

# The First Steps to Buying Your Dream House

Everyone comes to me in a different situation. Some are buying their first house; others are buying their retirement house. Some are paying cash; others have just established good credit. Regardless of your situation many steps will be the same. Here is what you should expect.

## **Currently in an apartment and want to get out *before* your lease naturally terminates?**

If you are *not* currently living in an apartment go to the next paragraph. If you *are* currently living in an apartment and your lease will naturally terminate on or before the date you want to purchase a house...go to the next paragraph. If you want to get out of your lease *before* it naturally terminates you need to speak with your leasing agent before reading any further. Get your lease and look at the fine print. Research answers to these questions: How many days notice must you give before you can break your lease without penalty? Is there a penalty for breaking the lease early? What will be your total financial loss if you break the lease early? I recommend you get the answers from your leasing agent in writing such as an email just in case you need to prove your research later. If you are satisfied with the answers concerning breaking your apartment lease early...read on and take your first step to getting your dream house!

## **What Is Your Credit Score?**

There are three times in the process of buying a house you will ask someone to check your credit...but **ONLY** three times. The first time is now before you even describe your dream house to me. The second time will be after we have found your dream house and have ratified a contract. At that time you will use the scores you get today to shop for the best current interest rates and the Lender with the best closing costs. So, today you will get a credit check done by the Lender you ask for a prequalification letter and you will probably have another credit check done after you choose your final Lender later in this process. Finally, a third credit check will be pulled within 10 days of closing. This one won't affect scores but the Lender will check to be sure that you have not acquired any new debts since the original credit was pulled.

## **Request a Prequalification Letter**

You will receive your first credit score when you call a Lender (just pick one) and answer a bunch of questions on the phone. The first step before you start picking out a house is to ask a Lender for a Prequalification Letter. All Lenders will normally provide this based on a phone conversation (though many have an online application to get started) where they ask about your personal finances. One important thing for you to know is that *I don't need to know anything about your personal finances*. All information told to a Lender is strictly confidential and your personal income, financial situation and credit scores are NOT relayed to me.

**Step #1:** Call any Lender and ask for a prequalification letter. [Click here for a list of Lenders](#) I trust, but you can also find many more trustworthy Lenders online or by personal reference from a family member or friend. This call does not mean you are selecting them to get your future loan. It is simply a request for a prequalification letter with no obligation to use them later. They are used to getting these calls and it shouldn't take more than about 15 minutes. Note: This is the call where you ask them to do the first of three credit checks on you and they send the credit report to you so you can tell other Lenders your credit scores later in the process. Ask them to email you the 1) prequalification letter and 2) credit report. Ask them to email me a copy of the prequalification letter **only** at [Results@MikeTheProducer.com](mailto:Results@MikeTheProducer.com).

## **Describe Your Dream House**

**Step #2:** After I have received a copy of your prequalification letter we have a phone conversation where I ask you everything you want in a house. This conversation normally takes about 20 minutes. I will make a report with your specific criteria and send it to you via email. There may be a lot of houses for you to peruse online! This is a great way to filter out the ones that are not even close to what you want and it saves a lot of wasted time on the road. Select 10 houses and email me the MLS numbers plus the dates and times you are available to spend some time inside these favorite houses.

## **Let's Hit the Road!**

**Step #3:** I'll check my calendar and set everything up at a time convenient for us both. It normally takes about 4 hours for us to see 10 houses. The only weekly standing appointments I have are Wednesday afternoons and Sunday mornings. All other times are available unless already taken by another appointment.

## **Prepare for the Offer**

**Step #4:** After you find your dream house we will move to the next phase of purchasing which is the offer. At that time things become *real* because everything you do is legal and binding. In order to prepare for that step I am giving you all the paperwork that you will sign at that time to review between now and then. This is not a necessity, but it is advisable. That way you will not be hurriedly reading a bunch of fine print that is relevant to one of the largest financial investments in your life. This step is optional but if you want to be ahead of the game...[click here](#) and see what you will be sent in a few weeks when you're ready to make everything official with a legally binding contract. Between now and the day you get the keys to your new house there is something very important you must remember: your credit score is very important and you must keep it as good as possible. So, *do not open a new credit account for any reason...do not buy anything more than \$500 without talking to your Lender first...do not sell anything more than \$500 without talking to your Lender first*. I had a former client that bought a new lawn mower because of the bigger yard he was going to have in his next house. He took advantage of the salesman's offer to get 0% financing. Of course, there was a credit check with this offer (that he didn't realize) and the credit check put his score over a hump that increased his interest rate for 30 years. PLEASE, take my advice and stay away from any form of credit applications until after closing!

So, these are the first 4 steps to get you started. If you have a smart phone you may also want to download my free [Property Search App](#). With your location service turned on you can see prices of houses as you pass by them in your car with or without me. This is technology at its best. If you run into a listing agent while you are walking through a house (in an open house or a spec house in a new subdivision) introduce yourself and let them know right up front that you are working with Mike Rickles as your Buyer's agent. Of course, the road is long and detailed after you select your dream house, but, don't worry and have a little fun! I've done this quite a few times before and will be with you every step of the way. Always feel free to call me with questions.

Looking forward to it,

*Mike*



---

**[Mike Rickles](#)**

Keller Williams Realty

256.776.2525

*[Past performance IS an indication of future results. Click here for proof.](#)*

*[Download my free property search app!](#)*