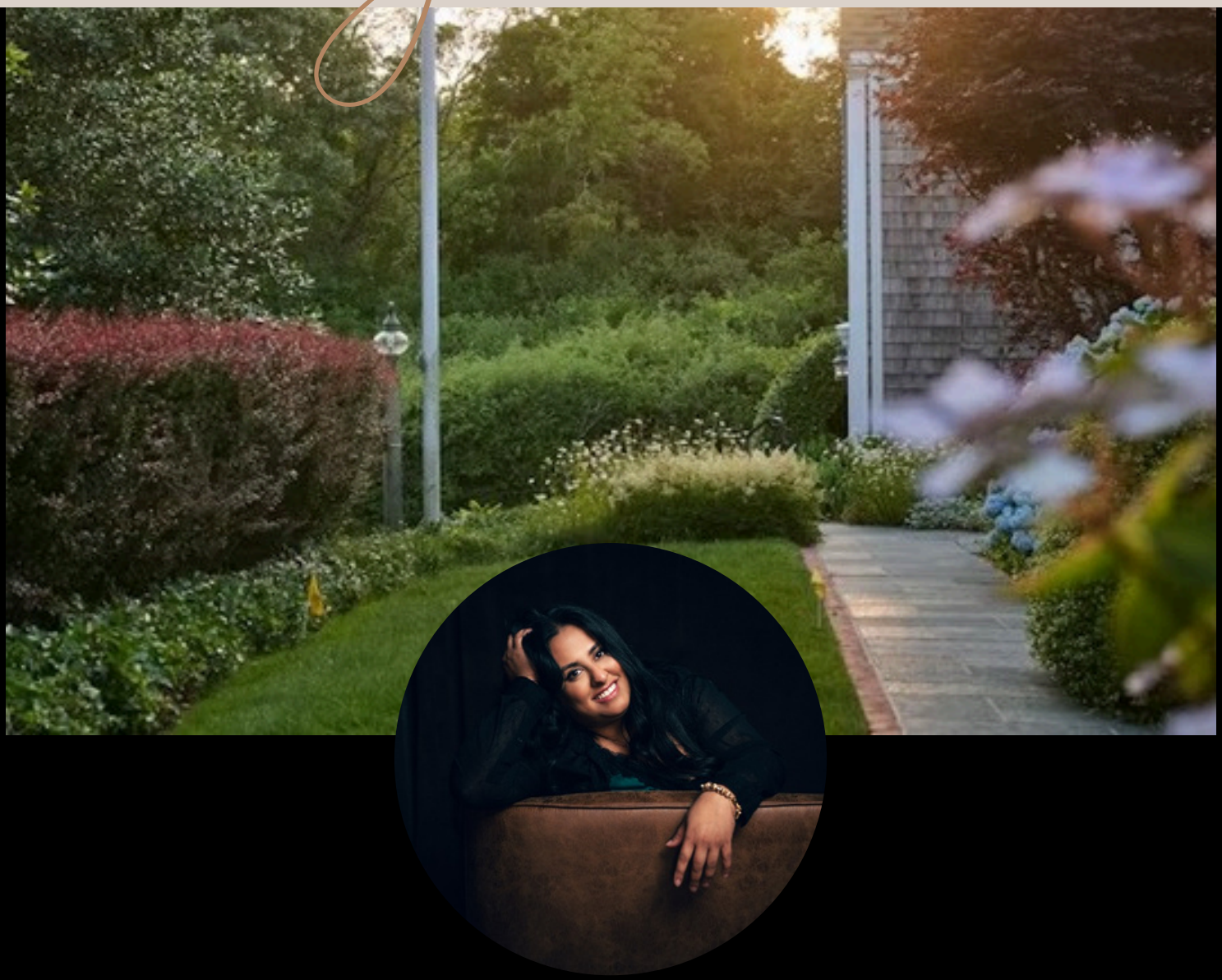
VA Buyer's Edition

The HOMEFRONT CO.

