

Episode 4

Nadeska Alexis: [00:00:00] Hey, I'm Nadeska Alexis, and this is Beginner to Buyer. Beginner to Buyer is powered by Chase Home Lending, and you can get more great tools and useful information to help you buy your first home anytime by visiting BeginnertoBuyer.com.

On our most recent episode, our financial planner Arielle Figueroa gave us a great roadmap for assessing financial readiness, which means that now it's time to take a more official step forward in your home buying journey. This means thinking about how you're going to finance your new home. You'll need to decide what kind of mortgage is right for you, so a good lender, that's the bank that actually helps you to pay for this big investment, will provide some loan options and they'll also give you guidance throughout your purchase and even beyond that.

Rita Hill: [00:00:43] My name is Rita Hill. I currently live in Richmond, Virginia. I am a software engineer and a mother of two daughters.

Nadeska Alexis: [00:00:51] Rita, you just bought your new home. Congratulations. How does it feel to officially be a homeowner?

Rita Hill: [00:00:56] Oh my gosh, it feels incredible. I'm a single mother, and it actually felt like at times that obtaining a homeownership just wasn't going to happen for me. I went through the struggles of raising two kids on your own. It finally feels like life just kind of fell into place for me, worked my way up in my career, and watching my daughters grow and just seeing it all come together, that we finally have a home for us. It's just an incredible feeling.

Nadeska Alexis: [00:01:21] I grew up with a single mom as well, and I think single moms honestly are superheroes. So, that's an extra congratulations, I can't imagine how amazing it feels now to be settled. When did you actually start thinking about buying your first home?

Rita Hill: [00:01:35] I would say around December was when I really started to take a look at where I was and see if that was going to be attainable for me. I also knew that interest rates were lower than they've ever been, so I figured that this would be a great time to get more home, potentially than what I would have because of the lower interest rate. Also I'm a veteran, so I did my eight years of service, I'm eligible for my VA loan. So I figured that, yeah, might as well take advantage of both of these great things that are happening for me and secure that first home. After renting, it just feels great to know that this is my space and I can really truly make it however I want. And I don't have to worry about what anybody thinks about it.

Nadeska Alexis: [00:02:20] That's definitely a great feeling. So, you considered the low interest rates. In terms of the financial aspect of buying a home, did you feel pretty comfortable going into it?

Rita Hill: [00:02:31] Yes and no.-I wasn't very knowledgeable about mortgages really. I still had a lot of like gaps in my knowledge, as far as the different options that were available to me. Closing costs were a huge shock to me. I had no clue with the VA loan. I, at first, had the

assumption I could just do everything without having to put anything down. It was like, oh no, you're going to have to come up with these things called closing costs, and these are all the things they cover.

I felt confident, at least as far as, okay, I'm making enough money in my life to where I can afford a home. But then it was like, oh no, home ownership really does come with all of these other things.

Nadeska Alexis: [00:03:05] So it sounds like you definitely learned a lot through the process. I mean, for me, the shock of seeing closing costs was the same, the first time. Just when you think you have it under control, some more money starts flowing out. What were those early conversations with your home lending advisor like?

Rita Hill: [00:03:20] She really played a role in that basic education. So a lot of the preliminary things I was reading online, I was able to actually sit and we talked for two hours, and she told me, "This is what you can expect here in Richmond." She explained to me about the differences in the interest rates and how her generation bought homes when interest rates were 13%. So, what you're seeing right now is incredible, you know? She also explained to me the reality of the market. She really educated me on waiving an inspection, like what that really means. So really just kind of opening my eyes to the reality of the market itself, so that way I'm making good decisions as far as, I'm pre-approved for this much, but should I do that? And if I want to get a house in a certain area, the reality of what that was going to cost to live in that certain area.

Nadeska Alexis: [00:04:14] It sounds like you had a really great experience with her from the start. When you initially spoke to your home lending advisor, what kinds of questions were you asking her during that first conversation?

