THE COMPLETE BUYER'S GUIDE

YOUR PATH TO HOMEOWNERSHIP

A step-by-step roadmap to buying your home with confidence.

Buying a home is one of the biggest financial decisions you'll ever make — and one of the most rewarding. This guide breaks the entire journey into clear, simple steps, so you can move forward **informed, prepared, and in control** from your first question to the day you get your keys.

WHAT YOU'LL LEARN INSIDE

01 How much home you can actually afford

02 How to get pre-approved and make strong offers

03 Every major loan program, explained simply

04 What to look for — and inspect — in a home

05 Closing costs, and how to budget with no surprises

06 Your rights and protections as a buyer

Prepared by **Beau McDougall** — Real Estate Agent & Mortgage Loan Originator, Las Vegas, NV

702-595-1949 · Beau@NH-LasVegas.com · www.BeauMcDougall.com

NextHome Las Vegas · All Western Mortgage | NV B.145054 · NMLS #2611909 · AWM NMLS #14210

TABLE OF CONTENTS

01 WHY HOMEOWNERSHIP?

The Case for Buying Over Renting

Homeownership remains one of the most powerful wealth-building tools available to American families. According to the Federal Reserve's 2022 Survey of Consumer Finances, the median net worth of a homeowner is roughly **40 times** that of a renter — not because homeowners earn more, but because every mortgage payment builds equity in an asset that typically appreciates over time.

~40x	Builds Equity	Fixed Rate	Tax Benefits
Homeowner net worth vs. renters (Federal Reserve, 2022)	A share of every payment becomes yours, not your landlord's	Predictable payment vs. rising rent	Potential mortgage interest & property tax deductions*

Key Benefits of Homeownership

- Every mortgage payment builds YOUR equity — not your landlord's
- A fixed-rate mortgage means your principal and interest never change — rent tends to increase every year
- Real estate has historically appreciated over time, building long-term wealth
- Homeownership provides stability, community roots, and pride of ownership
- You have the freedom to renovate, decorate, and make the space truly yours
- Potential tax benefits — consult a tax advisor for your specific situation

NEVADA ADVANTAGE

Nevada has **no state income tax**, and owner-occupied primary residences are protected by a property-tax abatement that caps annual increases at **3%** — two reasons homeownership here can be especially cost-stable over time.

IMPORTANT NOTE

*Tax benefits vary by individual. Always consult a qualified tax professional regarding your specific situation. This is not tax advice.

02 YOUR HOME BUYING TEAM

Who Does What — and Why Each Role Matters

Buying a home is a team effort. Here are the key professionals who help guide you through the process:

Real Estate Agent Represents the buyer	Your agent is your guide, advocate, and negotiator throughout the home search. They access the full MLS, schedule showings, and write and negotiate your offer — representing your interests, not the seller's.
Mortgage Loan Officer Licensed mortgage professional	Your loan officer analyzes your financial picture, helps match you with the right loan program, and guides you through the entire lending process — from pre-approval to funding.
Home Inspector Licensed independent inspector	Once you're under contract, you'll hire a licensed inspector to evaluate the physical condition of the property. Expect to pay roughly \$300–\$600. This is one of the most important investments you'll make — attend in person and read the full report.
Escrow / Title Company Neutral third party	The escrow company holds funds and facilitates the transaction. The title company researches the property's ownership history to ensure clear title and issues title insurance to protect you and your lender.
Appraiser Ordered by the lender	A licensed appraiser independently determines the fair market value of the home. The appraisal must generally equal or exceed the purchase price for the loan to proceed at the agreed terms.

A NOTE ON WORKING WITH BEAU

Beau is licensed in both real estate and mortgage lending, so he can help you understand either side of the transaction. You are always free to choose your own agent, lender, and other service providers — this guide is here to help you make informed decisions, whoever you work with.

03 GETTING PRE-APPROVED

Your First Step Before You Start Shopping

A pre-approval is a verified review of your credit, income, and assets by a licensed loan officer. It is one of the most important steps you can take before starting your home search.

Why Pre-Approval First?

- Know your **real buying power** before falling in love with a home
- Sellers expect it — a pre-approval letter makes your offer credible and competitive
- Identifies and resolves credit issues **early** — not 20 days before closing
- Speeds up the loan process once you're under contract
- Helps you understand your monthly payment and the cash needed to close

QUICK TIP

Pre-qualification = quick estimate | Pre-approval = verified review. Always aim for a full pre-approval.

