



# A NO B.S. GUIDE TO HOME BUYING

This guide will help you avoid all the most common myths and misconceptions about buying a home. The biggest one? You can't afford to do it. **You can!**

## WHAT'S INSIDE:

Affordability

Rates + Payments

Benefits

Process

Communities

# DON'T BUY INTO A MYTH

When it comes to home ownership, the internet is full of myths and misconceptions about what you need to know and how to go about buying a home.

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~~PERFECT CREDIT?~~ MYTH.

~~TOO EXPENSIVE?~~ MYTH.

~~THE TIMING ISN'T RIGHT?~~ TOTAL MYTH.

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This guide will help you separate fact from fiction and highlight the figures that matter—like interest rates and down payments—so **you can decide what's the right move for you.**

# MYTH:

IT'S MUCH CHEAPER  
TO RENT THAN BUY

# FACT:

NOT IN  
TEXAS

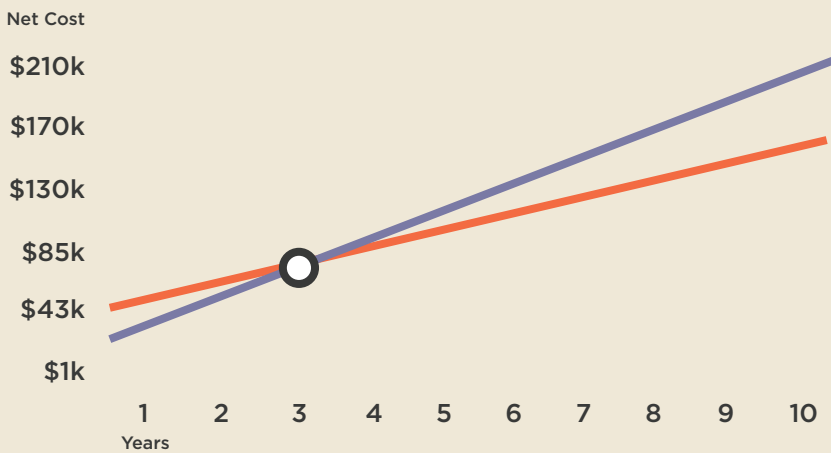
## RENT IS ON THE RISE

Did you know the average cost of rent in the U.S. goes up 3% every year? Rent prices are rising fast and showing no sign of slowing down. For many, life without a mortgage offers flexibility and freedom. But at what cost?

## THE TRUE COST OF RENTING

On average, the price of rent is \$185 more than a monthly mortgage in Texas. **Wow!** Buying a home is a big investment, but once you pay off your home, the place is yours. Rent payments on the other hand, never stop.

## BUYING IS CHEAPER THAN RENTING AFTER THREE YEARS\*



— RENT  
— BUY

\* Assuming costs continue to rise with the national inflation rate of 1.9 percent.

Warden, Peter. "The Cost of Homeownership vs. Renting over 3, 5 and 10 Years." Mortgage Rates, Mortgage News and Strategy: The Mortgage Reports, 17 Sept. 2019. [themortgagereports.com/46632/the-cost-of-homeownership-vs-renting-over-3-5-and-10-years](http://themortgagereports.com/46632/the-cost-of-homeownership-vs-renting-over-3-5-and-10-years).

### THIS IS BASED ON:

Target Monthly Rent: \$1,800  
Target Home Price: \$300,000  
Available Down Payment: 10%



# MYTH:

IT'S A BAD TIME TO  
BUY A HOME

# FACT:

THERE'S NO BETTER  
TIME THAN NOW

## THE LOW DOWN ON LOW INTEREST RATES

Interest rates are at an all-time low. When rates are low, the market tilts in favor of the buyer. But what does that mean for you? **More houses on the market and more money in your pocket,** making it easier to find and buy the home of your dreams. And save big while doing it.

Did we mention the savings? Sure, low interest rates mean you'll **pay less over the life of your loan.** But owning a home will also save you from the rising cost of rent. When it comes to homebuying there's no better time than now.



## MOVE-IN READY HOMES

When ready to buy means right now, move-in ready homes in master-planned communities offer all the benefits of a new home without having to wait. If time is a factor, these homes are ready when you are and often come with pricing incentives.

# MYTH:

IT'S 20% DOWN  
OR NOTHING

# FACT:

AS LITTLE AS 3%  
MAY DO

## THE FACTS ON THE FIGURES

Buying a home is a major financial move that requires some upfront costs. One of those is your down payment. It's usually a percentage of the sale price and represents your initial stake in the home.

20% DOWN ON A \$300,000 HOME:

**\$60,000**

3% DOWN ON A \$300,000 HOME:

**\$9,000**

Saving for a 20% down payment is one of the biggest obstacles for many homebuyers. But it's not your only option. Depending on the type of loan you qualify for, some government loans and programs are structured to help you **purchase a home with little to no money down**. If you're considering a new construction, many home builders offer assistance with closing costs and other promotions.



### VA LOANS\*

- Zero Down
- Past or Present Member of the Armed Forces

### FHA LOANS\*

- 3.5% Down
- No Income Restrictions
- Min. Credit Score: 580

### FIXED-RATE LOANS\*

- 3% Down
- Good Credit

\*Lee, Jeanne. "FHA, VA Or Conventional: Best Mortgage For You." Bankrate, Bankrate.com, 19 April 2019, [www.bankrate.com/finance/mortgages/conventional-fha-va-mortgage.aspx](http://www.bankrate.com/finance/mortgages/conventional-fha-va-mortgage.aspx).

