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THE MICHIGAN **FIRST-TIME** HOMEBUYER'S GUIDE

A straight, easy walk through what readiness really means, the help Michigan offers, and how you get from renting to your own front door

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THE FIRST QUESTION IS USUALLY "AM I EVEN READY?"

When someone is buying for the first time, the question they lead with almost never has to do with interest rates or neighborhoods. It is quieter than that. It is "Am I even ready for this?" That is the real starting line, and it is a fair thing to wonder.

Here is the honest answer: readiness is not a single moment you either have or you do not. It is a short list of things you can actually look at and work on, and most of them are more in reach than people assume. This guide walks you through what those things are, what help exists here in Michigan, and what the path from renting and wondering to holding your own keys really looks like. No jargon, and nothing you have to figure out on your own.

YOU ARE PROBABLY MORE READY THAN YOU THINK

A good first step costs nothing and commits you to nothing. Our readiness workbook walks you through where you stand right now: what you earn, what you owe, what you have saved, and where your credit sits. It is not a test you pass or fail. It just turns a vague "maybe someday" into a clear picture you can actually work from.

Some people go through it and find they are ready to move now. Others find they are a few months out, with one or two things to tidy up first. Both of those are good outcomes. The only bad one is

staying in the dark about it. Wherever the workbook says you are, that is simply your starting point, and every starting point has a path forward from it.

THE TWENTY PERCENT MYTH

The single biggest thing that keeps first-time buyers renting longer than they need to is a number that is not even true: that you need twenty percent down. You almost certainly do not. Conventional loans can go as low as three percent down, FHA is around three and a half, and VA and USDA loans can mean nothing down at all if you qualify.

A couple of other costs are worth planning for so nothing surprises you. Closing costs, the fees to finalize the loan and the purchase, usually run about two to five percent of the price, and a seller can sometimes be asked to cover part of them. Earnest money is a good-faith deposit you put down when your offer is accepted, and it is not money out the door, it gets applied to what you owe at closing. None of this is as steep as the twenty percent number in your head, and seeing the real figures is often the first thing that makes a home start to feel possible.

MICHIGAN HAS HELP BUILT IN

This is the part a lot of first-time buyers never hear about. Michigan runs its own programs, through a state agency called MSHDA, built specifically to help people buy their first home. The headline piece is down payment assistance: help covering the up-front cost, usually structured as a second loan that can be forgiven over time when you stay in the home. It is not a handout and it is not free money, it is a tool the state set up so working people can get in the door.

There are a few moving parts. Some of this help is tied to income limits, some asks you to take a short homebuyer education class, and the exact amounts and terms are set by the program, not by us. That is part of why the right lender matters so much, which is the next piece. The point for now is simply this: in Michigan, the gap between where your savings are and what it takes to buy is often smaller than it looks, because part of it is meant to be filled for you.

YOUR CREDIT, AND GETTING A REAL NUMBER

At some point, getting your bearings turns into getting a real number, and that means a pre-approval. A pre-approval is a lender looking at your actual income, credit, and savings and putting in

writing what they will lend. That is different from a pre-qualification, which is really just an estimate. It gives you a real budget to shop inside of, and it is what makes a seller take your offer seriously.

Two things worth saying plainly about credit. First, the score you have today is not the score you are stuck with. A few focused months can move it more than people expect, and a good lender will tell you exactly which levers matter for you. Second, who you work with counts. We point first-time buyers to lenders who actually know the Michigan first-time programs, because a lender who runs MSHDA loans every week will find you help that a lender who never touches them will quietly skip right past.

WHAT THE WHOLE PATH LOOKS LIKE

Once your financing is set, the rest is a sequence, not a leap. You find the right home with someone who knows the local market, you put together a strong offer, you do your homework with an inspection and an appraisal, and you close. Each step has its own work, and you are never doing any of it blind.

The full step-by-step of the buying process lives in our Michigan Home Buyer's Guide, and every bit of it applies to you too. The reason first-time buyers get their own guide is not that the back half is different, it is that the front half, the readiness and the money and the help, is where the real first-time questions are. Get that part right and the rest follows.

WHY DOING THIS NOW IS WORTH IT

It is worth being honest about the cost of waiting, because waiting feels safe and often is not. Rent is money you do not get back, and while you pay it, home prices in West Michigan tend to keep climbing. Wait a few years to save the twenty percent that turns out to be three, and the house you wanted can cost noticeably more than it does today. The math usually favors getting ready sooner, not someday.

And there is the part that lasts. The first home is rarely the last one. It is the thing that starts building equity in your name instead of your landlord's, and it sets up everything that comes after it. The first-time buyers we help today are the move-up buyers, the sellers, and the families I am still working with years from now. Getting in is the step that makes all of that possible.

THE BOTTOM LINE

Being a first-time buyer is not about having it all figured out. It is about taking the first honest look, learning what the real numbers are, finding the help that already exists, and then walking the path one step at a time. You are likely closer than you think, and you do not have to do any of it alone.

If you want to see where you stand, the readiness workbook is an easy place to start on your own time, and a short conversation can fill in the rest.

WHERE TO START

START THE CONVERSATION

Tell us where you are and what you are trying to do. We will bring the plan.

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