HOME BUYER'S *guide*



A STEP BY STEP RESOURCE ON GUIDING YOU HOME

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THE PATH TO *Homeownership*

Understanding the intricacies of home buying is essential. The key aspects include finding the right property at the right price, ensuring it meets your needs, and navigating the purchasing process effectively. Given the significance of purchasing a home, especially for military families, it's important to work with experienced professionals who can guide you seamlessly through the process.

When you work with us, you gain more than agents, you gain a trusted network. From veteran lenders to veteran-owned inspection, HVAC, and handyman companies, our team is built to serve you at every stage. With advanced tools, strategic guidance, and consistent communication, we ensure a smooth, transparent experience as we guide you home.

WHY CHOOSE THE HOMEFRONT CO.?

Our unique network consists of veterans and military spouses who understand the challenges of relocating due to PCS orders. This shared experience provides us with unmatched insights and expertise, which we leverage to assist you optimally. Our strategies are tailored, focusing on connecting you with the right properties - both digitally and in-person. We excel in providing high-quality property insights and clear, comprehensive information. With The Homefront Co. by your side, rest assured, you're in capable and trustworthy hands!

The HOMEFRONT co.

OUR PROMISE

WE UNDERSTAND RELOCATIONS

At The Homefront Co., we understand that a PCS move is more than a home purchase, it is a major life transition. As a team with firsthand military lifestyle experience, we know the unique timelines, logistics, and challenges that come with relocation.
Our service extends beyond the transaction. From receiving household goods to helping families settle in with temporary essentials before move-in, we take pride in supporting our clients through the real-life moments that make a new place feel like home.
From your first conversation to well beyond closing day, our commitment is simple: exceptional guidance, genuine advocacy, and service that puts your family first.

OUR TEAM

- **Exclusivity**: Our Realtors exclusively represent you, always putting your needs first in the home buying process.
- **Market Insight**: They deliver accurate market analysis, tailored to find the ideal home for you.
- **Tour Coordination:** Manages the scheduling of home viewings, ensuring they fit your criteria and approval.
- **Expert Navigation:** Skillfully guide you through complex contracts, always focusing on your best interests.
- **Guided Buying Process:** They support you throughout the buying journey for a seamless transition to your new home.
- **Current Knowledge:** Always up-to-date with local and federal regulations, ensuring you get the best terms and price for your home purchase.

WHAT IS A BUYER'S *agent*

An experienced buyer's agent is more than just an individual assisting you in finding a home; they are dedicated professionals who guide you through the entire home acquisition process, from initial search to the final closing. Their role extends far beyond just providing casual weekend home tours.