# MYTH:

IT'S JUST  
NOT WORTH IT

# FACT:

TRUTH IS,  
IT IS

## MORE TO CONSIDER ABOUT YOUR NEXT MOVE

Buying a home is a major commitment, but for most people, there's more to it than that. Here's a look at a few benefits you should consider when deciding between renting and buying.

### LIFESTYLE

HOMEOWNERSHIP GIVES YOU THE FREEDOM TO CREATE THE LIFE AND SPACE YOU'VE ALWAYS WANTED. OWN PETS, PAINT ROOMS, MAKE CHANGES THAT MAKE A HOUSE YOUR HOME. AND DO IT ALL WITHOUT A LANDLORD'S APPROVAL.

### LIVING SPACE

WHEN IT COMES TO SQUARE FOOTAGE AND OUTDOOR LIVING SPACE, SIZE MATTERS. HOMEOWNERS IN A MASTER PLANNED COMMUNITY WILL FIND MORE THAN ENOUGH ROOM TO ROAM INDOORS AND OUT.

### PRIVACY

BUYING A HOUSE BUYS YOU PRIVACY. NO MORE NOSY LANDLORDS OR RANDOM MAINTENANCE CHECKS. AND HOME IMPROVEMENTS LIKE FENCING AND LANDSCAPING CAN OFFER YOUR FAMILY EVEN MORE PRIVACY AND COMFORT.

### CUSTOMIZATION

BUILT-TO-OWN HOMES, ON THE OTHER HAND, GIVE YOU THE FREEDOM TO CUSTOMIZE YOUR HOME THE WAY YOU WANT. FROM PAINT TO LAYOUT, AND EVERYTHING IN BETWEEN, THE CHOICE IS YOURS!

### COMMUNITY

BUYING A HOME GIVES YOU ROOTS. A COMMUNITY TO BECOME PART OF. AND AN OPPORTUNITY TO CULTIVATE MEANINGFUL RELATIONSHIPS WITH YOUR NEIGHBORS.

### AMENITIES

YOU CAN FIND ALL THE BEST AMENITIES—SWIMMING POOL, FITNESS CENTER, OUTDOOR TRAILS AND SO MUCH MORE—IN A MASTER-PLANNED COMMUNITY THAT FITS YOUR LIFESTYLE AND LIFE GOALS.

### EQUITY

OWNING A HOME IS A GOOD INVESTMENT. PAYING YOUR MORTGAGE FORCES YOU TO SAVE. WITH EACH PAYMENT, YOU PAY DOWN DEBT AND ACCUMULATE EQUITY TO BUILD LONG-TERM WEALTH.

### WARRANTY

AS A HOMEOWNER, YOU NEVER KNOW WHEN YOU'LL HAVE TO FIX OR REPLACE SOMETHING. NEW CONSTRUCTION HOMES REQUIRE LESS MAINTENANCE AND COME WITH A WARRANTY TO GIVE YOU PEACE-OF-MIND.

# MYTH:

**THE HOMEBUYING PROCESS  
IS CRAZY COMPLICATED**

# FACT:

**IT'S EASIER  
THAN YOU THINK**

## HOW TO GO FROM RENTER TO HOMEOWNER

### 1. FIGURE OUT YOUR BUDGET

You can start by downloading your credit report to check your financial history. Good credit is a determining factor in the type of loan, interest rate and amount you'll be approved for.

### 2. FIND A REALTOR

An experienced realtor can help with contracts, negotiations and other counsel. As a first-time homebuyer, it helps to have someone who knows how to navigate the process on your side.

### 3. GET PRE-APPROVED

Talk to a lender to determine exactly how much you can borrow at what rate. After verifying your credit, income and assets, your lender will pre-approve a home loan, so you can submit an offer with confidence.

### 4. FIND YOUR DREAM HOME

This is the fun part! When you're looking for homes, consider where you want to live and the type of community that fits your lifestyle. Master-planned communities, like those from Hillwood Communities, offer all the best amenities and the ability to customize your home.

### 5. GET THE KEYS

Dream home, check. Now it's time to make an offer based on your budget, the market and the value of the home. If it's accepted you appraise, inspect, correct before moving on to closing. Once you get the clear to close and the documents are signed, you're officially a homeowner!

**...IT'S AS EASY AS THAT.**

# A COMMUNITY TO CALL HOME

In every Hillwood Communities neighborhood, we take the time to focus on the ideals that draw people together. Purposeful design, outdoor gathering spaces, and structural amenities spark encounters and foster community in every sense. Find your dream home, today.



CELINA, TX  
FROM THE MID \$200s



LUCAS, TX  
FROM THE \$500s



ARGYLE, TX  
HIGH \$200s TO \$600s



MELISSA, TX  
LOW \$300s TO \$500s



PROSPER, TX  
MID \$300s TO \$500s



NORTHLAKE, TX  
MID \$200s TO \$600s



MANVEL, TX  
MID \$200s TO \$600s



LITTLE ELM, TX  
MID \$200s TO \$500s



GEORGETOWN, TX  
FROM THE HIGH \$200s



TOUR OUR COMMUNITIES  
VIRTUALLY OR VISIT IN  
PERSON TODAY!