Rita Hill: [00:04:23] Property taxes for one. I currently live in an area where property taxes have changed a lot because of growth. I know that those property taxes can get kind of steep, especially when you're in an area with high growth. I actually found out the differences between the current city I live in, in Richmond City, and the neighboring county were significant. The same home price would actually affect my mortgage payment even dramatically, depending upon the area of the country that you live in, and she really educated me on the accessibility too. Like I said, as someone that wasn't really mortgage savvy and whose parents didn't own a home, I didn't really know a lot at all. A lot of these things that I think we all have the preconceived notion of - I needed to have perfect credit, I needed to make like a million dollars - all of those things that we all think you need in order to even buy a home in certain areas or have a home over a certain price, those are a lot more accessible than people think. It's just all about doing the work and just having someone who knows what work it would actually take is key. I also learned you can't put more than one offer on a home, because I initially thought, "Yeah, I'll just see like five of them and I'll put one down to the first one who picks it." She was like, "No, that's not what it's like, you can't do that".

Nadeska Alexis: [00:05:46] It sounds like you found the coolest home lending advisor ever. He sounds like she was very, very patient and very informative.

Rita Hill: [00:05:56] Yeah, I'm really thankful. And I think that will really set you up for success in home ownership. I'm incredibly fortunate that I had that.

Nadeska Alexis: [00:06:05] Awesome. Thank you, Rita.

It sounds like Rita's lending advisor was very helpful and very patient, which is an A+ combination. She walked her through different kinds of loans to find the right fit, and she also prepared her for some expenses that are usually overlooked by first time home buyers, I'm talking about myself here too, like closing costs. I can't overstate how important a role your home lending advisor is going to play in your buying experience.

From my first home purchase, I went into the process feeling pretty skeptical of having to deal with the lending advisor, but in the end he saved my life, that was years ago, and I'll never forget him because we ran into some issues with the property I wanted to buy and the entire deal would have fallen through if he hadn't kept on fighting for me and coming up with solutions to make it work. So I'm forever grateful to him. And I know I'm not the only one who felt a little apprehensive in the beginning. A few of the home buyers I've spoken with were confused and a bit intimidated by the whole lending process. So I reached out to an actual lending advisor to get some firsthand knowledge. His name is Felton Ellington, such a regal name, and he's the Community Home Lending Manager at Chase.

So Felton, during a lot of my conversations with first-time home buyers, I'm realizing that a lot of them are unclear about how much support a home lending advisor can actually provide them during the process. So can you tell us to start, what does a home lending advisor actually do? What kind of guidance can you offer to buyers?

Felton Ellington: [00:07:30] Yeah. I like to think of a home lending advisor as just your trusted advisor, just like you would trust and confide in your physician, your attorney, your banker, your financial advisor. They are there to kind of lead you through the process. Your lending advisor should not assume that you have all the information because this isn't something that most clients do every single day. And so it is up to that well-experienced home lending advisor, really to be very careful in understanding what your goals are, what your needs are, and then what your abilities are. Also, behind the scenes on their end, be able to review the products that they have, that fit what your needs are, and then help the client through that process of picking and choosing the right one that's going to be the best fit for them.

Nadeska Alexis: [00:08:17] Okay. So, a lot of things that you can offer to them. At what point in the process should a buyer actually reach out to an advisor?

Felton Ellington: [00:08:25] You definitely want to start having those conversations before you get out into the market, that way you understand better what your buying power is like. Buying a home is a very emotional time. It's very easy to fall in love with something, not knowing whether or not you can make an offer and understand if that's something that you can qualify for or purchase. And then, there's certainly this market where we're seeing low inventory, a high demand for properties. They're going very fast off the shelves, so before you link up with a real estate agent, they want to ensure that you've gone through the

proper channels and the steps to making sure that you're qualified before they start opening the door and showing properties, because this is what listing agents who represent the sellers are looking for. They want to see what your buying power looks like. Did you already go through a process working with the lender to get pre-qualified or pre-approved? Have you had your credit report reviewed, your income analyzed, your assets reviewed? And as a result of it, what documentation were you given that will help me as a seller, give your bid a little bit more attention?

