negotiate until both sides agree.
- 5. Contract Execution:** Once accepted, sign the purchase contract and provide your earnest money. This outlines all terms and timelines.
- 6. Home Inspection:** Schedule an inspection to check the property's condition. Negotiate repairs if needed.
- 7. Financing and Appraisal:** Finalize your mortgage and have the home appraised to confirm its value.
- 8. Shop Home Insurance:** Compare quotes and lock in coverage to secure financing.
- 9. Title Search and Escrow:** Ensure clear ownership with a title search and set up an escrow account for funds until closing.
- 10. Closing Preparation:** Do a final walkthrough, review documents, and prepare closing funds with your agent, lender, and title company.
- 11. Closing:** Sign all necessary documents with the closing agent.
- 12. Recording and Possession:** The sale is recorded, and you take possession of your new home.
- 13. Post-Closing Tasks:** Transfer utilities, update your address, and settle into your new space

This framework gives you a clear roadmap, but remember, each transaction is different. Location, market conditions, and individual circumstances can change the process slightly, so stay flexible and rely on your team.

Typical Real Estate Transaction

Buyer

Initial Real Estate Consultation
Determine real estate needs and education

Apply for a Loan Preapproval

View Properties

Make an Offer

Negotiate

OFFER ACCEPTANCE

Buyer's Agent Oversees
Buyer Orders:

Home Inspections

(Property, 4-point, Wind Mitigation, Roof, Pest, Mold, Radon, etc.)

- Ask for repairs based on the inspection results,
- Don't ask for repairs and continue with contract, or
- get out of contract.

Shop For Homeowner's Insurance

Buyer's Agent Oversees
Lender Coordinates:

Loan Application Complete

Appraisal Ordered

Loan Package Assembled and Submitted to Underwriter

Buyer's Agent Oversees Title
Company Coordinates:

Title Commitment Ordered

Title Search Performed

LOAN APPROVED

All loan documents to title company

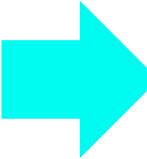
Attend Closing
Sign Documents

Funds are Received and Disbursed

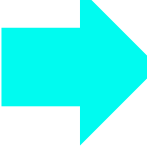
New Deed Issued,
Mortgage Recorded
Congratulations!
The home is yours.

Build Your Team


Your team is everything when buying a home as a military buyer. VA entitlement and BAH are powerful tools, but only if the people guiding you know how to use them. Start with a real estate agent and lender experienced with VA loans and the unique needs of military families, they'll help navigate PCS timelines, VA benefits, and housing concerns like proximity to base or schools. Add a trusted home inspector, insurance agent, and title company familiar with military buyers. A strong team gives you expert advice, helps avoid common mistakes, and makes the home-buying process smoother and less stressful.



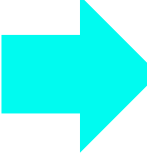
Seek recommendations: Ask military friends, colleagues, or local spouse groups for referrals. Personal experiences can point you to agents and lenders who really understand VA loans and the ins and outs of military moves.



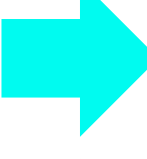
Do your research: Check online profiles, reviews, and recent sales to evaluate agents. Focus on those who regularly work with VA buyers and have experience in the area where you want to live.



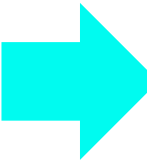
Interview agents: Talk to several agents and lenders to see how they communicate and work. Ask about their experience with VA loans and military relocations.



Check credentials and experience: Make sure your agent and lender are properly licensed and have a solid track record with military families. They should understand VA requirements and know the local market inside and out.



Gauge communication: Pick an agent and lender who listen to your needs, follow up consistently, and keep you in the loop every step of the way.



Focus on VA knowledge and BAH: There's a lot of misinformation about VA loans. A knowledgeable agent and lender will understand all the ins and outs, advocate for your best interests, and help you get a great deal on your new home.

Remember, this is your home-buying journey. Take the time to find an agent and lender who understand your needs and have the expertise to guide you every step of the way.

Everyone Involved in a Transaction

Real Estate Agent: Assists clients in buying, selling, and renting properties by providing market insights, handling negotiations, and managing the transaction.

Buyer: The individual or entity purchasing the property.

Seller: The individual or entity selling the property.

Escrow Officer: Responsible for holding funds and important documents in a secure escrow account until all the conditions of the sale have been met. They facilitate closing and ensure the transfer of funds and ownership.

Title Company: Conducts title searches to ensure that the property's title is clear and free of any encumbrances, such as liens or legal disputes.

Surveyor: May be needed to determine property boundaries, assess land features, and verify the property lines match the legal description.

Real Estate Attorney: Provides legal counsel to buyers and sellers.

Home Insurance Provider: Offers policies to protect the property and its contents from unforeseen events like fires, theft, or natural disasters.

Mortgage Lender: Provides financing to buyers.

Home Warranty Company: Some buyers choose to purchase a home warranty, which covers the repair or replacement of major systems and appliances for a specified period.

