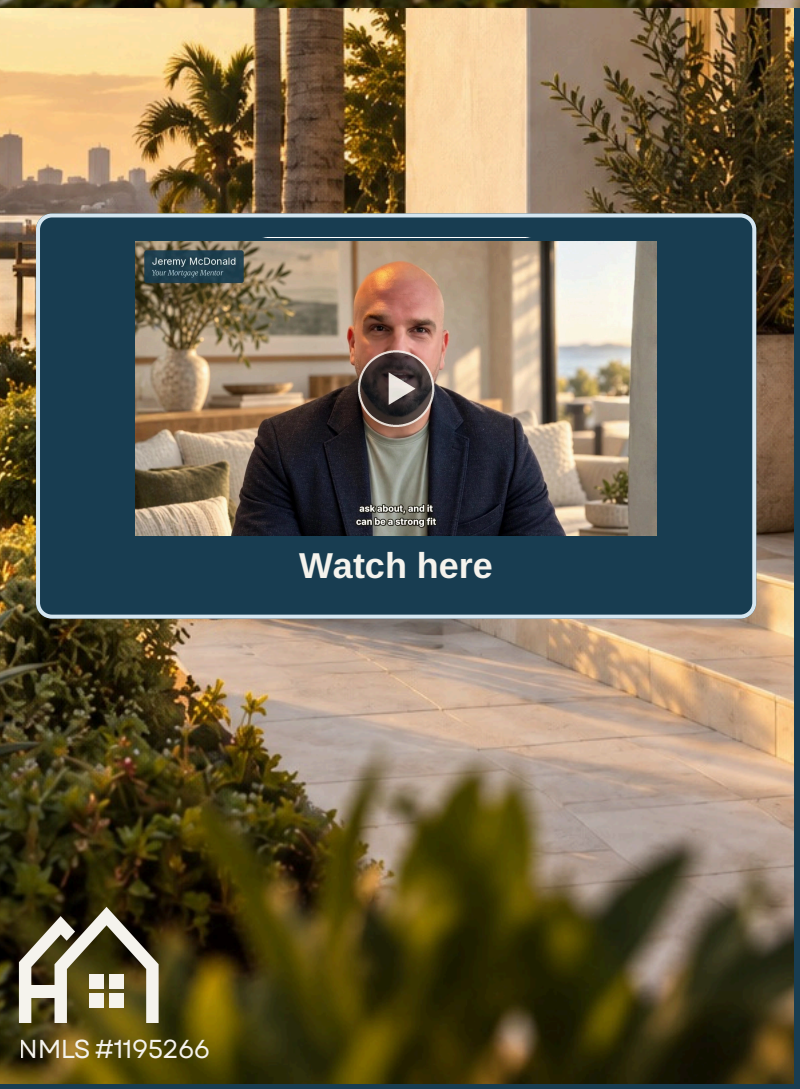
CONVENTIONAL

THE PURCHASE *Guide*



Watch here

A clear look at buying with a conventional loan.

Who it's for, down payment and PMI, the costs to plan for, and the real loan process from Pre-Approval to closing.

Prepared by

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Your Mortgage Mentor

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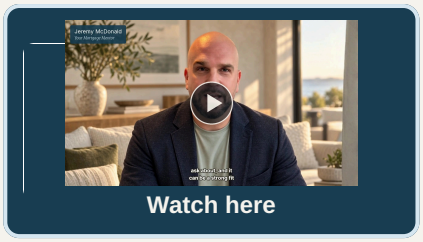
NMLS #1195266





Who a conventional loan is for

A conventional loan is a common path when you have a down payment and want a non-government program.

Many buyers put 5% down, and some first-time buyer programs allow as little as 3% down, subject to eligibility. If you put less than 20% down, you'll typically pay private mortgage insurance until you reach the required equity.

Credit, income, assets, and the property all need to fit conventional guidelines, and some lenders add their own overlays. I'll tell you plainly what your file needs.

INSIDE THIS GUIDE

01 **Who it's for**
See if this path fits your situation.

02 **The loan process**
From Pre-Approval to under contract, disclosures, appraisal, underwriting, and funding.

03 **The costs**
Down payment, PMI if needed, closing costs, and monthly payment parts.

04 **Your worksheet**
Organize your budget and the homes you tour.

HOW TO USE THIS GUIDE

01 Read who this loan is for and the key requirements.

02 Walk through the loan process before you get under contract.

03 Fill in the cost page and the worksheet with your numbers.

04 Bring your questions when we talk. Call or text me at (904) 442-3213.

Meet your mentor

Jeremy McDonald
Your Mortgage Mentor

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Seven steps in your loan process

Here's the real path, from Pre-Approval to funding. I'll stay in close touch so you always know what is next.



Watch here

01

Pre-Approval

We'll talk through your goals, review the numbers, and get you a Pre-Approval you can use before you write an offer.

02

Get Under Contract

When you and your agent find the right home, I'll help you understand the financing side before you sign the contract.

03

Loan Disclosures Go Out

After we take a full application, your loan disclosures go out so you can see the estimated costs and terms in writing.

04

Appraisal and Underwriting

We order the appraisal and submit your file to underwriting so the property and the loan can be reviewed together.