Nadeska Alexis: [00:09:32] Okay. We'll definitely get a bit more into pre-qualification in a couple of questions. But another thing that I realized has come up in a couple of conversations — some people are actually a little bit nervous about having that first conversation with an advisor because they don't want to go in seeming like they know absolutely nothing at all, although you're going to give them so much information. So is there any specific prep or any homework that you recommend a buyer doing before having that initial meeting with you?

Felton Ellington: [00:09:57] Yeah, I think that's a very fair question. I think that some of that anxiety may come from fear of rejection. What I can tell you is you want to be prepared to talk about really three big buckets here. Your credit, that's one. Your income and the amount of cash flow or reserves that you actually have available. As well as, you know, some of the other pieces that are very important would be employment history, whether it's self-employment, fixed income, those sources of income that you're receiving. A residence history is always, definitely something that we take a peak at. Just being able to have conversations about those three big buckets and then be able to support that documentation at that time of the initial interview that you have with your lender.

The idea behind that is that we really want to make sure that we represent you and give you full value of the income that you're earning. It's going to help our underwriting team better understand how much you can qualify for. We certainly don't want you to be overwhelmed with a payment, but we also want to make sure that it's affordable, right? So the more information that you can provide in this space would really help us to represent you to the best.

Nadeska Alexis: [00:11:03] Okay. And of course, when you choose a home lending advisor, it's important to find someone who's knowledgeable, they're going to be with you as an important part of this journey. But I think it's also important that that person has the patience to answer all of the questions that you might possibly have, especially as a first time home buyer. Do you have any recommendations on how a first-time buyer can actually vet their lending advisor?

Felton Ellington: [00:11:25] Yeah. It is an interview process and we're looking to see if we both like each other, right? What I like to think is if you're in that seat, you should be really fully capable of handling a client and understanding their needs, having some compassion, and then having great communication skills. There is one way that you can really vet your home lending advisor, your specialist, is by going to the NMLS system and looking up their information. You can see if there's any negative reportings there, also having a conversation with them to kind of test their knowledge, right? So ask questions about how long have you

been in the business? What kind of business do you typically originate for clients? Are you more of a refi loan officer or purchase or do you have a good mix of both?

And then I think we should have really good instincts and in conversations. Like, is it more of an assembly line, Q&A session, or are we able to build some rapport and do I feel comfortable speaking to you and sharing my personal information? I don't think I have a one size fits all type answer for that one. But again, I would like to think that if I'm sitting in this seat, I know for me and the team that I manage, we are very good listeners and we're very passionate about making sure that we put our best foot forward and making sure that we represent our clients.

Nadeska Alexis: [00:12:42] I think those are very, very helpful tips. On that note, are there any absolute red flags that you should look out for? Anything that should just make you run out the door immediately and try to find a different advisor?

Felton Ellington: [00:12:54] I would tell you that if you're not getting straight answers. If you are having to circle back or even if you're asked to provide the same information over and over again, you've got to wonder, what are you doing with the initial documentation that I provided? Those are some red flags and it might be a good time to jump out of the plane and pull the parachute.

Nadeska Alexis: [00:13:18] Yeah, thanks. I think that's helpful because I think also some buyers, maybe they feel like once they start speaking to an advisor, if you've had a couple meetings, then you're sort of stuck with that person, even if there's something that you don't like. I think all the things you pointed out are very, very important. Like you have options here after all, they need your business and they're supposed to be helping you, so once you have settled on an advisor that you like a lot, this is where the learning process really begins, and then you start getting deeper into the mortgage process. I would love if we could cover just some very basics right now. In the simplest terms, what is a mortgage rate and how do you actually know if you're getting a good one?