Documents You'll Typically Need

Category	Common Documents
Income	2 years W-2s and/or 1099s • 2 years federal tax returns (self-employed) • Most recent 30-day paystubs • Business returns if self-employed
Assets	2 months bank statements (all accounts) • Retirement / investment account statements • Gift letter if using gifted funds
Credit & ID	Government-issued photo ID • Social Security Number • Authorization for credit pull
Property (if refinancing)	Current mortgage statement • Homeowner's insurance policy • HOA statement (if applicable)

Document requirements vary by loan program and individual circumstances. Your loan officer will confirm exactly what's needed for your file.

04 THE 4 Cs OF CREDIT

How Lenders Evaluate Your Loan Application

Every mortgage application is evaluated against four key factors. Understanding these helps you present the strongest possible application.

Credit — Score & history

- 620+ minimum typical for conventional loans
- 580+ for FHA with 3.5% down (500–579 with 10%)
- 640+ typical for USDA; VA varies by lender
- Higher score generally means a better interest rate
- Avoid new inquiries, late payments, or large balances before applying
- Lenders review all three bureaus — Experian, Equifax, TransUnion — and use the middle score

Capital — Down payment & savings

- 3% down — Conventional (HomeReady / Home Possible)
- 3.5% down — FHA
- 0% down — VA and USDA (for eligible borrowers)
- 20% down eliminates Private Mortgage Insurance (PMI)
- Reserves vary by program & occupancy — often none for a primary residence, more for investment properties
- Source of funds must be documented and verified

Capacity — Income & DTI

- DTI = Monthly debts ÷ Gross monthly income
- Front-end ratio (housing only): typically ≤ 28–31%
- Back-end ratio (all debts): typically ≤ 43–50% depending on program
- 2-year employment history preferred
- Self-employed: 2-year average of taxable income
- Part-time, overtime, and bonus income may count with documentation

Collateral — The property

- Appraisal must generally equal or exceed the purchase price
- Property must be habitable and meet minimum standards
- Primary residence, second home, or investment property
- Single-family, condo, townhome, or multi-unit (up to 4 units)
- HOA condition, location, and property type may affect eligibility

05 LOAN PROGRAMS

Finding the Right Loan for Your Situation

There's a loan program for nearly every situation. The best fit depends on your credit, income, down payment, and the property. Here's an overview of the major programs available to buyers:

Program	Down Pmt	Min Credit	Loan Limit	Mortgage Ins.	Best For
Conventional	3–20%+	620+	$832,750 ($1,249,125 high-cost)	PMI if <20% (cancellable)	Good credit, larger loans
FHA	3.5% (10% if 500–579)	580+	$541,287 ($1,249,125 high-cost)	1.75% upfront + annual MIP	First-time buyers, lower credit
VA	0%	Varies	No limit, full entitlement (100% financing)	None (funding fee)	Eligible veterans & military
USDA	0%	640+ typical	No set limit (income-based)	1% upfront, 0.35% annual	Eligible suburban/rural areas
Jumbo	10–20%+	700+	Above $832,750 up to $3M+	Varies	High-value markets
FHA 203k	3.5%	580+	FHA limits	Same as FHA	Buy + renovate in one loan
HomeReady®	3%	620+	Conforming	Reduced PMI	Low-to-mod income buyers
Home Possible®	3%	620+	Conforming	Reduced PMI	Flexible income sources
Reverse / HECM	N/A (equity)	N/A	FHA limits	MIP applies	Homeowners 62+
Non-QM / Portfolio	Varies	Varies	Varies	Varies	Bank statement / ITIN / self-employed

All programs are subject to credit approval, eligibility, and property requirements. Loan limits shown are 2026 figures for most counties and are subject to change. Not a commitment to lend. Equal Housing Opportunity.

LOCAL NOTE FOR LAS VEGAS BUYERS

Clark County follows the baseline loan limits — for 2026 that's **$832,750** for a conventional loan and **$541,287** for FHA on a single-family home. Homes priced above those limits move into jumbo or high-balance territory.

DOWN PAYMENT ASSISTANCE (DPA) PROGRAMS

Nevada buyers may qualify for the Nevada Housing Division's "Home Is Possible" program, which can provide help toward a down payment and closing costs. State, county, and local DPA may also include grants, forgivable second mortgages, or deferred-payment seconds. Income limits and first-time-buyer rules apply — ask about what's currently available in your area.

