

Local Experts Share Top 5 Tips to Navigate the Mortgage Process for First-Time Homebuyers

ORANGE COUNTY, CA, UNITED STATES, June 1, 2025 /EINPresswire.com/ -- Buying a first home marks a significant life milestone, but the mortgage process can often feel overwhelming—particularly for those new to the real estate market. To provide clarity and boost the likelihood of loan approval, local mortgage and real estate experts have outlined five essential tips for prospective homebuyers preparing to apply for a mortgage.

These recommendations are designed to help buyers enter today's competitive housing landscape with confidence and financial preparedness.

1. Strengthen Credit Scores Prior to Application

Credit scores play a pivotal role in determining mortgage interest rates and loan terms. Even minor improvements can lead to substantial savings over time. "An improved credit score of only 20 points can go a long way and save homeowners thousands of dollars over a 5-year period," said Paul Scheper, President of Loangevity Mortgage in Orange County, CA. Recommended actions include reviewing credit reports, paying off existing debts, and avoiding new credit inquiries in the months before applying.

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Paul Scheper

planning.



Sarah Scheper

2. Build a Robust Down Payment and Account for Closing Costs

While certain loan programs allow for down payments as low as 3%, a larger upfront payment can reduce monthly costs and eliminate the need for private mortgage insurance (PMI). Closing costs—typically 1–2% of the purchase price—should also be factored into financial

3. Obtain Pre-Approval Before Beginning the Home Search

Securing a mortgage pre-approval demonstrates financial readiness to sellers and strengthens a buyer's position in competitive situations. "Sellers don't want to tie up a property for tire-kickers. A pre-approval letter and proof of funds show the seller that the buyer means business," said Sarah Scheper, a leading Orange County real estate agent. The pre-approval process involves a comprehensive review of income, credit history, and financial documentation.

4. Evaluate All Loan Program Options

First-time buyers are encouraged to explore a range of loan programs—including FHA, VA, and USDA options—to identify the most favorable terms. "The key is to match the right buyer with the right loan, with the right payment, and the right down payment—it has to mesh perfectly," explained Paul Scheper. Working with a mortgage advisor can help ensure the selection of a product aligned with long-term financial goals.

5. Maintain Financial Stability During the Application Process

Major financial changes during the loan process can negatively impact approval chances. "Buyers should avoid making large purchases, opening new credit lines, or changing jobs. These actions could impact debt-to-income ratios, credit scores, and, ultimately, loan eligibility," advised veteran loan processor and underwriter Alyson McCreery. Paul Scheper added, "Just remember, a week before the close of escrow, don't buy a boat that has a \$30,000 loan on it."



The Importance of a Real Estate 'Dream Team'

Assembling a team of experienced professionals—including real estate agents, lenders, processors, and title experts—can significantly improve the homebuying experience. “Buyers need to be part of a dream team comprised of a great realtor, lender, processor, investor, and title and escrow company. T.E.A.M. stands for Together Everybody Achieves More,” said Sarah Scheper.

About Paul Scheper

Paul Scheper is a licensed mortgage broker with decades of experience in real estate finance. A graduate of Harvard University and the University of Southern California, Scheper has specialized in market analysis and financial planning since 1984.

About Loangevity Mortgage

Loangevity Mortgage, led by Paul Scheper, offers personalized mortgage solutions focused on client education and financial transparency. With over 41 years of industry experience, the firm helps clients make informed decisions throughout the homebuying process. For more information, contact 800-662-6784.

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