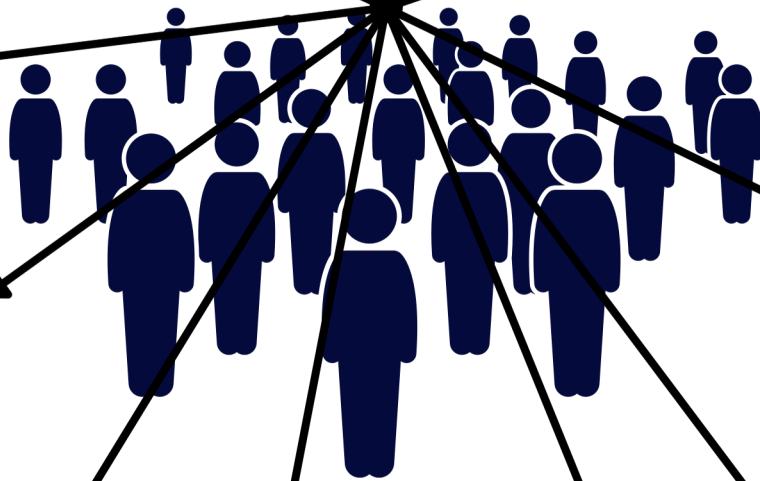
Appraiser: Determines the fair market value of the property.

Home Inspector: Evaluates the property's physical condition and identifies any issues, defects, or needed repairs.

Contractor or Handyperson: May be called upon to complete repairs.

Notary: May be asked to be present for the signing of official documents.

Local Government and Agencies: May be involved in the transaction, especially for issues like property taxes, zoning regulations, and building code compliance.

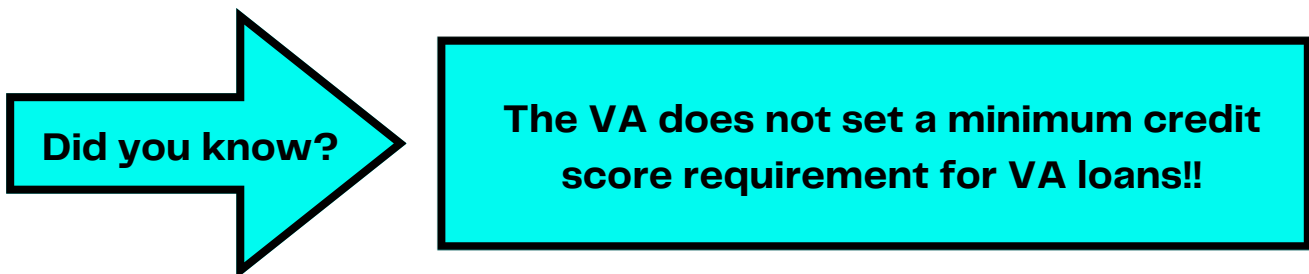


Get Pre-Approved

Start your home search by getting pre-approved, since you'll need a pre-approval letter or proof of funds with any offer. It's smart to get pre-approved by more than one lender, different lenders can offer different rates, programs, and fees. Keep a few key things in mind when shopping for lenders:



Pre-qualification is a quick look at your finances, while pre-approval digs deeper. During pre-approval, you provide key documents so the lender can fully assess your situation. This gives you, your agent, and the seller confidence that you can close. Choose a lender who offers pre-approval before house hunting, it helps make your offer stronger. It may take a bit of time, but having your documents ready speeds up the process and makes it easier to shop around.



Lenders set their own credit score standards, usually between 580 and 620. If your credit isn't great, look for a lender willing to work with you or one that offers a credit repair program.

Tip: Don't focus only on the numbers. A good deal is important, but you also want a lender who is responsive, answers your questions, explains your options, and knows VA loans. Having a loan officer who's present and communicative makes the whole process run smoothly.

The Pre-Approval Process

The mortgage pre-approval process involves a lender evaluating your financial information to determine how much they're willing to lend you for a home purchase.

Step 1:

Application and Credit Check: You begin by filling out a mortgage application with a lender. This can often be done online, and involves you submitting various financial documents, which may include:

Have these documents ready to go:

Pay stubs or proof of income

Tax returns

Bank statements
Employment history

Debt obligations (credit card, auto loans, student loans, etc.)

Step 2:

Pre-Approval Letter Issued: If you meet the lender's criteria, they will issue a pre-approval letter. This letter specifies the loan amount you're qualified for and is typically valid for a specific period, such as 60–90 days.

Tip: Just because you're pre-approved for a certain amount doesn't mean you should spend that much. Talk to your lender about your target monthly payment and figure out what home price fits your budget comfortably.

It is important to note:

A pre-approval is not a guarantee of a mortgage. Mortgage terms and interest rates can change between pre-approval and final approval, so it's wise to lock in your rate when you're satisfied with the terms and have a home under contract.

Step 3:

Find a Home: With your pre-approval in hand, you can confidently search within your price range. Once you find a home you love, your agent and lender will work together to craft the best possible terms for your situation.

Step 4:

Conditional Approval: Financing approval is based on the information you provided and the stability of your finances. Big changes, like opening new credit or making large purchases, can affect approval. Your lender may ask for updated documents to confirm your financial status. Approval also depends on the home's condition, including inspection and appraisal results.

Step 5:

Final Approval: Final approval is issued when all contingencies have been cleared, then you can close on your home!

Budgeting and Preparing

Even with VA entitlement and BAH, buying and owning a home comes with expenses you need to plan for. Start by reviewing your finances, checking your credit, creating a budget, and saving for upfront costs. A financial planner can help you map out a plan to meet your goals.

Credit matters. VA loans are flexible, but a higher score usually means better loan terms, like lower interest rates. Work on paying down debt, making payments on time, and fixing any issues on your report. For bigger credit challenges, a reputable credit repair service can help.

A monthly budget is key. Know your income, expenses, and how much you can comfortably spend on housing, even if it goes over BAH. Don't forget to factor in things like property taxes, homeowner's insurance, and other potential increases in costs.

Tip: Keep at least six months of expenses in savings, plus your home purchase funds. This cushion helps cover unexpected repairs or maintenance and ensures you're prepared to make the most of your VA loan.