06 THE HOME SEARCH

Finding the Right Home and Making a Winning Offer

Step 1 — Define Your Needs vs. Wants

Before touring a single home, separate your **non-negotiables** (location, school district, minimum bedrooms, accessibility) from your **wish list** (pool, large yard, 3-car garage). This clarity prevents paralysis and helps your agent find the right homes faster.

NEEDS (Non-Negotiable)

- Location / school district / commute
- Minimum square footage
- Number of bedrooms & bathrooms
- Accessibility requirements
- Price range (based on pre-approval)

WANTS (Nice to Have)

- Pool / outdoor space
- Home office / bonus room
- Updated kitchen or bathrooms
- 3-car garage
- Solar panels / smart home features

Step 2 — What to Look For at Showings

- **Roof:** Ask about age and condition — replacement can cost $15,000+
- **HVAC:** Age and condition of heating/cooling systems
- **Water stains:** On ceilings or walls may indicate leak history
- **Foundation:** Cracks, settling, or water intrusion in basement/crawl space
- **Electrical panel:** Age, capacity, and whether it's been updated
- **Plumbing:** Low water pressure, old pipes, or slow drains
- **Neighborhood:** Noise, traffic, proximity to schools and amenities

Step 3 — Making Your Offer

Purchase Price	Based on comparable sales (comps) and market conditions
Earnest Money Deposit	Typically 1–3% of purchase price — shows the seller you're serious
Financing Contingency	Protects you if you can't obtain financing
Inspection Contingency	Allows you to negotiate or exit after the inspection
Appraisal Contingency	Protects you if the home doesn't appraise at purchase price
Closing Date	Typically 30–45 days; flexible dates can strengthen your offer
Seller Concessions	You can ask the seller to contribute toward closing costs

07 UNDER CONTRACT — THE TIMELINE

What Happens After Your Offer Is Accepted

1 **Days 1–3 — Open Escrow**

Deposit earnest money with the escrow company • Title search begins • Loan disclosures issued (within 3 business days) • Sign and return disclosures promptly

2 **Days 3–7 — Home Inspection**

Hire a licensed home inspector ($300–$600) • Attend the inspection in person • Review the full written report • Negotiate repairs, credits, or price reduction

3 **Days 7–14 — Appraisal Ordered**

Lender orders an independent appraisal • Appraiser visits and evaluates the property • Report reviewed by underwriter • Must meet or exceed purchase price

4 **Days 14–25 — Loan Processing**

File sent to processor and underwriter • Title work and escrow continue • You may receive condition requests — respond fast! • Bind homeowner's insurance policy

5 **Days 25–28 — Clear to Close**

All conditions satisfied • Final Closing Disclosure issued • Mandatory 3-business-day waiting period • Confirm wire amount and signing appointment

6 **Day 30 — Closing Day!**

Sign loan documents • Wire closing funds • Lender funds the loan • Title records — you're a homeowner!

IMPORTANT

Do NOT make any major financial changes while under contract or during the loan process:

- No new credit accounts, loans, or large purchases
- Do not change jobs or income structure without consulting your loan officer
- Do not move large sums of money between accounts without documentation
- Do not co-sign any loans for others

Timeline is illustrative; many transactions close in 30–45 days. Your actual timeline depends on the property, program, and how quickly documents are returned.

08 THE LOAN PROCESS IN DETAIL

From Application to Clear to Close

1. **Application & Disclosures**
   Complete the 1003 Uniform Residential Loan Application. Within 3 business days, you receive a Loan Estimate (LE) showing your projected interest rate, monthly payment, and closing costs.

2. **Processing**
   Your processor packages your file and orders the appraisal, title report, flood certificate, and verification of employment (VOE). Updated documents may be requested along the way.

3. **Underwriting**
   The underwriter reviews your credit, income, assets, and the property against program guidelines. They may issue "conditions" (prior-to-approval items) that must be satisfied.

4. **Conditional Approval**
   You receive a conditional approval with a list of items to satisfy. Common conditions include updated bank statements, letters of explanation, and updated paystubs. Respond quickly to keep your file moving.

5. **Clear to Close (CTC)**
   All conditions are satisfied. Your final Closing Disclosure (CD) is issued. By law, you must receive the CD at least 3 business days before signing.