Felton Ellington: [00:13:52] Remember as a client you're in the driver's seat, right? So a mortgage rate is a percentage at which you are repaying the debt back. That's the simplest way that I can put it. For example, just like when you purchase a vehicle or you have a credit card, it is the rate or the cost of the actual financing that you are paying in return, so you're paying that money back at a percentage rate. And so, how do you know if you're getting a good interest rate? I think there's a few indicators out here. Obviously if I were not in the line of work that I'm in now, I would look online, right? Looking online is one way. But if I'm having a conversation with a specialist, one thing that we try not to do is steer a client towards a specific interest rate. For me, I'd like to show what your options are. If I'm giving you an example of, "Hey, your interest rate's 3% with an APR of 3.012", I would like to see what are my other options. And by that what I mean is, what does it take for me to get the lower rate or any rates that are below that? Or what do higher rates look like?

Believe it or not one would think, "Why would I want to look to see what a higher interest rate would look like? I like the 3% that you quoted me". If I take a slightly higher interest rate, that could mean that there could be some additional lender credits that could come back to

me, that I could apply toward reducing my overall out-of-pocket expenses. I think the short answer here is, you want to know what your options are, both above and below, whatever initial interest rate is actually quoted.

Nadeska Alexis: [00:15:25] Okay. And what does it mean to actually shop around for a mortgage loan? What are the benefits of that?

Felton Ellington: [00:15:31] I love an informed shopper. There's a few things that I'm shopping for though, if I'm a consumer. I'm not just looking to see who's got the lowest interest rate because I've got to understand that we all advertise the low rate because that's what we're trained to look for as a client. But I think when we shop around, we're looking for things that, like what you pointed out earlier, the expertise of the person that I'm going to be working with, the strength and stability of the firm that's going to be representing me from a lending standpoint. You know, how easy are you going to make this process for me? Do you have the technology and the support and the resources to help me get this across the finish line? I'm also going to be interested in knowing what your costs are as a lender, because I understand that there's going to be third-party costs that are beyond my control, such as an appraisal, title work, and recording fees, things of that sort, but what will you charge? Then I also want to know what advantages are there for me to work with you as a specific lender? Do you have anything for first-time homebuyers? Do you have any grant programs that are available, regardless of how much money I earned? What can you do to help attract me as a client to work with you specifically? Those are definitely questions that I would recommend asking, and that's part of, again, that interview process that you're having initially with your lender.

Nadeska Alexis: [00:16:48] So you just threw out a few terms that come up during the mortgage process that I think prior to this, there's no reason why you would necessarily be aware of this. Are there some specific terms that you would recommend buyers getting familiar with? For example, for me, the first time I was buying, I was like, what are points? What does this mean? Of course that's really important, and like you said, it's something important to consider when you're trying to decide on your mortgage rate, for example.

Felton Ellington: [00:17:12] On our side of the fence, I know that we do provide a kind of list of some of the mortgage jargon that we use, and when we talk about points, LTV means loan to value. How much is your loan amount in relation to the value of the collateral, which is the property? We talk about things like DTI, debt to income ratio. Again, you could always Google this information, if you're really tech savvy you can go online and look up mortgage terms to get familiar with it, but it does require the client, in my opinion, to do a little bit of work, a little bit of research to really understand. Like, if I'm going to have a conversation, this is my first time buying a house, I don't want to go in totally unaware and rely on the information that I'm going to get from whoever's going to have the conversation with me on. I'm going to try and do a little bit of research so that I can keep up, but also I am going to rely on them to help me traverse through this process because it's lengthy.

You'll get a really good feel when you walk in the door. Just don't be intimidated. Just go in, be open to having a conversation, be open to learning, because the person that's there to help you isn't just an order taker or shouldn't be just an order taker. They're there to give you

advice, to tell you what they can and cannot do. Don't settle for just that specific answer. They may give you advice based on what their company limitations are, and you may find that there are other products that could be more advantageous based on your shopping.