Typical costs of the home buying process include:

- **Earnest money (typically goes towards buyer's closing costs)**
- **Inspections**
- **Appraisal**
- **Survey**
- **Closing Costs**
- **Down payment if desired**

Note: VA loans don't require a down payment, but putting some money down can help you afford a home slightly above your budget and may reduce your VA funding fee.

Know the Market Trends

Your real estate agent should educate you on the local housing market climate, which can vary widely. Pay attention to market trends, they show whether prices are rising, stable, or falling. This helps you time your purchase if you have flexibility. Understanding if it's a buyer's, seller's, or balanced market also gives you insight into competition and negotiating power.

Several things impact the balance of the market:

Interest rates: When interest rates are lower, more buyers who were lying dormant may turn more active in their home search. This may mean more competition.



Home prices: Home prices will fluctuate with interest rates, supply, and demand.

Supply and Demand: If there are more homes for sale than there are buyers, sellers may need to price competitively or offer concessions. On the other hand, if there is more demand than there is inventory, then the buyers may find themselves in a multiple offer situation and must compromise more to have their offer chosen.

Focus on your situation, not market speculation. If you're financially ready and have found the right home, go ahead and make an offer. If market conditions aren't perfect, keep a few key points in mind as you move forward:

- If rates are high when you buy, you can buy down the rate or refinance later.
- There are multiple points you can negotiate in your offer, this guide will cover them so you can use them to your advantage, especially in competitive markets.

Establish Your Timeline

As a VA buyer, you likely have a specific move-in date, whether it's tied to PCS orders, a retirement move, or just getting into your dream home. Knowing this date is key to planning your search and staying on track. Work backwards from your move-in date to figure out when to start looking, factoring in time for house hunting, submitting offers, negotiating, inspections, appraisals, and closing.

Keep in mind that inventory levels, your must-have list, and market competition can affect how long it takes to find the right home. Starting early gives you flexibility and reduces stress. Your agent can help create a realistic timeline, coordinate with your lender for pre-approval, and make sure all deadlines line up so you can move in on time without scrambling.

Here is an example: Let's say you know you need to be in a home by June 15th and you know closing typically takes 30–60 days (45 days on average) so you'll want to be under contract by around May 1st. House hunting time varies, but aim to start looking by April. That means interviewing agents and lenders by March so you can get pre-approved and be ready to put in an offer when you find the right home.

Tip: Give yourself at least a 3 month window to home shop, get under contract, and close on a new home.

Pro tip: As soon as you know you want to buy a home, start interviewing real estate agents and put together a timeline that works for your needs and market conditions. Whether you are needing a home in 1 year or 1 month, a good real estate agent will be there every step of the way!

VA loans have a 60-day occupancy rule, meaning you must move into the home as your primary residence within 60 days of closing. This lets you buy a home before even arriving at your next duty station. Some buyers feel comfortable purchasing sight-unseen, others make a quick trip to shop before moving, and some prefer to wait until they arrive to start house hunting.

Define Your Needs and Wants

Take time to clearly define your needs versus your wants in a new home. Needs are non-negotiables. Wants are preferences you can live without for now or add later. A common mistake buyers make is labeling too many items as needs, then getting frustrated when no home checks every box. Your needs list should be short and focused on the bare essentials. If you find yourself unwilling to compromise on a long list of features, a custom or new construction home may be a better fit. Use the questions below to help separate must-haves from nice-to-haves.

- **Location Preferences:**

- Is proximity to work, schools, or specific amenities a must?
- How important is safety and quality of the neighborhood?
- Do you want more privacy or a sense of community?

- **Size and Layout:**

- How many bedrooms and bathrooms are essential for your family?
- What will you use each bedroom for? Example: You say you need 4 bedrooms, one for you, one for your one child, one as a guest room because you have visitors a lot, and another room for your in home office. Sometimes homes can come with a flex space or a second living area, something that is not considered a bedroom. But it would be possible for you to search for a 3-bedroom home that has a flex space you could turn into an office. Determine what each bedroom will be used for to make sure you aren't limiting your search unnecessarily.
- Are you ok with stairs, or do you need a single-story home?

- **Budget:**

- What is your maximum budget? Is there any flexibility to attain certain wants?

- **Maintenance and Condition:**

- Do you need a move-in ready home, or are you able to handle a fixer-upper (Either you are handy enough yourself or you have the financial means to get projects done).
- Are you comfortable with ongoing maintenance for certain features, like a pool?

- **Amenities and Features:**

- What features, like a fence, open-concept, appliances, etc., are essential and which ones are nice to have?
- Is having an outdoor space essential for kids, pets, or entertainment purposes?
- How much parking do you need? Driveway or Garage?
- Does anyone in your family have any special needs that need to be taken into consideration?

- **Future Planning:**

- How long will you hold this home for? Are you planning to expand your family, or will you have members moving out in the coming years?

Start Shopping!

Now you've established your house goals, it is time to start looking at homes! Most buyers begin online, either browsing home search sites or reviewing listings your agent sends from the MLS. Keep this in mind. Photos can be misleading. Some homes look stunning online but disappoint in person, while others have awful photos and are actually solid contenders.

Your search may be virtual or in person, depending on your timeline and comfort level. The key is staying open minded and letting the details, not just the photos, drive your decisions.