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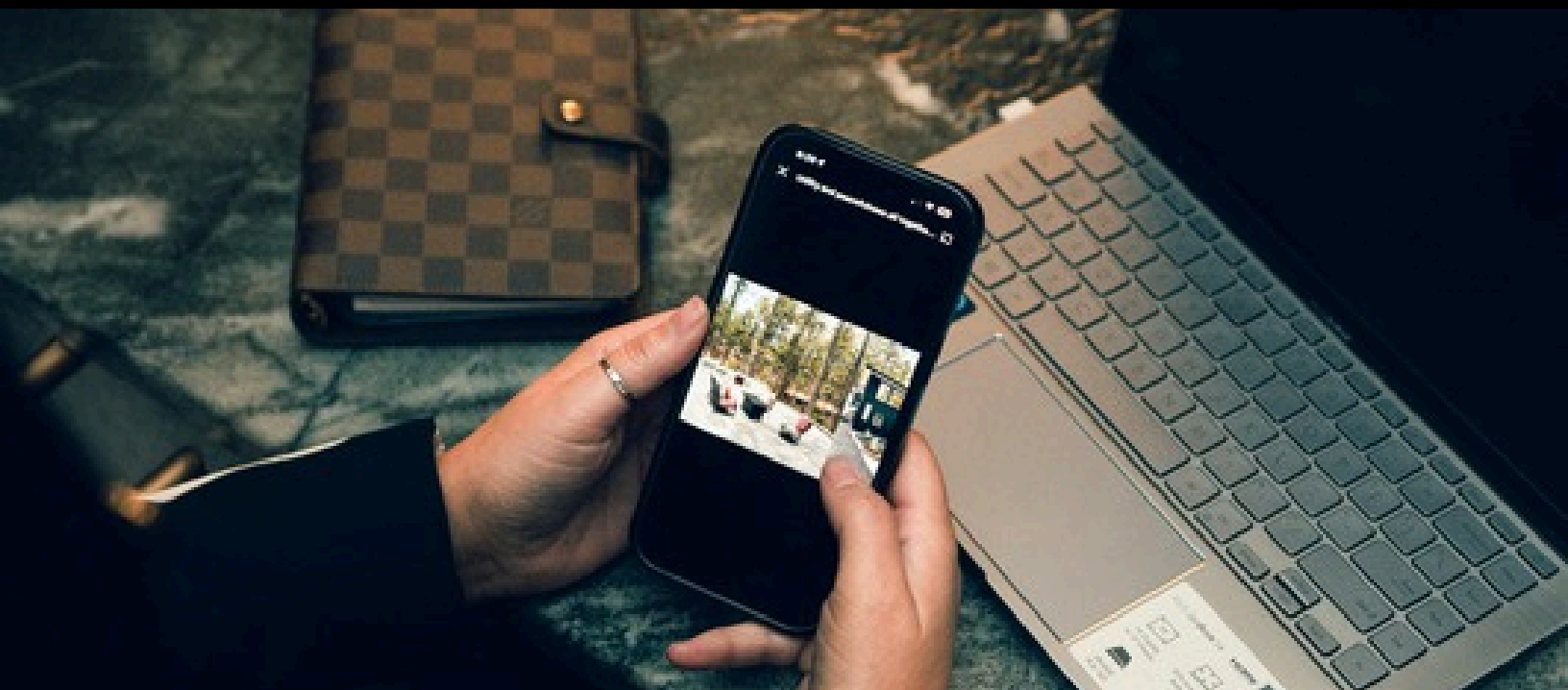
By engaging a buyer's agent, you're securing a committed advocate for your interests. They offer expert advice, provide comprehensive information about each property, and remain readily available for viewings and other critical tasks. Importantly, they uphold strict confidentiality, protecting your personal information and any sensitive details they learn about the seller or property.

The best part? We Negotiate Compensation! In the event that the seller is not offering a buyer agent compensation - With your permission, we will negotiate that the seller pays our compensation, keeping our top notch service free to you.

Remember, we are appointed by you, for you. Our primary goal is to safeguard your interests, ensuring a seamless, transparent, and fair home buying experience, free from any complexities or misunderstandings.



Buying vs Renting

In today's dynamic economic environment, the housing market is experiencing a significant rise in rental prices. This trend makes the option of buying a home more financially sensible than renting under the current market conditions.

Homeownership offers numerous advantages, including the opportunity to build equity, the freedom to customize and renovate your space without limitations, the ability to have pets without restrictions, and the potential for a profitable return when selling the property in a strong market.

It's a particularly advantageous time to consider purchasing a home, as waiting could mean facing higher costs in the future due to the potential increase in interest rates, which can significantly impact your monthly expenses.

Rent	1 Year	2 Years	3 Years
$2,000	$24,000	$48,000	$72,000
$2,500	$30,000	$60,000	$90,000
$3,000	$36,000	$72,000	$108,000
$3,500	$42,000	$84,000	$126,000

When you make mortgage payments, your money is invested in a property you own, contributing to reducing your mortgage balance and building equity. Over time, this equity becomes a financial asset.

If you choose to sell your property in a thriving market, there's a good chance you'll not only recoup your investment but potentially make a profit as well. In contrast, rent payments are expenditures that you'll never recover. They ultimately benefit the landlord, as they contribute to their property's equity instead of your own financial growth.