6. **Closing & Funding**
   You sign your loan documents at the escrow office. Funds are wired. The lender funds the loan. Title records the deed at the county recorder — and you're a homeowner.

TIP

The single biggest factor in an on-time closing is how quickly you return requested documents. When your loan officer or processor asks for something, fast responses keep everything on schedule.

09 CLOSING COSTS

What to Budget for Beyond Your Down Payment

Closing costs typically range from **2–5% of the purchase price**, in addition to your down payment. These are one-time costs paid at closing. Your Loan Estimate will detail exact figures for your transaction.

Cost Category	Description	Typical Range
Lender Fees	Origination fee, processing fee, underwriting fee, discount points (if any)	$0–$3,000+
Prepaid Items	Homeowner's insurance premium, prepaid interest (per diem), property tax impounds	$2,000–$5,000
Title & Escrow	Owner's title insurance, lender's title insurance, escrow/settlement fee	$1,500–$3,500
Appraisal	Third-party licensed appraiser fee (ordered by lender)	$500–$800
Home Inspection	Licensed inspector (buyer's cost — paid outside of escrow)	$300–$600
Government Fees	Transfer taxes, recording fees (vary significantly by state/county)	$500–$2,000+

PRO TIP: SELLER CONCESSIONS

In many transactions, you can negotiate for the seller to pay some or all of your closing costs. Depending on the loan program and loan-to-value ratio, sellers can contribute 3–9% of the purchase price toward your closing costs. In a buyer's market or with motivated sellers, this can meaningfully reduce your out-of-pocket costs at closing.

Cash Needed to Close — The Full Picture

Your total cash to close = **Down payment + Closing costs − Seller concessions − Lender credits**. Your Loan Estimate and Closing Disclosure will show you the exact number.

WIRE FRAUD WARNING

Wire fraud in real estate is a real and growing threat. ALWAYS verify wiring instructions by calling your escrow officer at a phone number you independently verified — never use contact info from an email. Fraudulent wires are nearly impossible to recover.

10 CLOSING DAY

The Finish Line — What to Expect

What to Bring

- Valid government-issued photo ID
- Cashier's check or wire confirmation
- Proof of homeowner's insurance
- Any outstanding docs requested by escrow

At the Signing Table

- Roughly 100 pages of loan documents to sign
- A notary or signing agent will walk you through each one
- Take your time — ask questions if anything is unclear
- Confirm final loan terms match your Closing Disclosure

Funding & Recording

- Lender wires funds to escrow
- Escrow pays off existing liens and distributes proceeds
- Title records the deed at the county recorder
- Recording confirmation = you're a homeowner!

After Closing

- First mortgage payment due ~30–45 days after closing
- Set up autopay to protect your credit
- Keep all closing documents in a safe place
- Save all mortgage statements for tax purposes

11 FAIR HOUSING & YOUR RIGHTS

Equal Housing Opportunity — Always

EQUAL HOUSING OPPORTUNITY

All Western Mortgage and NextHome are Equal Housing Opportunity providers. Every buyer and borrower is treated with equal professionalism and given access to the same programs.

The **Fair Housing Act** (Title VIII of the Civil Rights Act of 1968) prohibits discrimination in the sale, purchase, rental, or financing of housing based on:

- Race
- Color
- National Origin
- Religion
- Sex
- Familial Status (having children)
- Disability

Many states and localities add protected classes including sexual orientation, gender identity, source of income, marital status, and veteran status. Nevada law also prohibits discrimination based on sexual orientation and gender identity.

Mortgage loan decisions are made solely on creditworthiness — credit score, income, assets, and the property. No personal characteristics play any role.

File a Fair Housing Complaint	HUD: 1-800-669-9777 | www.hud.gov/fairhousing
Verify a Mortgage License	NMLS Consumer Access: www.nmlsconsumeraccess.org
Beau McDougall NMLS	NMLS #2611909
All Western Mortgage NMLS	NMLS #14210
NV Real Estate License	NV B.145054