Shopping In-Person

- You'll work with your real estate agent to schedule showings around your availability. Your agent will handle the logistics, set the appointments, and provide an itinerary so you know exactly where to be and when. Plan to spend enough time in each home to really evaluate it and picture how your day to day life would function there. Take notes. Ask permission to take photos or videos so everything doesn't blur together later.
- Show up on time and dress smart. Wear shoes you can easily slip on and off, that you do not mind getting dirty, and always wear socks. New construction often means dirt, debris, and uneven ground. Occupied homes often require shoes off. Be respectful.
- Ask questions. See if seller disclosures or home history information are available. Pay attention to details. It is perfectly acceptable to open doors, cabinets, and windows, and to test faucets, light switches, and appliances. This is not window shopping. This is due diligence.

Shopping Virtually

- When shopping sight unseen, your agent becomes your eyes and ears. Showings can be done via live video, recorded walkthroughs, or both. Treat these showings just like in person tours and be thorough. It is completely reasonable to ask your agent to open cabinets and drawers, adjust blinds, and point out any visible defects.
- Keep in mind some things do not translate well over video, like smells, true room scale, or subtle condition issues. Ask your agent to note any odors, good or bad, and to share honest feedback.
- Request measurements or a floor plan if needed, just remember all measurements are approximate unless completed by a professional.

Tips When Home Shopping

1

Unless this is your final duty station, this probably is not your forever home. Buy smart, not dreamy. Focus on function, location, and resale potential, not perfection.

2

Think of your purchase as an investment. Homes generally appreciate over time, and you build equity as you own it. Even a short stay at a duty station can still yield a solid return.

3

It's fine to have wants and needs, but don't stretch your finances trying to check every box. For this short-term stay, decide what you're willing to compromise on.

4

It's okay if your mortgage goes a bit over BAH. Really! If you have other income or can comfortably cover the difference, it's fine. BAH is a tax-free allowance that can cover most, or all, of your mortgage, but going slightly over won't ruin your finances. You can still see a solid return when you sell.

5

Consider homes that need a little TLC. Avoid anything with major repair issues, but look for properties where big systems are updated and smaller updates or cosmetic work are needed. If you're handy, this is a great way to build sweat equity and potentially profit when you sell.

6

Consider a multifamily property. With a VA loan, you can buy a duplex, triplex, or fourplex! You must live in one unit, but you can rent out the others. It's a smart way to build equity and generate extra income.

7

VA loans come with a 60-day occupancy rule, meaning you must move in as your primary residence within 60 days of closing. This allows you to buy a home even before arriving at your next duty station. Some buyers are comfortable purchasing sight-unseen, others make a quick trip to shop first, and some prefer to wait until they've moved to start house hunting.

Homeowner's Associations

A Homeowners' Association (HOA) is set up by a developer to manage and maintain a community of homes, townhouses, or condos. Once enough homes are sold, control usually transfers to the homeowners. As a member, you'll pay dues that cover shared spaces and community amenities. HOA costs vary by community, but generally cover some or all of the following:

- **Maintenance and Repairs of Common Areas:** This includes things like landscaping, street cleaning, and snow removal.
- **Amenities:** Some communities have amenities like a pool, fitness center, or clubhouse, which are maintained by the HOA.
- **Utilities:** Depending on the community, the HOA may cover the cost of water, electricity, and other utilities for common areas.
- **Insurance:** The HOA will typically have insurance to cover common areas.

PROS

Consistent Look: HOAs help keep homes in the community looking uniform and well-maintained, which can boost curb appeal and protect property values.

Access to Amenities: HOAs often offer perks like pools, gyms, or clubhouses that might be too expensive to have individually.

Dispute Resolution: HOAs can mediate neighbor disputes and enforce community rules, helping prevent conflicts from escalating.

CONS

Property Rules: HOAs set guidelines for what you can and can't do with your property, from exterior changes to landscaping and more.

Limited Flexibility: Once homeowners control the HOA, making changes to rules or operations can be challenging.

Cost: HOA fees can be a hefty, ongoing expense, and you're required to pay whether you use the amenities or not. Fees can also rise unexpectedly over time.

HOAs can keep a community well-maintained and appealing, but the fees and rules aren't for everyone. Weigh the pros and cons carefully before buying in an HOA-managed neighborhood.

Make An Offer

You've found a home you love, now it's time to make an offer! Your agent will guide you, but it's important to know your options. Decide what matters most and identify your non-negotiables before submitting your offer.

Points of Negotiation

Purchase Price: Make sure it's realistic based on market conditions, comparable sales, and any other terms you want included.

Earnest Money: This deposit shows your commitment—usually 1–3% of the purchase price, but it can be negotiated.

Inspection Period: Negotiate how long you have to complete inspections and due diligence.

Financing Contingency: Protect yourself with a clause allowing you to back out if you can't secure a mortgage.

Appraisal Contingency: Required for VA loans; ensures the home appraises at or above the purchase price.

Additional Terms: You can include other requests to sweeten the deal or ask for seller concessions—options are nearly limitless.

- Request closing cost assistance.
- Request a professional cleaning. Request the
- Seller pay for a 1-year home warranty for the Buyer. Request certain repairs be completed
- prior to closing.

Negotiation Strategy

You can raise the purchase price to cover concessions, but avoid creating appraisal issues.

A higher deposit shows confidence and can make your offer stand out, just make sure you can afford it.

Consider shortening it to make your offer more competitive.

A shorter contingency signals confidence in your financing and a quicker closing.

You can pay the difference in cash or renegotiate other terms if the home appraises low.

Customize terms to their needs, offer a rent-back if they need time, or cover some closing costs to reduce their burden.

**“Everything is negotiable
in real estate!”**

After Submitting An Offer...

