ONE STOP SHOP

REAL ESTATE EXPERT

YOUR GOALS.
MY PRIORITY.

A PROVEN PROCESS.
PROVEN RESULTS.

- SMART FINANCING SOLUTIONS
- COMPETITIVE RATES
- CLEAR GUIDANCE EVERY STEP
- FINANCING MADE SIMPLE

THE TEXAS

ONE-STOP-SHOP FINANCING & REFINANCING PLAYBOOK

A Step-by-Step Roadmap to Financing Your Home with Confidence in the DFW Metroplex

LISTEN
Understanding Your Goals

PLAN
Creating a Custom Financing Strategy

EXECUTE
Finding the Right Loan & Moving Forward

NEXT STEPS
Closing with Confidence & Building Your Future

REAL ESTATE. MORTGAGE. INSURANCE.
ALL UNDER ONE ROOF.

One Expert.
A BETTER EXPERIENCE.

WELCOME

Welcome to Your Financing Roadmap

Whether you're preparing to purchase your first home, move into your next home, or refinance the home you already own, financing can feel complicated. It doesn't have to be.

My goal is to slow down the process, educate you, answer your questions, and give you a clear roadmap so you understand your options and can make confident financial decisions.

Inside This Playbook

- How your credit can affect the cost of your mortgage
- How much money you may need to save
- 5%, 10% and 20% down-payment planning examples
- Closing costs and Cash to Close
- Documents you may need
- What lenders evaluate when qualifying you
- The most important DOs and DON'Ts before closing
- A simple home-financing roadmap
- How refinancing works and how to evaluate whether it makes sense

MY MISSION

The goal isn't simply to get you approved. The goal is to help you understand the numbers and choose a path that fits your financial goals.

PART 1

The Power of Your Credit Score

Your credit score is more than just a number. In mortgage financing, your credit profile can influence loan eligibility, pricing, mortgage insurance, and the overall cost of borrowing.

A stronger credit profile can potentially help you qualify for better financing terms. Over the life of a mortgage, even a modest rate difference can add up to a very large amount of money.

Illustration: Same $400,000 Mortgage, Different Rates

	Buyer A	Buyer B
Mortgage Amount	$400,000	$400,000
Term	30 Years	30 Years
Illustrative Rate	6.00%	7.00%
Principal & Interest	~$2,398/mo	~$2,661/mo
Monthly Difference	-	~$263 more
30-Year Payment Difference	-	~$94,000 more

A better credit profile can save real money.

Don't focus only on getting approved. Focus on getting financially prepared.

This is a simplified educational illustration using fixed-rate principal-and-interest payments only. It excludes taxes, insurance, mortgage insurance, fees and other costs. Actual rates and qualification depend on market conditions and the borrower's full profile.

CREDIT BASICS

What Can Affect Your Credit Profile?

Payment History

Paying obligations on time is extremely important. Late or missed payments can have a meaningful impact.

Credit Utilization

High revolving balances relative to available credit can affect your score. Keeping balances controlled can help your overall profile.

Length of Credit History

Older, established accounts can help demonstrate a longer track record of managing credit.

New Credit

Opening several accounts or generating multiple hard inquiries can affect your credit and may create new monthly obligations.

Credit Mix & Overall Profile

Scoring models can consider your experience managing different types of credit and the overall information in your credit file.

Consumer score ≠ mortgage score

The score in a banking app may not be the exact score or model used for mortgage qualification.

Don't assume you cannot qualify because of a score you saw online - and don't assume a high consumer score automatically guarantees the best mortgage terms. Review the complete financial picture first.

PART 2

How Much Money Should I Save?

Your down payment is only one part of the money needed for a home purchase. A good savings plan also considers closing costs, prepaid items, reserves and the cash you want to keep available after closing.

