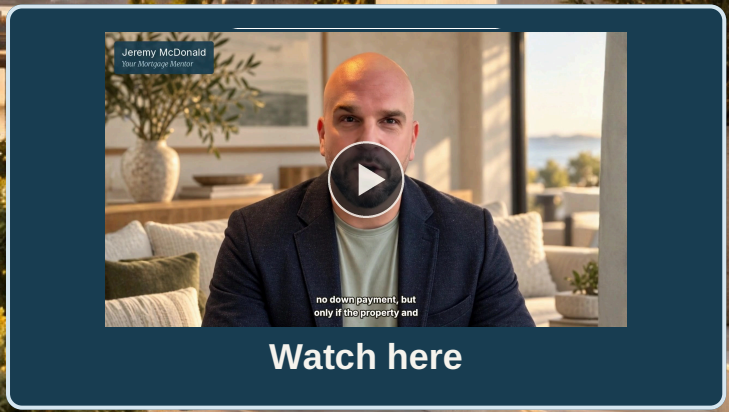
USDA PURCHASE

THE USDA *Guide*



Watch here

A clear look at buying with a USDA loan.

Who it's for, location and income rules, the guarantee fee, and the real loan process from Pre-Approval to closing.

Prepared by

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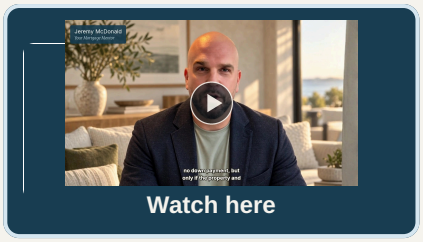
NMLS #1195266





Who a USDA loan is really for

USDA is for eligible buyers of a primary home in a qualifying rural or suburban area.

If the property location and your income fit, USDA can allow a 100% loan, which means no down payment on many purchases. Not every address qualifies, so we check the property on the USDA map early.

You'll pay an upfront guarantee fee and an annual fee. I'll run the location and income test with you before you get attached to a house that the program cannot finance.

INSIDE THIS GUIDE

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

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

03 **The costs**
Guarantee fees, closing costs, and monthly payment parts.

04 **Your worksheet**
Organize your budget, target areas, 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, location, 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

Check the property location early.

USDA is only available in eligible areas, and income limits apply. We'll confirm both before you spend weeks touring homes that the program cannot finance.

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

USDA can mean no down payment, but you still need a plan for the guarantee fee, closing costs, and your monthly payment.

01. DOWN PAYMENT

On many USDA guaranteed purchases, the loan can cover 100% of the appraised value, which means no down payment. The upfront guarantee fee can often be financed.

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 property also has to sit in a USDA-eligible area and meet program standards.

YOUR ESTIMATE: $_____

04. USDA GUARANTEE FEE

USDA typically charges a 1% upfront guarantee fee and a 0.35% annual fee. The upfront fee can often be financed. I'll confirm the current fees on your file.

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.

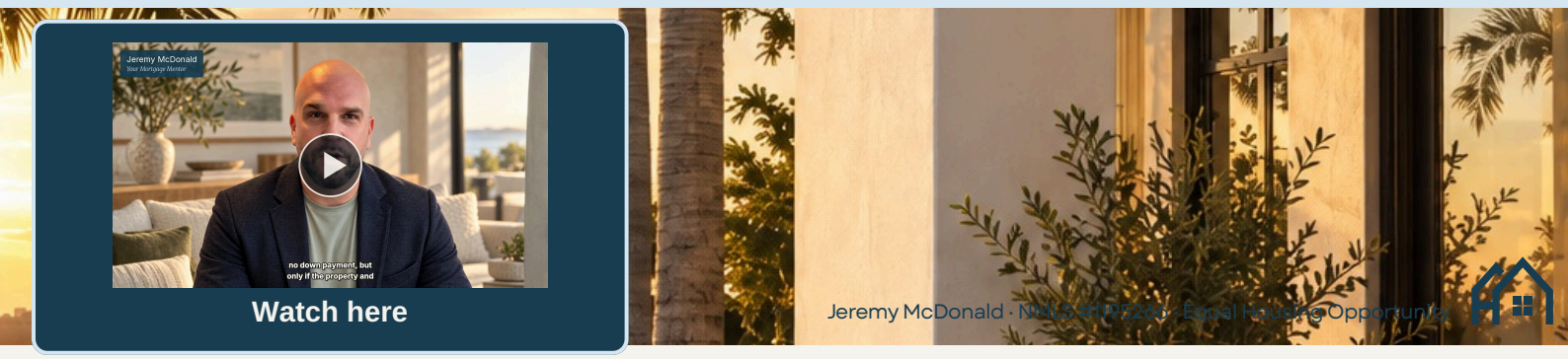
- **USDA FEE**

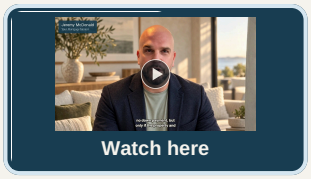
The annual guarantee fee, typically 0.35%, collected with your monthly payment for the life of the loan.

Other costs to consider

You may also need to budget for HOA dues, maintenance, utilities, and moving costs. Income limits and eligible maps can change, so we verify both before you make an offer.

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





Get your USDA numbers on paper.

Use this worksheet to clarify your budget, your target areas, and the homes you tour.

YOUR BUYING PLAN

MAXIMUM PURCHASE PRICE

$_____

TARGET MONTHLY PAYMENT

$_____

PREFERRED AREAS

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 eligibility, condition, questions, and potential concerns.

Your next step

Write down your budget and your target areas, then call or text me at (904) 442-3213. We'll check income limits and whether the homes you're considering sit in a USDA-eligible area.

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

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Jeremy McDonald · NMLS #1195266 · Equal Housing Opportunity