After you submit an offer, the seller has 3 choices:

Accept

**Buyer and Seller
"go under
contract" and
proceed with
the transaction.**

- Submit earnest money, schedule inspections, and secure financing.
- Anything can happen in a real estate transaction, even moments before you reach the closing table. Remember, the home is not yours until after closing and settling!
- Do not do anything to change your financial picture such as quit your job, change jobs, open or close lines of credit, or make big purchases.

Counter

**Buyer and Seller
enter into
negotiations.**

When the seller submits their counter offer to you, then you have the same 3 options: accept, counter, or reject. Typically, the ultimate goal is to find terms that work for both parties, but this does not always happen.

Reject

**Buyer resumes
home shopping.**

- It can hurt and feel like a loss. This happens sometimes, like when there are multiple offers or if you decided to submit an offer under the seller's expectations or financial goals.
- Try not to get too attached to a home until you are officially under contract.
- If it's a home you love, don't submit a "hardball" offer.

After you have an accepted offer, the next pages outline typical next steps.

Submit Earnest Money

A real estate contract isn't valid without consideration, usually in the form of an earnest money deposit. Also called a "good faith deposit" or "binder," this is money you give the seller at the start of a transaction to show you intend to follow through. The amount is typically a percentage of the purchase price, but you and your agent can choose the exact sum. It's usually submitted with the offer or shortly after it's accepted and is held in escrow by a neutral third party like a title company or brokerage. Earnest money proves you're serious and gives the seller some financial protection if you back out without a valid reason.



Where your earnest money goes depends on the contract. Usually, if the sale closes, it's applied to your purchase price or closing costs. If the deal falls through due to a contract contingency, like a failed inspection or financing issues, it's typically returned to you. But if you back out without a valid reason or fail to meet contract terms, the seller or broker may keep some or all of it as compensation. Always read your contract carefully and understand the terms before submitting earnest money.

If disputes arise, parties usually try mediation before going to court. Talk with your agent and, if needed, a real estate attorney to make sure you know your responsibilities and minimize the risk of losing your deposit.

Schedule Your Home Inspection

You've likely negotiated an inspection period, also called a "due diligence" period, which begins once your contract is executed. This time isn't just for a home inspection, it's for any inspections or research you consider important. You have the right to use this period fully, so take advantage of it. Some inspections are required for financing, while others are optional. Here's a list of inspections and investigations you might consider:

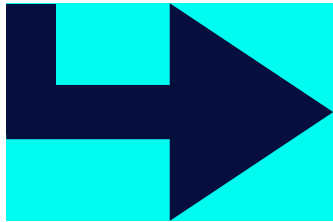


- General Home Inspection**
- Wind Mitigation**
- 4-Point Inspection**
- Structural Inspection**
- Roof Inspection**
- Foundation Inspection**
- Wood Destroying Organism Inspection**
- Sprinkler System Inspection**
- Well Testing**
- Septic Tank Inspection/Cleaning**
- Radon Inspection**
- Mold Testing**
- HVAC Inspection**
- Chimney Inspection**
- Pool Inspection**

Review Inspection Report(s)

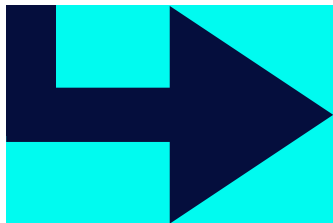
Once your inspections are complete, you'll get an inspection report, a detailed document from the inspector outlining their findings.

After reviewing it, you have a few options:



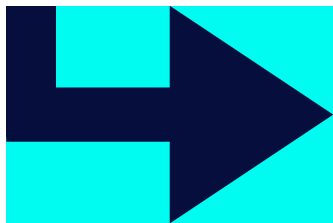
Request additional inspections.

You can extend the inspection period and hire a specialist if the inspector isn't licensed for certain issues, giving you more time to evaluate before deciding.



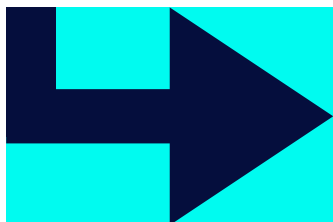
Request repairs.

Focus on safety items or repairs that may be required by lender, loan type, or insurance companies first. Buyer and seller will negotiate.



Proceed with contract.

If you are satisfied with the results, you can proceed with the contract without additional negotiations.



Get out of contract.

If the results are too extensive or if the seller is unwilling to complete the repairs, you can get out of contract.

Order the Appraisal

Lender requests appraisal payment from buyer, then orders the appraisal through the VA portal. A random, VA-qualified appraiser is assigned.

The appraiser physically inspects the property. They evaluate its condition, size, layout, features, and any recent renovations or improvements.

The appraiser looks at recently sold comparable properties, also known as comps, that match your home's size, location, and features to determine its market value.

The appraiser compiles the findings into a detailed appraisal report, which includes the property's estimated market value, a description of the property, details of the comps used, adjustments made, and the appraiser's reasoning.

The appraisal report is turned into the VA portal. If the property's market value is determined to be at or above contract price, the transaction moves forward. If the value comes back low, the lender issues a "Tidewater Notice."

What Happens If the Appraisal Comes In Low

It happens more often than you'd think, especially in a shifting market. A low appraisal doesn't automatically kill the deal, but it does mean we need a strategy

Tidewater

- **Tidewater is a process triggered when the appraiser's initial value comes in lower than the contract price. The appraiser notifies the lender but does not disclose the value at this stage.**
- **The lender has two business days to inform the borrower, real estate agents, and other involved parties. They then have 48 hours to provide additional comparables or information that could support the sales price.**
- **The appraiser reviews the new information, updates the report if relevant, and submits the final appraisal to the lender.**
- **If the new data supports a higher value, the appraised value may be adjusted; if not, it remains as originally determined.**

If the value has been adjusted to match or exceed the contract price, the transaction can proceed and financing can be secured.