Nadeska Alexis: [00:18:40] Okay. So going armed with some information, some research on your own, but like you said, have an open mind, ask lots of questions, and know that you can keep pressing until you find out all the things that you need. Earlier in our conversation, you also mentioned the prequalification. Now getting pre-qualified is a really important step in the mortgage process. Can you explain simply what does that mean and why is it so necessary before you actually go out and start looking at homes?

Felton Ellington: [00:19:05] There's really two big reasons why. The reason why I would encourage you to get pre-qualified or pre-approved, we now use the term pre-approval, to get qualified. You want to understand what your buying power is like, but you also want to be able to address any pitfalls, right? So I definitely want my trusted lender to take an initial look at the credit report, and I want them to go over it with me. Let's go over every single trade line to find out if this is correct information, misinformation, and it gives me an opportunity to fix some things that might not be accurate. I also would like to go through that prequalification process because I want to kind of get an idea of how much am I going to, or will my potential payment be impacted per thousand dollars that I borrowed.

Understanding where your buying power is very important. Then the second piece to that is that again, if you're working with a real estate agent or even a seller, who's looking to sell on their own, they want to ensure that you've gone through these checks and balances to ensure that, before I take my house off the market for you and not look or allow other people to look at my home, I want to make sure that you're a solid buyer. Those are the two reasons why I would encourage you to get pre-approved.

Nadeska Alexis: [00:20:25] Thank you. I really appreciate you giving such a detailed answer there because again, also in my experience, and in a lot of the conversations I'm having now, property taxes, for example, home insurance, that's something that doesn't necessarily cross the mind of a first-time buyer. You may be just thinking about the overall purchase price, "Hey, I may have to save for a down payment", but those things sort of are in the back of your mind, so I think for some people, that can make pre-qualification a little tricky. If they don't have the right advisor, you might see this really high number, you get super excited about what you can afford, but then you can also overdo it. How do you recommend to all buyers to really avoid overbuying even when you qualify for more on paper?

Felton Ellington: [00:21:04] Yeah, you've got to start with a budget. No one knows how much you can afford better than you, right? I think about, as a client, how much do I want to spend on my home? I have to think about everything that is involved in that monthly payment, whether it's, not just the mortgage payment that are going to pay to the lender, but it's also the responsibility and the upkeep. We've got utility bills that we might not normally pay when you're paying rent, or if you're not paying rent and you're living at home with mom and dad, obviously that's going to be a bit more of a payment shock to you, so the lender has a tolerance. In many cases, it's somewhere in the range of the mid 40% debt to income ratio, which means when you look at how much debt is on paper on your credit report, that's what

we're going to look at, the monthly payments. Then we're going to look at your gross income: this is the income that you're receiving before any taxes. That's what we're going to qualify you for. But we all know that in reality, we do pay taxes, right? That money's going to come right out of our paycheck before we get to see it.

The other piece is, that we may not think about, is if my lender's looking at the things that are on my credit report, what are they not looking at that I know that I'm going to be responsible for? Things like my entertainment expenses per month, my food, my gas, utilities, car insurance, cell phone bill, all those are factors that we're not looking at.

It's all about starting with what you can afford. Your lender should, if they have the right experience, should be able to help work that backwards and say, "Based on your payment, based on your loan size, then here's your sales price. This is the range that you should be looking at". For me, I think that's really good information to pass on to your consumer, but it does start with the consumer being able to at least understand what they can afford.

Nadeska Alexis: [00:22:53] Felton, I have to say, it's unfortunate for me that I didn't get to have this conversation with you before my first purchase. You would have saved me a lot of headaches and a lot of late nights just Googling a million things on the internet, you know. I think this advice is going to be really, really helpful to a lot of other first time home buyers. Once you've gone through this process, you have an idea of what you can afford, you have your pre-qualification letter, which means that now you can actually go out and start putting some offers on homes, what should a buyer's relationship look like with their advisor now? What kind of communication should they be expecting?

