FREQUENTLY ASKED QUESTIONS FOR HOME BUYERS

Your Guide to Buying a Home in Houston, Texas

1. *What's the first step in the buying process?*

Get a preapproval. It's VERY important to get a preapproval BEFORE you start looking at homes, because it tells you how much you qualify for. This saves you a tremendous amount of time, so you don't go looking at homes that are above your purchase power. Also, sellers respect and take you more seriously if you have a preapproval vs. if you don't.

2. *How do I get a preapproval?*

We'll send you the loan application; you fill it out and upload the required docs like your paystubs, tax returns, W2s, and bank statements. Our loan officer partners will review your docs and issue your preapproval.

3. *Can I work with my own Loan Officer?*

Yes, you can. If you have a Loan Officer that's qualified and reliable, please contact them to get your preapproval, and we'll be glad to work with you and them on getting your home.

4. *How long is the process?*

Buying a completed home (AKA an inventory home) takes about 30 days on average, but building from scratch could be anywhere from 4–9+ months.

5. *What's the entire process like?*

Get a preapproval → Start house hunting → Make an offer / offer accepted (enter escrow) → Schedule a home inspection → Appraisal → Underwriting → Final walkthrough → Closing Day!

6. What are the main requirements to qualify for a home loan in Houston, TX?

There's no one-size-fits-all, as every case is different — so keep in mind that just because you don't have all, or some, of the following doesn't mean you automatically won't qualify. The main requirements are:

- 580 credit score
- Steady, verifiable income
- 3–5% down payment (could also be slightly more or less)
- 2–5% closing costs (however, in most cases we can find a builder/seller to cover this for you)
- 2 years of work history WITHIN the last 5 years — and NO, the 2 years don't have to be on the same job
- Lawful residency in the United States

7. Can I buy a home from a different country?

Yes, you can buy as a foreign national. See our **Foreign Buyer FAQs** guide for more info, or reach out and we'll send it over.

8. Can you help if I want to buy an investment, not residential, property?

Yes, we can help with that too. Reach out to us and we'll send you our **Investor FAQs** guide for more info.

9. Can I buy if I don't have a job?

For the most part, you will need some form of steady, verifiable income. However, there are some loan programs available even if you don't have any steady income. Based on your credit score and credit profile, you could buy with as low as 15% down.

10. Does child support or alimony count as qualifying income?

Yes, it does. Any awarded payment you've received for 6–12 months, and will continue to receive for up to 3 years post-closing, is considered qualifying income.

11. What if I don't have the down payment required?

You can get the funds you need as a gift from a family member, close friend, or other sources. So if you have someone that's ready to gift you the funds, please let us know so we can set it up the right way.

12. What interest rate would I get?

Your interest rate is dependent on your credit profile; however, you can also buy down the rate, which means you can pay a price to get a lower rate. Some builders also have programs where they can buy your rate down to as low as 3.99%.

13. What does the mortgage include?

In most cases, the mortgage is made up of Principal, Interest, Taxes, and Insurance — also known as PITI. However, you can reduce your monthly mortgage by opting out of the taxes and insurance being included in your payment. If you do this, be prepared to make those payments in annual lump sums.

14. Should I pay off credit cards and other debts before applying?

It's more advisable to speak with our loan officer partners BEFORE paying down or paying off any debts/loans. That way they can give you specific advice on exactly which payments to make to yield the most impact on your credit score.

15. Can I buy a car before a house?

It's not advisable to do this, because buying a car could significantly reduce the amount of loan you qualify for. Based on your DTI (debt-to-income ratio), buying a car can reduce your $500k qualification to about $400k or even less.

16. Is it better to apply with my spouse or individually?

Typically, two incomes are better than one — so while applying with your spouse may help you qualify for more money, it may not always be the best route to go. It's advisable to speak with a Loan Officer who can guide you on the best options based on your credit profile.

17. Can I buy a home as a self-employed individual?

Yes, you can. There are different loan programs available to you — so even if you don't show much income on your tax return, we can still get you into a home.

18. Are there first-time homebuyer programs available?

Yes, there are programs available to you, all based on your credit profile.

19. Do I need to pay PAC Consulting for your services?

Most sellers and builders pay the buyer's agent's commission, so you wouldn't need to pay us anything.

20. What other payments need to be made besides the down payment and closing costs?

You need to plan for inspection fees as well as appraisal fees.

21. What is earnest money?

This is considered a security deposit to officially take a home off the market. This amount will be credited to you at closing. However, if you decide not to purchase the home anymore, or you're unable to close on the home for any reason, that earnest money may or may not be refundable — it's all on a case-by-case basis.

22. When's the best time to start the process?

It's best to start about 2–3 months prior to your anticipated move date.

23. How do I get started?

Simply call or text us at **+1 (346) 660-4377**, email **phill@pacconsults.com**, or schedule a consultation at **www.pacconsults.com** — and let's make magic happen!

Ready to find your home?

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