Down-Payment Planning Examples

Home Price	5% Down	10% Down	20% Down
$300,000	$15,000	$30,000	$60,000
$400,000	$20,000	$40,000	$80,000
$500,000	$25,000	$50,000	$100,000

Estimated Closing-Cost Range

For planning purposes, closing costs are often estimated as a percentage of the purchase price, but actual costs vary by loan, property, lender, title charges, taxes, insurance, discount points, credits and other factors.

Home Price	2% Estimate	3% Estimate	5% Estimate
$300,000	$6,000	$9,000	$15,000
$400,000	$8,000	$12,000	$20,000
$500,000	$10,000	$15,000	$25,000

Closing costs may include: lender fees, appraisal, credit report, title-related charges, recording fees, prepaid interest, homeowners insurance, property-tax/insurance escrows, discount points and other third-party charges.

SAVINGS TARGETS

Down Payment + Estimated Closing Costs

To make planning easy, the examples below use an estimated 3% of purchase price for closing costs. This is a planning illustration - not a quote or guaranteed Cash to Close.

$300,000 Home

Down	Down Payment	Est. Closing	Est. Total
5%	$15,000	$9,000	$24,000
10%	$30,000	$9,000	$39,000
20%	$60,000	$9,000	$69,000

$400,000 Home

Down	Down Payment	Est. Closing	Est. Total
5%	$20,000	$12,000	$32,000
10%	$40,000	$12,000	$52,000
20%	$80,000	$12,000	$92,000

$500,000 Home

Down	Down Payment	Est. Closing	Est. Total
5%	$25,000	$15,000	$40,000
10%	$50,000	$15,000	$65,000
20%	$100,000	$15,000	$115,000

Seller credits, lender credits, earnest money already paid, tax adjustments, escrow requirements and other transaction details can change the actual amount due at closing.

STRATEGY

Do I Have to Put 20% Down?

NO.

Many qualified buyers purchase with less than 20% down, depending on loan program and eligibility.

Putting more money down can reduce the amount borrowed and may change mortgage-insurance requirements or pricing. But using every available dollar for a down payment isn't automatically the best strategy.

Before deciding how much to put down, let's consider:

- Your desired monthly payment
- Cash available after closing
- Emergency reserves
- Interest rate and loan pricing
- Mortgage insurance, when applicable
- Other debts and financial obligations
- Upcoming repairs, moving costs or purchases
- How long you expect to own the home
- Your broader savings and investment goals

The biggest down payment isn't always the best down payment.

The goal is to structure the mortgage appropriately for your financial situation.

PART 3

What Does a Mortgage Professional Look At?

Mortgage qualification is not based on one number. Think of it as several pieces working together.

1. Credit

Your credit history helps show how you've managed financial obligations and can influence loan eligibility and pricing.

2. Income

We evaluate stable, qualifying income and how it can be documented under the selected loan program.

3. Assets

Funds for down payment, closing costs and reserves may need to be verified and sourced.

4. Debt

Existing monthly obligations affect debt-to-income calculations and how much additional housing expense may qualify.

5. Property

The property itself may need to meet appraisal, title, insurance and program requirements.

6. Loan Program

Conventional, FHA, VA and other programs have different eligibility, documentation and property requirements.

Credit + Income + Assets + Debt + Property + Program

We review the whole picture before building the plan.

PART 4

Documents You May Need

Getting organized early can make the financing process much smoother.

Income Documentation

• Recent pay stubs

• W-2s and/or 1099s

• Personal and business tax returns, when required

• Employment history

• Documentation for bonus, commission, overtime, retirement, pension or Social Security income, when applicable

Asset Documentation

• Recent bank statements

• Investment and retirement statements

• Documentation for earnest money

• Documentation for large deposits or transfers

• Gift-fund documentation, when applicable

• Proof of funds for closing

Identification & Property Documents

• Government-issued photo ID and Social Security number

• Current and prior address/employment information, when required

• Executed purchase contract for a purchase

• Current mortgage statement for a refinance

• Homeowners insurance information

• Property-tax and HOA information, when applicable

• Information on additional liens or mortgages

Every loan is different. Additional documentation may be requested based on income type, assets, employment, property, occupancy and loan program.