Felton Ellington: [00:23:22] Yeah, I think it's always important to have a contact strategy. One of the things that we do, we talk about some of our best practices up front. If I put myself in the seat of a buyer, I want to know how long is this process going to take now that we actually have a live contract? I'm looking for my lender to paint a picture on what I should expect to happen during weeks 1, 2, 3, and 4. If we happen to be in the process beyond those four weeks, what does that look like? The other piece here is there's a lot of different ways to do business with consumers today, right? We've got digital platforms, we've got technology through cell phones, text messaging, emails, good old fashioned phone calls, and then we have U.S. mail. I think it's important to establish what the contact and communication strategy is going to look like.

One of the things that we talk about in the interview is, if I'm having a conversation with my client, I want to know what kind of hours are you working? When are you usually available? When's the best time to call you? How often should you hear from me as your home lending advisor? I think it's great to have a touch point at least once per week at least, so communication is really one of the big keys to a successful closing and for all parties to meet that anticipated closing date on time.

Nadeska Alexis: [00:24:39] So, once you said we're in contract at this point, we're getting close to now. Here comes a down payment. This is usually your biggest upfront cost when you're purchasing. What should buyers know about down payments and is there a right amount to put down or does that vary depending on your situation?

Felton Ellington: [00:24:54] There's a myth out here where people thought that you need 20% down. That's really not true. Again, having that conversation up front will help you really understand what your options are. Do I have to put 20% down? Can I afford to put 20% down? And if I cannot, what does it look like if I put less? What are your different programs available for me? If I go with 20% down that could change the whole game in terms of what my overall payment looks like versus me putting 10% down.

I've got to think about the day after closing. Do I have enough money to handle the initial expenses that I'm going to have with my home once I close and I become the owner? I've got to move in, I've got to turn my utilities on, and some of the utility companies out here, or depending on some of the services that you need for your home, may require some upfront money as well. Do I have a couple of months of reserves left over? Meaning, do I have the ability to make my first mortgage payment? Do I have that money already set aside? I start talking about how much money do you have to work with, or have you allocated it to help move this loan to the point of closing. When we start to look at like the availability of assets and funds, if you've tapped out your resources from family members,, gifts, things of that sort, if you have that number set aside, now we start to work with what your down payment would look like based on 5%, 10%, 15%, or in some cases, no money down. I would like to see, as a consumer, what would my payments look like based on these different amounts of down payment. And then from there, it's really going to be up to the consumer to choose the program and the payment combination that's best for them, because they're the ones that's going to live with this mortgage for the duration of the term that they sign up for.

Nadeska Alexis: [00:26:45] That's very true. Are there a lot of different mortgage options for first time home buyers?

Felton Ellington: [00:26:50] Yeah, there are. Those options are increasing, I would like to think. Some attractive products out here would be 3% down programs with reduced mortgage insurance, and mortgage insurance is something that a consumer would pay, which insures the loan, not the client. It ensures the loan in the event of default. There are some 3% down products available, there are some 5% down products available, and of course everything north of that minimum down payment. The more money you put down, obviously the lower the risk factor, and the lower the risk factor, in some cases, could mean the better pricing which would be available in terms of interest rates, monthly payment, and reduced mortgage insurance.

Again, it's about having a little bit more of a detailed conversation about what your product availability looks like? What do I qualify for? And for me as a lender, to know what my clients qualify for, it's really about having that detailed, upfront, and very honest communication and conversation so that I can make sure that I represent you to the fullest. Those are very, very important pieces. 20% down isn't always the answer and it's not the most common thing that we see in today's market.

Nadeska Alexis: [00:28:04] Alright, that's very, very good to know. This has been very comprehensive so far. I think I really have one more question for you Felton, and it comes back to some other fees that may be associated with the mortgage. Like I mentioned, sometimes first time home buyers don't necessarily consider off the bat things like property

taxes and home insurance. But for example, once you get to closing, there are some additional costs that people also don't expect. Can you give us just a quick breakdown of some of those standard fees that might come up?