If the value is still lower than the contract price, then the borrower can either:

- Get out of contract
- Enter into the ROV process

Reconsideration of Value

- **The ROV process is used after the appraisal report has been completed, and the borrower or lender disagrees with the appraised value.**
- **A formal request is submitted along with supporting evidence to justify a higher value.**
- **The appraiser reviews the request and can either agree with the original value or adjust it based on the information provided. A final decision is then issued.**

If the value has been adjusted to match or exceed the contract price, the transaction can proceed and financing can be secured.

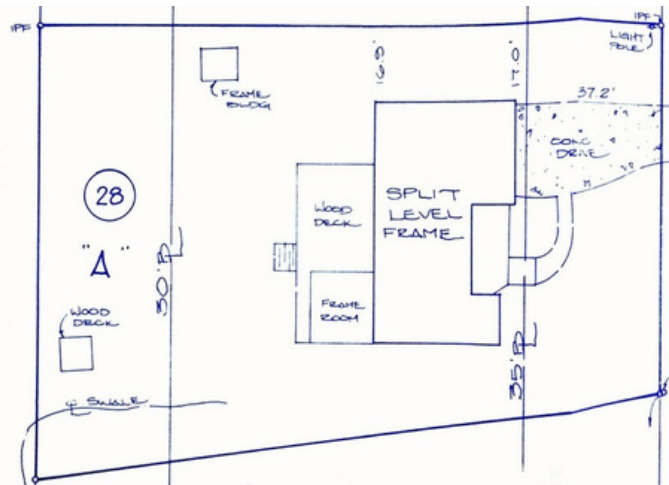
If the value is still lower than the contract price, then the borrower can either:

- Get out of contract
- Renegotiate terms with the seller
- Bring the difference in cash to closing

Survey

A survey, or plat map, is a professional assessment of a property that shows its boundaries and the placement of any buildings or structures. Lenders typically require a survey to close a real estate transaction. If the seller has a recent, valid survey, it may be accepted, and a new one might not be needed. If a new survey is required, the cost may fall on either the buyer or the seller, depending on the contract terms.

Here is an example of a survey, but an official one will have the seal of the company conducting the survey, a legend, and property identifying information like the legal description.



Benefits of having a survey

Property surveys show the exact boundaries of a parcel of land, helping prevent future disputes with neighbors.

A survey can reveal encroachments, where structures on one property extend onto a neighboring property, allowing you to address them before closing.

A property survey is a legal document that can be used in court to resolve disputes over boundaries or property rights.

Surveys can verify that a property meets local zoning rules and setback requirements.

Surveys document property features like buildings, fences, driveways, roads, and improvements such as decks or pools.

A survey identifies existing easements, which are legal rights allowing others to use part of the property. The most common type is a utility easement.

Obtain Homeowner's Insurance

Tip: Get 3–5 quotes from different companies to compare. Ask your agent for recommendations

Gather the necessary information. Companies will ask you for basic property information including square footage, safety features, building materials, presence of extra buildings, age of the systems, and personal information such as your DOB, other family members, and pets.

Tip: Ask your real estate agent to send you a copy of the MLS page of your home and that will contain most of this information.

If you're financing your home, a home insurance policy is required to secure your loan. Even if you're paying cash, getting insurance is smart to protect your investment. Don't just shop for the cheapest policy, make sure to compare coverage details, exclusions, and limits as well.

Compare:

Price: Are they all roughly the same cost, or is one unusually high or low?

Claims Process: You should also look at what the claims process is like and how easy it will be to get ahold of your company. Pay attention to their communication and level of responsiveness. Great customer service is invaluable.

Deductible: This is the price you will pay if you have to file a claim. Typically, if the deductible is higher the policy can be cheaper and vice versa.

Coverage: Review the coverage carefully to know what is included and excluded. You may need to request a separate policy for additional coverage.



Note: Sometimes there is a different deductible for certain perils. Be sure you pay attention especially if you live in an area prone to hurricanes, earthquakes, or the like.

The Title Search Process

The title company researches public records to uncover any issues that could affect a clear property title. This includes previous mortgages, liens, unpaid taxes, permits, special assessments, easements, and more. Gathering this information can be time-consuming since records are often scattered across multiple sources. Once potential issues are found, the title company provides the details to the buyer, seller, and their agents so they can resolve them before closing.

What is a title insurance commitment?

A title commitment is a document that explains the conditions under which a title insurance policy will be issued after closing. Owner's title insurance protects the buyer, ensuring they own the home and have a clear, marketable title free of liens, claims, or restrictions. If there's a mortgage, the lender will also have a title policy. The title commitment has three main parts:

- **Schedule A:** Contains essential identifying information of the seller, buyer, property address, legal description, purchase price, and amount of insurance coverage.
- **Schedule B-I:** This section lists the requirements that must be resolved before the title policy is issued. Any liens, judgments, unpaid taxes, or existing mortgages need to be cleared before closing.
- **Schedule B-II:** This section outlines the exceptions to coverage issues, defects, or encumbrances the policy will not cover, such as easements, restrictions, or matters not found in public records.