PART 5

The DOs Before Buying or Refinancing

- DO continue paying every bill on time.
- DO keep credit-card balances under control.
- DO continue saving and maintain emergency reserves.
- DO keep employment and income stable when possible.
- DO keep financial records organized.
- DO provide requested documents promptly.
- DO document large deposits and transfers.
- DO tell your mortgage professional about major financial changes.
- DO ask questions when something doesn't make sense.
- DO call before making a major financial decision.

A five-minute conversation can prevent a major financing problem.

When in doubt, ask before you act.

PART 6

10 Things I Don't Want You Doing Before Closing

1. Buy a New Car

A new payment can change your debt-to-income ratio.

2. Open New Credit Cards

New inquiries, accounts or debt can affect your profile.

3. Finance Furniture or Appliances

Wait until after the mortgage closes before taking on new financed purchases.

4. Run Up Credit-Card Balances

Large balance increases can affect credit and monthly obligations.

5. Close Old Credit Accounts Without Asking

Closing accounts can change your credit profile.

6. Move Large Amounts of Money Without Documentation

The source and movement of funds may need to be verified.

7. Deposit Large Amounts of Cash Without Asking

Cash deposits can be difficult to document for mortgage purposes.

8. Co-Sign for Someone Else

The new obligation may affect your qualification.

9. Change Jobs Without Talking to Us

Changes in employer, industry or compensation structure can affect underwriting.

10. Assume You're Clear Until You've Closed

Credit, employment, assets and other information may be re-verified.

BEFORE making a major financial move, CALL ME.

PART 7

Your Texas One-Stop-Shop Financing Roadmap

STEP 1 - LISTEN	We start with your goals: timeline, comfortable payment, savings, credit, debts, family needs and long-term plans.
STEP 2 - REVIEW	We review the financial picture - credit, income, assets, debts and potential loan options. If something needs improvement, we identify it early.
STEP 3 - PLAN	We build a strategy that may include improving credit, reducing debt, increasing savings, choosing a down payment and comparing loan programs.
STEP 4 - PRE-APPROVAL	When you're ready, we determine the financing options available and review estimated purchase price, loan amount, payment and Cash to Close.
STEP 5 - CONTRACT & LOAN PROCESS	Once under contract, the file moves through processing, appraisal when required, title, insurance, underwriting and conditions.
STEP 6 - FINAL APPROVAL & CLOSING	We review final numbers and documents so you understand what you're signing before Closing Day.

PART 8

Your Refinancing Roadmap

Refinancing shouldn't be about chasing a headline rate. A refinance should solve a specific financial problem or help accomplish a specific goal.

Reasons You Might Consider Refinancing

- Reduce the interest rate or monthly payment
- Change the loan term
- Restructure an existing mortgage
- Potentially remove or reduce certain mortgage-insurance costs when eligible
- Access home equity through a cash-out refinance
- Consolidate certain debts or fund major expenses - after considering the long-term cost and risk

Questions to Ask Before Refinancing

- How much would I save each month?
- What are the closing costs?
- How long will it take to recover those costs?
- How long do I expect to keep the home?
- Am I extending my repayment timeline?
- What happens to my total interest cost?
- If taking cash out, what is the purpose and long-term impact?

A lower rate does not automatically mean a better financial decision.

Look at the entire loan and your expected time in the home.

PART 9

The Refinance Break-Even Point

A simple break-even calculation can help you understand how long it may take for monthly savings to recover refinance costs.

Example	Amount
Estimated Refinance Costs	$6,000
Estimated Monthly Savings	$250
Simple Break-Even	24 months

$6,000 ÷ $250 = 24 Months

If you expect to sell before the break-even point, the refinance may be less attractive.