12 GLOSSARY OF KEY TERMS

Common Mortgage & Real Estate Terms

Term	Definition
APR (Annual Percentage Rate)	The true cost of borrowing, including interest rate plus fees, expressed as a yearly rate. Useful for comparing loan offers.
Appraisal	An independent assessment of a property's market value by a licensed appraiser, required by the lender.
Clear to Close (CTC)	The lender's confirmation that all loan conditions have been satisfied and the loan is approved for funding.
Closing Disclosure (CD)	A standardized 5-page document issued at least 3 business days before closing, showing final loan terms and costs.
Conforming Loan	A mortgage that meets Fannie Mae/Freddie Mac guidelines. 2026 limit: $832,750 for most counties.
Contingency	A condition in the purchase contract that must be satisfied for the sale to proceed (financing, inspection, appraisal).
Debt-to-Income Ratio (DTI)	Your total monthly debt payments divided by your gross monthly income, expressed as a percentage.
Down Payment	The portion of the purchase price paid upfront by the buyer — the difference between the purchase price and loan amount.
Earnest Money Deposit (EMD)	A good-faith deposit (typically 1–3%) made by the buyer upon offer acceptance, applied to closing costs or down payment.
Equity	The portion of the home's value you own: current market value minus your loan balance.
Escrow	A neutral third party that holds funds and documents until closing conditions are met.
FHA Loan	A mortgage insured by the Federal Housing Administration, allowing lower down payments and credit scores.
Jumbo Loan	A mortgage that exceeds conforming loan limits ($832,750 in most areas).
Loan Estimate (LE)	A standardized 3-page document issued within 3 business days of application, showing projected loan terms and costs.
LTV (Loan-to-Value)	The ratio of the loan amount to the appraised value of the property. Lower LTV = less risk to the lender.

12 GLOSSARY OF KEY TERMS (continued)

Common Mortgage & Real Estate Terms

Term	Definition
MIP (Mortgage Insurance Premium)	Insurance required on FHA loans: 1.75% upfront + annual premium. Protects the lender, paid by the borrower.
NMLS	Nationwide Multistate Licensing System — the registry for all licensed mortgage professionals and companies.
PITI	Principal, Interest, Taxes, and Insurance — the four components of a typical monthly mortgage payment.
PMI (Private Mortgage Insurance)	Required on conventional loans with less than 20% down. Cancellable once you reach roughly 20% equity (based on original value).
Pre-Approval	A lender's verified review of your credit, income, and assets — stronger than pre-qualification.
Rate Lock	A lender's guarantee of a specific interest rate for a set period (typically 30–60 days) while your loan is processed.
Title Insurance	Insurance protecting the owner (and lender) against defects in the property's title. One-time premium.
Underwriting	The lender's process of evaluating your application against program guidelines to make a loan decision.
USDA Loan	A zero-down mortgage for eligible suburban/rural properties, backed by the U.S. Department of Agriculture.
VA Loan	A mortgage benefit for eligible veterans and active-duty service members, often with no down payment and no PMI.

HAVE A QUESTION ABOUT A TERM?

Understanding the language is half the battle. If any term in this guide is unclear as it applies to your situation, don't hesitate to ask — a good professional will always take the time to explain.

ABOUT BEAU McDOUGALL

Your Real Estate & Mortgage Guide

Most homebuyers work with two separate professionals — a real estate agent to find the home and a loan officer to finance it — and hope the two stay on the same page. Beau McDougall brings both perspectives together. He is licensed in Nevada as both a **real estate agent** (NV B.145054) and a **mortgage loan originator** (NMLS #2611909), serving buyers throughout Las Vegas and Clark County.

That dual expertise means you have someone who understands the full picture — how your financing shapes what you can offer, how an appraisal or a loan condition can affect your timeline, and how to keep the purchase and the loan moving in sync. The result is fewer handoffs, fewer surprises, and clearer answers at every step.

Beau's approach is education-first, and this guide reflects how he works: the goal is to make sure you understand each part of the process so you can make confident, informed decisions — whether you're buying your first home or your next one. Because at the end of the day, real estate is about people, not just properties.

Dual-Licensed
Real estate & mortgage expertise in one place

Local
Las Vegas & Clark County market knowledge

Education-First
You understand every step of the way

One Point of Contact
Purchase & financing kept in sync

#HUMANS OVER HOUSES

Beau McDougall

Real Estate Agent & Mortgage Loan Originator

702-595-1949 | Beau@NH-LasVegas.com
www.BeauMcDougall.com

NextHome Las Vegas · All Western Mortgage

NV B.145054 | NMLS #2611909 | All Western Mortgage NMLS #14210

Have questions about your specific situation? Reach out anytime — no cost, no obligation.