BUYING A HOME, SIGHT *Unseen*

If you're out of town, preparing to PCS, or deployed, don't worry! Our team specializes in helping you find your dream home remotely, a process known as "sight unseen." Through detailed video tours and honest feedback, we act as your eyes, ears, and nose, ensuring you don't miss a thing. We have a successful track record with numerous clients praising our thoroughness and attention to detail.

To provide the best experience, we opt for recorded video tours rather than live calls like FaceTime. This approach ensures clarity and reliability, avoiding technical issues like dropped calls or blurry images. Plus, it allows you to revisit the tour multiple times at your convenience.

Our team, made up of military spouses and veterans, is well-versed in assisting with sight unseen purchases. We're committed to honesty and meticulousness, capturing every detail, from photographs of minor imperfections to comprehensive video overviews.

When you find a home you love, we'll coordinate with your chosen lender to provide a monthly cost estimate. If the numbers align with your budget, we'll handle the offer process electronically, ensuring everything aligns seamlessly with your arrival.

We can even arrange for a mobile notary or remote signing appointment so you can sign your closing documents from wherever you are, allowing you to walk straight into your new home upon arrival. In essence, whatever your situation, we're dedicated to making your home buying experience smooth, transparent, and tailored to your needs.

PRE *Approval*

Understanding the Role of a Lender and the Pre-Approval Process

A lender assesses your financial situation to determine your home loan amount and interest rate. They consider your income, credit history, debt, and employment to offer a suitable loan.

Pre-Approval Process:

- Completing the lender's loan application.
- Authorizing credit checks.
- Providing recent pay stubs or LES.
- Submitting W-2s, LES, or 1099s for the past two years.
- Providing the last two years' tax returns.
- Furnishing the last two months' bank statements.
- Providing a copy of your driver's license.

Importance of Pre-Approval:

Pre-approval clarifies your budget and demonstrates your credibility to sellers, giving you an edge in the housing market. It also expedites the buying process.

Key Questions for Your Lender:

Interest Rates and Loan Terms: How do interest rates affect my payments and total loan cost?

Closing Costs: What are the estimated closing costs and fees? Do they have a lender fee?

Loan Options: Which loan types are best for me and why?

HOME BUYING

Timeline

01 FINDING THE PERFECT AGENT

Talk with our team & let them know you are ready to start your journey.

02 CONNECT WITH A LENDER

They will connect you with a lender and begin the mortgage pre-approval process.

03 THE FINE DETAILS

You and your agent will go over your must haves & check the market for availability.

04 TOURING HOMES

Your agent will begin scheduling home tours whether in person or virtual showings depending on your situation.

05 YOU'VE FOUND THE ONE

After finding your dream home, you and your agent will review the property details and craft a solid offer.

06 YOU'RE UNDER CONTRACT

Once your offer is accepted, you'll enter a 21-35 day period where your lender finalizes the loan as home inspections and appraisals are conducted.

07 HOME INSPECTION

Your agent will collaborate with you to negotiate with the seller for any desired repairs to be addressed before the sale.

08 CLOSING DAY

Once mortgage conditions are met and all negotiations are agreed upon, you'll sign the final purchase contract at the title company and move into your dream home.

VA LOAN *fast facts*

$0 Down Payment
No down payment required for qualified Veterans and active duty.

No Private Mortgage Insurance (PMI)
Keep your monthly payment lower compared to conventional loans.

Flexible Credit Guidelines
Many local lenders can work with scores in the 500s depending on the full picture.

Competitive Interest Rates
VA loans consistently offer some of the lowest rates on the market.

Lower Closing Costs
VA guidelines protect buyers by limiting certain fees.

Easier Qualification for Military
Active duty service (90+ days) can meet work history requirements.

When it comes to using your VA loan, who you choose to work with matters just as much as your eligibility.

While many big banks look for a credit score of 640+ and a strict two-year work history, VA loans are designed to be more flexible, especially for our military families. For active duty, just 90+ days of service can meet work history requirements, and with the right local lender, we've seen approvals happen with credit scores in the 500s when the rest of the file makes sense.
This is exactly why we always guide our clients toward working with a trusted local lender instead of a big bank. Local lenders understand the VA loan inside and out, they can get creative when needed, and most importantly, they actually pick up the phone and fight for you.