Understanding Your Loan Estimate

For many mortgage applications, the Loan Estimate is a key document for comparing the proposed loan. Review more than the interest rate.

Look for:

- Loan amount and loan term
- Interest rate and whether it is locked
- Monthly principal and interest
- Estimated taxes, insurance and mortgage insurance
- Closing costs and lender credits
- Estimated Cash to Close
- Discount points, if any
- Important loan features

A lower interest rate with significantly higher upfront costs is not automatically the better deal. Compare the complete structure.

PART 10

Questions I Want Every Client to Ask

- What loan program am I using - and why?
- What is my interest rate? Is it locked?
- Am I paying discount points?
- What are my estimated closing costs?
- What is my estimated Cash to Close?
- Will I have mortgage insurance?
- What is my estimated total monthly housing payment?
- What happens if I put more or less money down?
- How could improving my credit change my options?
- Are seller or lender credits available?
- What is my loan term?
- If refinancing, what is my break-even point?
- What alternatives should I compare before deciding?

If you don't understand something, ASK.

This is your money, your mortgage and your future. You deserve to understand the decisions you're making.

CLIENT WORKSHEET

My Personal Financing Plan

Use this page to turn the information in this playbook into your own roadmap.

Planning Item	My Number / Notes
Target Home Price	______________________________
Desired Down Payment	______________________________
Current Savings	______________________________
Additional Savings Goal	______________________________
Comfortable Monthly Payment	______________________________
Estimated Credit Range	______________________________
Debts I Want to Reduce	______________________________
Target Purchase / Refinance Date	______________________________
Emergency Funds I Want After Closing	______________________________

My Next 3 Action Steps

1. ____

2. ____

3. ____

Questions I Want to Ask

____

____

____

FINAL CHECKLIST

Financial Preparation Checklist

CREDIT

- [ ] Review my credit profile
- [ ] Make every payment on time
- [ ] Avoid unnecessary new credit
- [ ] Keep revolving balances controlled
- [ ] Discuss credit concerns before applying

SAVINGS

- [ ] Establish my down-payment goal
- [ ] Estimate closing costs
- [ ] Build an emergency reserve
- [ ] Keep funds in documentable accounts
- [ ] Avoid unexplained large deposits

DOCUMENTS

- [ ] Gather pay stubs / W-2s / 1099s as applicable
- [ ] Gather bank and investment statements
- [ ] Gather tax returns if requested
- [ ] Have identification available
- [ ] Gather current mortgage documents if refinancing

BEFORE CLOSING

- [ ] Keep paying bills on time
- [ ] Avoid new debt and large purchases
- [ ] Avoid opening or closing credit accounts without asking
- [ ] Keep funds documented
- [ ] Respond quickly to requests
- [ ] Ask before making major financial changes

LISTEN. PLAN. EXECUTE.

One Professional. One Roadmap. One-Stop-Shop.

LET'S BUILD YOUR FINANCING PLAN

Buying a home or refinancing your mortgage shouldn't leave you feeling confused, rushed or unsure about what comes next.

My job is to help simplify the process, explain your options and help you move forward with confidence.

LISTEN	Understand your goals and financial starting point.
PLAN	Build a clear strategy based on your needs.
EXECUTE	Move through the process with guidance and communication.

Paul Herman
Texas One-Stop-Shop Real Estate Expert
Home Buying • Home Selling • Home Financing

“Treating you like the important person you are - not just another transaction.”

This playbook is for general educational and planning purposes only. It is not a commitment to lend, a Loan Estimate, a rate quote, legal advice, tax advice, credit-repair advice, or a guarantee of loan approval or terms. Mortgage programs, underwriting requirements, rates, fees, insurance requirements and eligibility can change. Actual down payment, closing costs, Cash to Close, credit-score requirements and refinance benefits depend on the borrower's complete financial profile, the property, loan program and market conditions. Consult the appropriate licensed professionals for advice specific to your situation.