Felton Ellington: [00:28:30] I sure can. The form that you're looking for, there's really two versions. One is called an initial loan estimate. The loan estimate replaced what we were more familiar with years ago, it's called a good faith estimate, right? So initially when you apply for a mortgage, if you've had your credit report pulled, your lender should provide you with a written estimate of fees. This is going to be broken down into many different buckets. Your final closing disclosure, it's not an estimate, this is the real life number, down to the penny, exact number of what you need to bring at the time of closing, this is also broken down into several different categories.

In the example that I'll use here, it's lines or boxes A through N, right. In each box, it will be like your loan origination costs from your lender, which will have the appraisal fees in here, property taxes, homeowners insurance. It will also illustrate any credits that you received from the lender, any concessions that you may have received from the seller. It will also show any money that you put into the transaction, whether you paid an initial deposit to your lender, whether you put down earnest money, or it would also show any other credits that may be applied, whether it be grant money or education benefits and things of that sort. One thing that you have to be very mindful of is on these estimates, you may not see tax proration.

And tax proration is simply, I'll use me as an example, if I'm buying a home, I know that the person, in many states, depending on the state you live in, the person who I'm buying the home from, they may have paid taxes ahead of time, depending on what the collection methods are for that particular state. So if I'm occupying the home as of June 1st, but yet the taxes are paid through August, I'm going to owe two months of tax proration to the seller at the time of closing. It's not on the client to get this information. It's up to your lender to have the knowledge and the wherewithal to proactively reach out to the title company, to help get an idea of how much tax proration should I anticipate paying as a buyer at the time of closing, if we were to assume a closing date of June 1st in this example. That's one of the things that we see very common when the title companies that actually perform the closing may not provide that initial information when they provide us with their estimate of fees. You have to be very careful to have that conversation, but have your lending advisor go over your loan estimate, and they should be able to explain every fee on here because they certainly expect for you to pay it.

Nadeska Alexis: [00:31:13] Wow. Felton, thank you so much. This was such a great primer. You have answered in detail so many questions that I've gotten from first-time home buyers. Do you think there's anything you possibly forgot? I can't imagine what else, but just in case.

Felton Ellington: [00:31:26] There's so much more, I think we could have this conversation last for hours because there's so much information. It's not going to be a one size fits all. I will tell you just remain open minded. There's never, in this case, no question's a silly question. You've got to ask every single question. You don't want to take anything home unasked because it's just going to bother you. Then you'll start to form your own answer to

that question, which may typically be wrong. Just connect with the right home lending advisor to guide you through the process. Again, this should be a fun experience, not a painful one. So, as much knowledge that you can obtain going into this process, it's just going to make it an enjoyable experience for you.

Nadeska Alexis: [00:32:07] Right, and as Felton said, once you connect with that advisor, of course, you'll have a lot more questions for them depending on your own situation. But I think this was a really, really great overview, so thank you again for your time and for all of your input. I really appreciate it.

A lot of helpful information to digest there from Felton, so I've got you with the most important takeaway. Find trusted professionals who can help you to navigate buying your first home. You should contact a home lending advisor early on and get pre-qualified before you even start searching for properties. Then, it helps to show up for your first meeting or your first phone call prepared with some basic knowledge, but also be ready to ask as many questions as you need to feel informed and comfortable about moving ahead.

Now I mentioned that you should find trusted professionals, plural, so besides a lending advisor, who else do you need to begin this process? On the next episode, I'll be joined by top real estate broker and TV personality Ryan Serhant to get those details. Until then, you can check out BeginnertoBuyer.com to learn more.

Beginner to Buyer was created by Magnet Media and Chase Home Lending. Our executive producers are Keosha Burns and Akash Vaswani. Our lead producer is Anna McClain, our audio editor is Will Watts, and Kelly Drake is our production assistant.