Our go-to is **Andrew Deyo with Rate.** He's not only a VA loan expert - he's a Veteran himself, which means he truly understands the families he's serving. We've worked with him on countless transactions, and time after time, he's helped our clients get into homes they didn't think were possible.

If you're even thinking about buying, don't count yourself out before you know all the facts.
Let's connect you with a team that knows how to make it happen - for you.

WONDERING WHAT YOUR MONTHLY PAYMENT MIGHT LOOK LIKE?

Scan to check out our mortgage calculator

MAKING AN *Offer*

01 KNOW YOUR BUDGET

02 MAKE A STRONG BUT FAIR OFFER

03 BE READY TO MOVE FAST

04 BE FLEXIBLE NEGOTIATOR

05 LEAN ON US TO GUIDE YOU

We will engage with you in a detailed discussion about your housing preferences. We'll explore your 'must-haves', 'nice-to-haves', and 'deal-breakers', and we'll be honest about the realism of your expectations. Often, finding the perfect home involves stretching your budget or reevaluating your priorities. Many first-time buyers quickly find that adjusting their expectations is key to finding their ideal home.

At The Homefront Co., our goal is to make house hunting both efficient and enjoyable. For in-person searches, we'll arrange a streamlined tour of potential homes that meet your criteria. For remote buyers, we'll provide comprehensive video tours of homes you're interested in.

It's common to not immediately fall in love with most homes you see. But don't worry, when you find 'the one', you'll feel it. It might take several visits or video tours, but with new listings appearing daily, your perfect home is out there. Once you find it, we'll guide you through the process of making an offer, balancing your desires with market realities to secure your new home. Stay optimistic and open-minded throughout your search – your ideal home awaits!

INSPECTION *Period*

WE COVER THE COST OF YOUR HOME INSPECTION UP TO $550

The next step in your homebuying journey is a professional inspection. We'll recommend trusted inspectors for you to choose from. The inspection is crucial for examining major systems (heating, roof, electrical, plumbing, structural), identifying serious issues, and educating you on home maintenance and future attention areas. Remember, an inspection doesn't guarantee the condition of the house. If an inspector suggests further investigation of a major system, you can choose to pay for additional inspections or request the seller to investigate, but there are no guarantees.

POST INSPECTION

Following the inspection, you have the right to ask the seller to address major issues. The seller can agree, counter, or decline your requests. It's important to focus on significant problems rather than minor ones. Any agreed repairs should be completed before closing, unless otherwise arranged. Keep in mind, the inspection's purpose is to reveal serious concerns, not minor flaws like leaky faucets or cosmetic issues.

APPRAISAL

After inspection, the home is appraised to confirm its value matches your offer. If the appraisal is lower than your contract price, there are three solutions: the seller reduces the price, you cover the difference, or you back out of the deal (with a VA loan, your earnest money is refunded). We will guide and negotiate for you to achieve the desired outcome.

INSPECTION & *Appraisal Guide*

Understanding the home inspection and appraisal processes is crucial in your home-buying journey. A professional inspector will assess the property's condition, focusing on structural integrity, roofing, plumbing, and electrical systems, among others. Interpreting these findings is essential for informed decision-making.

Meanwhile, an appraisal, often required by lenders, determines the home's market value, considering factors like location, size, and condition. Knowing the implications of these evaluations is key to addressing any potential concerns during your purchase.

HOME INSPECTION TIPS:

- Focus on major issues like structural integrity, roof condition, electrical and plumbing systems.
- If your schedule allows, attending the inspection is a great way to walk through the home with the inspector, see any findings firsthand, and gain confidence in your purchase.

UNDERSTANDING THE APPRAISAL:

- Know that appraisals determine the home’s market value for the mortgage lender.
- Review the appraisal report to ensure the agreed price is in line with the home’s value.
- Be prepared to renegotiate or make decisions if the appraisal comes in lower than the offer price.