Common ways to take title:

There are several ways to take title to a property, and because this decision can affect ownership rights and survivorship, it's wise to consult an attorney for guidance tailored to your situation. Here are some common ways to take title so you're familiar with the terms:

- Sole Ownership
- Tenancy by the Entirety
- Tenancy in Common
- Joint Tenancy
- Life Estate
- Community Property
- Trust
- Corporation or LLC

Finalizing Your Mortgage

Your lender's job is to collect the necessary documents, order the appraisal, and move your loan through underwriting toward closing. Your job is to provide those documents promptly and avoid actions that could jeopardize your loan, like opening new lines of credit or making large purchases. Any major changes to your finances could put your financing, and your home, at risk.

What is underwriting?

Underwriting is where the lender assesses the risk of your mortgage application. They review your credit, financials, and the property's value to decide if you qualify. Sometimes a loan is approved with conditions, meaning you'll need to provide extra documentation or explanations to satisfy the underwriter. Once all conditions are met, the underwriter gives a "clear to close," and the lender coordinates with the closing agent to finalize numbers and prepare closing documents.

The 3-Day Rule requires that borrowers receive the closing disclosure at least three days before closing. This gives you time to review all the numbers, ensure everything is accurate, and ask questions before you sign at the closing table. Here's an example of what a closing disclosure looks like.

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
Date Issued	4/15/2013	Borrower	Michael Jones and Mary Stone	Loan Term	30 years
Closing Date	4/15/2013		123 Anywhere Street	Purpose	Purchase
Disbursement Date	4/15/2013		Anytown, ST 12345	Product	Fixed Rate
Settlement Agent	Epsilon Title Co.	Seller	Steve Cole and Amy Doe	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
File #	12-3456		321 Somewhere Drive	Loan ID #	123456789
Property	456 Somewhere Ave	Lender	Anytown, ST 12345	MIC #	000654321
	Anytown, ST 12345		Ficus Bank		
Sale Price	\$180,000				

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES	As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206.13	+ 206.13
Estimated Total Monthly Payment	\$1,050.26	\$967.91

Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>	This estimate includes	In escrow?
\$356.13 a month	<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues	YES YES NO
	<small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

The Final Walkthrough

A final walkthrough is your last checkpoint before closing, and it matters. This is when you confirm the home is in the condition agreed to in the contract, that any negotiated repairs are complete, and that nothing has changed since you last saw it. It happens shortly before closing and protects you from surprises at the table. This is your opportunity to speak up, ask questions, and make sure you are actually getting what you are paying for. Skipping it is a gamble. Use it.

The final walkthrough lets you confirm the home is in the condition you agreed to, that all negotiated repairs are completed, and that there are no new issues, damage, or surprise changes before closing.

The final walkthrough also gives you the opportunity to confirm that all agreed-upon appliances, fixtures, and personal property are still in the home and in the condition promised in the contract, with no last-minute surprises.

During the final walkthrough, you can check that all utilities like water, gas, and electricity are turned on and working properly, so you do not move in and immediately discover issues with essential services or

If you notice any problems during the final walkthrough, you can flag them to the seller right away, giving everyone a chance to fix or address the issue before closing and helping you avoid headaches after you take possession.

The final walkthrough gives you peace of mind. It confirms the home is in the condition you expect and that agreed-upon repairs are complete, so you can head to closing confident.

The Closing Process

Once the loan is finalized and you've had three days to review your closing disclosure, you will schedule a time to sign your closing documents!



Closing can happen in person at the title company or remotely, which is a huge win for military buyers buying before they arrive at their next duty station. Just keep the VA's 60-day occupancy rule in mind when planning. Some documents can be signed electronically, but key paperwork still requires wet signatures. For a remote closing, the title company will send documents to a trusted local professional near you, like a mobile notary, base legal office, or nearby title office. You'll sign, the documents get sent back, and boom, deal done. Distance does not have to slow you down.

Part 2: Your VA Benefits

For military members and veterans, the VA loan is a game changer. No down payment, competitive interest rates, no private mortgage insurance, and flexible credit requirements make buying a home more accessible than many traditional loan options.

If you receive a housing allowance, it can help offset your monthly payment and increase your buying power, allowing you to build equity instead of paying rent. Even without it, the VA loan still offers a strong financial advantage.

Understanding how to use this benefit is key. This section breaks down eligibility, features, and smart strategies so you can buy with confidence and build long-term wealth.

Not eligible for a VA loan? No problem. There are other great options available, and we can go over those together.

The VA Loan – FAQ

What is the VA loan?

The VA loan is a mortgage backed by the Department of Veterans Affairs. Private lenders issue the loan, but the VA guarantees it, making it easier to qualify. Benefits include no down payment in many cases, competitive rates, no PMI, and friendlier credit rules. It's available to active duty, veterans, and eligible surviving spouses.

What is Entitlement?

VA entitlement is the amount the VA guarantees on a loan, protecting lenders if you default. It's not the same as the maximum loan amount you can borrow, it just shows the VA's backing.

What is a Certificate of Eligibility?

Your COE shows how much VA entitlement you have, if any. You can get it yourself from the VA website, or your lender can pull it for you once you've started the preapproval process.

What is the VA funding fee?

The VA funding fee is a one-time payment the VA charges to help keep the loan program running for future veterans. It's an important part of the process, but don't stress, it gets rolled into your loan, so you don't have to pay it upfront out of pocket. The amount depends on your loan size, down payment, and whether it's your first VA loan or a subsequent use.

How do I get a VA loan?

The VA doesn't actually issue the loan, you go to a lender or bank that offers VA loans. Most lenders in the U.S. do, but it's smart to choose one who really knows the VA loan inside and out so you get the full benefits.

Can I use the VA loan more than once?

You can use a VA loan on your first home with no VA-set limit. Sell the home and your full entitlement is restored, or keep it and use any remaining entitlement on a second property. We'll cover this more in Using the VA Loan as an Investment Strategy.