05

Conditions

Underwriting may ask for more documents. Send those in quickly so the file keeps moving.

06

Clear to Close

When the file is clear to close, you'll get your Closing Disclosure. Review it at least three business days before you sign.

07

Closing and Funding

You sign, funds are disbursed, and you get the keys. I'll tell you exactly what to bring.

PRO TIP

Get your Pre-Approval in place early.

Knowing your budget and your PMI picture before you tour homes helps you stay focused when the right house comes along.

WHAT'S THE TIMELINE?

Timing depends on the contract, the appraisal, underwriting, and how quickly documents come in.

I'll stay in close touch so you always know what is next.

NEED A HAND?

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Plan beyond the purchase price

With a conventional loan, plan for the down payment, possible PMI, and closing costs, not just the price of the house.

01. DOWN PAYMENT

Many conventional purchases start at 5% down. Some first-time programs allow 3% down if you qualify. 20% down typically avoids monthly PMI.

YOUR ESTIMATE: $_____

02. CLOSING COSTS

These may include lender fees, title services, taxes, prepaid items, and other transaction charges. Some costs can sometimes be negotiated with the seller.

YOUR ESTIMATE: $_____

03. INSPECTION & APPRAISAL

Budget for a home inspection and the appraisal. The appraisal confirms value for the lender and helps us set the loan amount.

YOUR ESTIMATE: $_____

04. PRIVATE MORTGAGE INSURANCE

If you put less than 20% down, PMI is typically required. It can usually be cancelled once you reach the required equity and the loan is in good standing.

YOUR ESTIMATE: $_____

Understand your monthly payment

- **PRINCIPAL**

The portion of your payment that reduces the amount you borrowed.

- **INTEREST**

The cost of borrowing money on this loan.

- **TAXES & INSURANCE**

Property taxes and homeowners insurance, often collected with your payment.

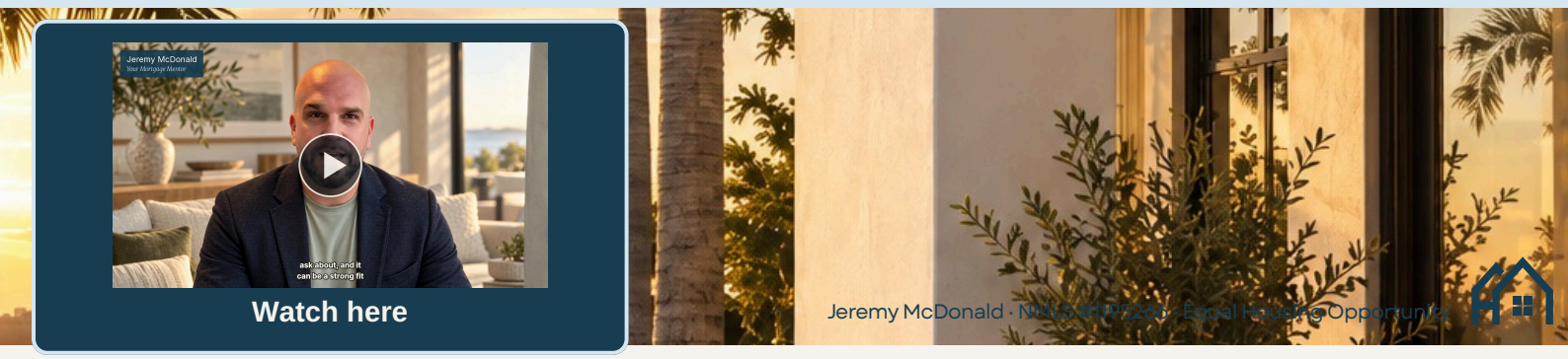
- **PMI**

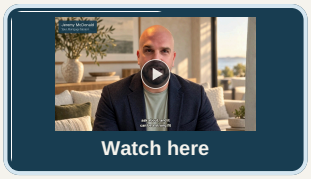
Private mortgage insurance, if your down payment is under 20%. This can often be removed later once you have enough equity.

Other costs to consider

You may also need to budget for HOA dues, maintenance, utilities, and moving costs. I'll confirm current conventional guidelines and any overlays on your file.

Ask me for a personalized estimate of your total monthly payment and closing costs.





Get your conventional numbers on paper.

Use this worksheet to clarify your budget, your must-haves, and the homes you tour.

YOUR BUYING PLAN

MAXIMUM PURCHASE PRICE

$_____

TARGET MONTHLY PAYMENT

$_____

DOWN PAYMENT AMOUNT

TARGET MOVE-IN DATE

DEFINE YOUR PRIORITIES

MUST-HAVES

Features this home or deal needs to have.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

NICE-TO-HAVES

Features you'd like but can live without.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

DEAL-BREAKERS

Things that would make this a poor fit.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

PROPERTY TOUR NOTES

PROPERTY ADDRESS	LISTING PRICE	BEDROOMS / BATHROOMS	OVERALL RATING	NOTES
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	

Location, condition, questions, and potential concerns.

Your next step

Write down your budget and your questions, then call or text me at (904) 442-3213. We'll look at down payment, PMI, and cash to close.

Program rules can change. I'll confirm current conventional requirements on your file.

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