POST-INSPECTION ACTIONS:

- Discuss significant issues with your agent for potential renegotiation.
- Decide if any discovered issues are deal-breakers.

USING APPRAISAL RESULTS:

- Use the appraisal to confirm you're making a sound investment.
- Understand that a higher-than-offer appraisal gives you instant equity.

CLOSING PROCESS *Checklist*

REVIEW CLOSING DISCLOSURE:

Confirm all financial details are accurate a few days before closing.

FINAL WALKTHROUGH:

Inspect the property one last time, ideally 24 hours before closing.

CLOSING COSTS:

Prepare to pay closing costs, typically 2-5% of the home's purchase price.

REQUIRED DOCUMENTATION:

Bring all necessary documents, including photo ID and proof of insurance.

PAYMENT METHOD

Arrange for a cashier's check or wire transfer to cover closing costs.

UNDERSTANDING THE PAPERWORK

Don't hesitate to ask your agent or attorney any last-minute questions.

ASK QUESTIONS

Don't be afraid to ask questions throughout the closing process.

KEYS & ACCESS

Ensure you receive all keys, codes, and access devices for the property.

RECORD KEEPING

Keep copies of all closing documents for your records.

MUST HAVE *Home Features*

What's important to you?

Kitchen

- [ ] Updated Appliances
- [ ] Modern Countertops
- [ ] Spacious Pantry for Storage
- [ ] Island or breakfast bar

Living Area

- [ ] Open Floor Plan
- [ ] Hardwood Flooring
- [ ] Built-in Shelves or Storage
- [ ] Large Windows

Bedrooms

- [ ] Split Floor Plan
- [ ] Primary on Ground Floor
- [ ] Walk-in Closets
- [ ] En Suite Bathrooms

Bathrooms

- [ ] Double Vanities
- [ ] Updated Countertops
- [ ] Modern Fixtures & Lighting
- [ ] Large Soaking Tub

Outdoor Spaces

- [ ] Well-maintained Landscaping
- [ ] Functional Patio or Deck Area
- [ ] Outdoor Kitchen or Barbecue
- [ ] Swimming Pool or Hot Tub

Additional Features

- [ ] Home Office or Study
- [ ] Dedicated Laundry Room
- [ ] Two-Car (or Larger) Garage
- [ ] Smart Home Technology

ADDITIONAL *Notes*

NEIGHBORHOOD *Preference*

TYPE OF NEIGHBORHOOD

What type of neighborhood are you looking for?

- ☐ Urban: bustling city life
- ☐ Suburban: balanced urban and residential
- ☐ Rural: peaceful, spacious countryside

COMMUTE PREFERENCES

What is your preferred commute time to work?

- ☐ Less than 15 minutes
- ☐ 15-30 minutes
- ☐ Over 30 minutes

SCHOOL QUALITY

How important is the quality of local schools?

- ☐ Very Important
- ☐ Somewhat Important
- ☐ Not a Priority

COMMUNITY AMENITIES

Which amenities are important to you? (Select all that apply)

- ☐ Parks and green spaces
- ☐ Shopping centers/malls
- ☐ Restaurants and cafes
- ☐ Public tranportation access
- ☐ Fitness centers or sports facilities

SAFETY & CRIME

Rate the importance of low crime rates and safety.

- ☐ Very Important
- ☐ Somewhat Important
- ☐ Neutral

NOISE LEVEL

Do you prefer a quiet neighborhood or don't mind some noise?

- ☐ Prefer quiet
- ☐ Don't mind noise
- ☐ Indifferent

COMMUNITY ENGAGEMENT

How important is a sense of community and neighborhood events?

- ☐ Very Important
- ☐ Somewhat Important
- ☐ Not a Priority

RECREATIONAL ACTIVITIES

Are cultural and recreational activities important to you?

- ☐ Yes, very much
- ☐ Somewhat
- ☐ Not much

OFFER STRATEGY *Worksheet*

Making an offer on a home is a crucial step. This worksheet is designed to help you think through your strategy, ensuring you make a strong and informed offer.

MAXIMUM OFFER PRICE:

Determine the highest price you're willing to pay for the property.