Key Benefits of the VA Loan

No Private Mortgage Insurance (PMI):

Unlike conventional loans that require PMI when the down payment is less than 20%, VA loans do not require PMI. This can save borrowers a considerable amount of money over the life of the loan.

Easier Qualification Standards:

It is designed to help veterans and service members, so the qualification requirements are often more lenient than other loan types – like more flexible credit standards and debt-to-income ratios.

Adapted Housing Grants:

The VA helps service members with service-connected disabilities purchase or modify a home to meet their needs.

No Down Payment:

One of the most significant advantages of a VA loan is that borrowers can purchase a home with no down payment. This benefit can make homeownership attainable for those who might not have substantial savings.

Competitive Interest Rates:

VA loans typically offer lower interest rates compared to conventional loans. This can result in lower monthly payments and significant savings over time.

Foreclosure Avoidance Assistance:

The VA provides resources and counseling to help prevent foreclosure in times of financial difficulties.

Lifetime Benefit:

This is your lifetime benefit.* The VA guaranty does not expire, and you can use it more than once. (You do risk losing it if you foreclose)

No Prepayment Penalty:

VA loans do not have a prepayment penalty, allowing borrowers to pay off their loan early without incurring additional fees.

Assumable Loans:

VA loans are assumable with lender permission, meaning a buyer can take over your VA loan under the same terms. This can be an attractive feature for potential buyers and may help you sell your home more easily.

Limited Closing Costs:

The VA limits the closing costs that can be charged to the borrower.

Are You Eligible?

The VA home loan is only accessible by those who are eligible. One is eligible based on their service history and duty status; you may be eligible if you meet the minimum active-duty service requirements. To learn if you may be eligible, go to <https://www.va.gov/housing-assistance/home-loans/eligibility/>

Current Service Members

If you've served for at least 90 continuous days (all at once, without a break in service), you meet the minimum active-duty service requirement.

Veterans

The minimum active-duty service requirements depend on when you served, whether wartime or peacetime.

Visit <https://www.va.gov/housing-assistance/home-loans/eligibility/>

Reserve and National Guard Members

The minimum active-duty service requirements depend on when you served, whether wartime or peacetime.

Visit <https://www.va.gov/housing-assistance/home-loans/eligibility/>

Spouses and Other Situations

In some cases, such as surviving spouses of a Veteran or the spouse of a POW/MIA, spouses can be eligible for these VA benefits.

If you are not eligible based on the categories above, there are some forms and applications one can fill out to request changes to make you eligible. Generally, you won't be eligible if you were discharged from service other than honorably, but there are ways to try to change the way you were discharged with a review process.

The VA Funding Fee

The VA funding fee is a one-time payment required by the Department of Veterans Affairs (VA) to help offset the costs of the VA loan program and ensure its sustainability. This fee is a crucial part of the VA loan process, and it helps to keep the program available for future generations of veterans. The funding fee is typically rolled into the loan amount. And the VA funding fee amount depends on loan amount, down payment about, and first time vs subsequent use.

	If your down payment is...	Then your VA funding fee will be...
First Use	Less than 5%	2.15%
	5% - 10%	1.5%
	10% or more	1.25%
Subsequent Use	Less than 5%	3.3%
	5% - 10%	1.5%
	10% or more	1.25%
Refinance VA loan (IRRRLs)		.5%

Some members may be exempt from the VA funding fee, such as those with a service-connected disability.

VA Loan as an Investment Tool

Can you use a VA loan more than once? Yes!

A VA loan can be used for your first home purchase with no VA-set loan limit (though lenders may still have limits based on debt-to-income, credit, etc.). If you sell the home, your full entitlement is restored, or you can keep it and use remaining entitlement for a second home. Since a VA loan can be used multiple times, it's a powerful investment tool. Here's an example of how an active duty service member could use their VA loan to build wealth:

Duty Station #1:

With a VA loan, you can purchase a home with zero money down. Look for a home that meets your minimum needs and stays under your budget—ideally even below your BAH. You might also consider a home that needs a little work so you can build sweat equity through minor upgrades while you live there.

When you leave Duty Station #1, rent out this home.

Duty Station #2:

You'll rent out your first home and likely still have remaining VA entitlement. You can use a VA loan again to buy a second home with zero down, this one can be more tailored to your family's needs. Ideally, you'll see some profit from the rent on your first home while focusing on building savings. When it's time to PCS again, you'll rent out this second home too.

Duty Station #3

By now, you may have little remaining VA entitlement for a full home purchase. You have two options. First, refinance a previous home and use the VA's one-time restoration to get that entitlement back for your next purchase. Second, use a different loan type, which may require a down payment, but by this point, you could have the savings to cover it.

And the pattern continues as your finances allow. The goal is to generate profit from rentals, grow your savings, and build a portfolio of properties over your military career. By retirement, you could have 3–8 homes generating income and building equity, which you could sell to fund your dream home or boost your retirement savings.

Conclusion

Buying a home is a big move, and it's not something you want to go into blindly. The more you understand the process, the better decisions you'll make and the smoother everything will feel from start to finish.

There are a lot of moving parts, but you don't have to figure it out on your own. From your first showing to closing day, having the right strategy and the right people in your corner makes all the difference.

Every buyer's situation is different. Your budget, your timeline, your goals... it all matters. That's why a one-size-fits-all approach doesn't work here.

If you're thinking about buying, or even just starting to explore your options, let's talk. I'll help you build a plan that makes sense for you and puts you in the best position to win.

Ready when you are!



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real