

FIRST-TIME HOME BUYER CHECKLIST

Your Complete Guide to Buying a Home in Dallas-Fort Worth

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300+ Transactions | \$250M+ Closed | D Magazine Best REALTOR® 2020, 2023, 2024

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PHASE 1: PREPARATION (1-2 Weeks Before Starting)

Financial Preparation

- Check credit score (aim for 580+ for FHA, 620+ for conventional)
- Review credit report for errors — dispute any inaccuracies
- Calculate your debt-to-income ratio (should be under 43%)
- Determine your comfortable monthly payment (include taxes, insurance, HOA)
- Save for down payment (3.5% FHA, 3% conventional, 0% VA/USDA)
- Save for closing costs (2.5-3.5% of purchase price)
- Avoid major purchases or new credit accounts

TIP: Budget \$25,000-\$40,000 total cash for a \$375,000 home purchase.

Document Gathering

- Last 2 years of W-2s or 1099s
- Last 2 years of federal tax returns
- Last 30 days of pay stubs
- Last 2-3 months of bank statements (all pages)
- Government-issued photo ID
- Social Security card or number
- Proof of any additional income (bonuses, alimony, rental income)
- Gift letter (if receiving down payment assistance from family)

PHASE 2: PRE-APPROVAL (Week 1-2)

Lender Selection

- Compare at least 2-3 lenders (rates, fees, responsiveness)
- Ask about FHA, VA, USDA, and conventional loan options
- Inquire about Texas down payment assistance (My First Texas Home)
- Request Loan Estimate from each lender
- Choose lender and submit full application
- Receive pre-approval letter

Agent Selection

- Research buyer's agents with first-time buyer experience
- Look for CRS, ABR, or GRI designations
- Read reviews and check transaction history
- Schedule initial consultation (free, no obligation)

- Sign buyer representation agreement (required under Texas SB 1968)
- Discuss search criteria, timeline, and communication preferences

NOTE: Under Texas SB 1968 (effective Jan 1, 2026), a written buyer representation agreement is required before your agent can show homes or provide advice.

PHASE 3: HOME SEARCH (Weeks 2-6)

Define Your Priorities

- Must-haves: _____
- Nice-to-haves: _____
- Deal-breakers: _____
- Preferred school districts: _____
- Maximum commute time: _____
- New construction vs. resale preference: _____

Property Viewings

- Tour homes in person or via live video (for remote buyers)
- Take photos and notes at each property
- Check neighborhood at different times of day
- Research property taxes, HOA fees, and any MUD/PID assessments
- Drive the commute during rush hour
- Visit model homes if considering new construction

PHASE 4: MAKING AN OFFER (Days 1-3)

- Review comparable sales with your agent
- Determine offer price and terms
- Decide on earnest money amount (typically 1-2%)
- Include contingencies (financing, inspection, appraisal)
- Submit offer through your agent
- Negotiate counteroffers as needed
- Execute contract once terms are agreed
- Deliver earnest money to title company (within 3 days typically)

PHASE 5: UNDER CONTRACT (Days 1-30)

Inspections (Days 1-10)

- Schedule general home inspection (\$400-\$600)
- Schedule termite/WDI inspection (often required by lender)
- Consider additional inspections: sewer scope, foundation, pool, roof
- For new construction: pre-drywall, mechanical, and final inspections
- Review inspection reports with your agent
- Submit repair requests or negotiate credits
- Receive seller's response and finalize negotiations

Loan Processing (Days 1-25)

- Submit any additional documents requested by lender
- Order homeowner's insurance (required before closing)
- Complete home appraisal (lender orders this)
- Review appraisal results — negotiate if low
- Receive Clear to Close from lender
- Review Closing Disclosure (at least 3 days before closing)

Title & Closing Prep (Days 20-30)

- Title company performs title search
- Review title commitment for any issues
- Confirm closing date, time, and location
- Obtain certified/cashier's check or wire instructions for closing funds
- Schedule final walkthrough (24-48 hours before closing)

WARNING: Wire fraud is common. ALWAYS verify wire instructions by phone using a number you find independently — never from an email.

PHASE 6: CLOSING DAY

Final Walkthrough

- Verify all negotiated repairs are complete
- Test all appliances, HVAC, plumbing, and electrical
- Check that all fixtures and items in contract remain
- Document any issues for resolution before closing
- Confirm home is in same condition as when offer was made

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