KEY CONTINGENCIES:

List any contingencies you wish to include, such as home inspection, financing, or sale of current home.

CLOSING DATE PREFERENCE

Indicate your preferred closing date or timeframe.

EARNEST MONEY DEPOSIT

Decide on an earnest money deposit amount to demonstrate your commitment.

CLOSING DATE PREFERENCE

Consider if you'll request any concessions, like closing cost assistance.

FREQUENTLY ASKED *Questions*

We understand that buying a home is one of the most significant decisions you'll ever make, a journey filled with many questions and important choices. Whether your questions are big or small, our team is always here to provide clear, helpful answers and guidance.

CAN YOU HELP ME FIND NEW CONSTRUCTION HOMES?

Yes, we will work directly with the builders to gather necessary information for your decision. We will join you on your first visit or provide video tours. We may negotiate additional building incentives not available to the public.

WHAT DO I HAVE TO PAY YOU?

We negotiate compensation! In the event that the seller is not offering a buyer agent compensation - with your permission, we will negotiate that the seller pays our copensation, keeping our top notch service free to you.

WE DON'T HAVE MUCH CASH ON HAND, WILL RENTING BE BETTER?

Actually, renting can often be more expensive due to various upfront costs such as the first and last month's rent, deposits, and additional fees. In contrast, when purchasing a home with a VA loan, the upfront expenses are typically limited to earnest money, which ranges from $500 to $2,000, and the cost of a home inspection. We offer to cover up to $550 of your home inspection fee. Additionally, there's a possibility that the earnest money may be refunded at closing. Moreover, when you buy a home, your first mortgage payment isn't immediately due. For instance, if you close the deal in February, your first payment wouldn't be due until April 1st.

DO I HAVE TO BE PRESENT FOR CLOSING?

No! We understand that sometimes military life can separate families or provide difficulties with scheduling time off in the middle of a work day. We have several options in place to ensure you can close on the home from anywhere, we just need to know ahead of going under contract.

WHEN DO I TURN ULITLITIES ON?

The day of closing the utilities must be transferred into your name, regardless if you won't be moving in immediately. The only exception to this is if the seller maintains possession for a few days after close, then we will instruct you on what day they need to be in your name.

REAL ESTATE *Vocabulary*

Appraisal: A document justifying a property's value, based on similar nearby home sales.

Certificate of Eligibility: A Veterans Administration document confirming a veteran's qualification for a VA loan.

Closing: The final step in a real estate transaction, which varies by state. It either occurs when documents are recorded at the local recorder's office or at a meeting where documents are signed and funds are exchanged.

Closing Costs: Costs associated with buying property or obtaining a loan, divided into one-time non-recurring costs and ongoing pre-paid items like taxes and insurance. Lenders estimate these costs in the Good Faith Estimate provided after receiving a loan application.

Deed: A legal document transferring property ownership.

Discount Points: A refer to additional charges on government loans, such as FHA and VA loans, which are over and above the standard 1% loan origination fee. These are calculated as a percentage of the loan amount. When you purchase discount points, you essentially pay an upfront fee in exchange for a lower interest rate on your loan. This reduced rate is not just a temporary adjustment; it permanently lowers the interest rate for the entire duration of the loan. This can lead to significant long-term savings on interest payments over the life of the loan.

Down Payment: The cash portion of a property's purchase price paid by the buyer, separate from the mortgage. Earnest Money Deposit: A deposit showing a buyer's commitment to purchasing a property.

Equity: A homeowner's financial stake in a property, calculated as the property's market value minus any mortgage or lien amounts.

Escrow Account: An account set up by a lender after closing a purchase transaction, holding funds for property taxes and insurance, paid as part of the monthly mortgage payment.

Escrow Disbursements: Payments for property expenses like taxes and insurance from the escrow account as they are due.

Home Inspection: A professional examination of a property's structural and mechanical state, often a condition for purchase.

Joint Tenancy: A type of property ownership where each party owns the entire property, and upon one's death, the survivor gains full ownership.

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