CORWYN:
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Welcome to another fabulous episode of [Exit Strategies Radio Show](). We're here to empower our community through financial literacy and real estate education, guys. That's what we do. That is our mission here. So I always say for those who are listening and traveling through and all that stuff, I'm glad, first of all, that you are in the area that you have, quote unquote, landed here.

Always got to give a shout out to those folks that we love so much that tune in faithfully. Pastor Van a bit. I've been seeing his wonderful bride, Miss Sandra Evans. My mom out there in Mount Tacoma. My folks in Marin and Mullins.

All the way back to Hollywood. Hey, we got it all covered. So look, today we're doing a little something different. Okay. First of all, if you have ever thought, ha, I cannot afford to buy a home. Hey, or if you wondered whether homeownership is still even possible in today's market, we get that one a lot. This is the episode that's for you.

I've been saying for a long time, for a number of years, there is a tremendous amount of misinformation about affordable housing, down payment assistance programs, credit scores, and what it really takes to become a homeowner in today's age. And today I'm sharing with you all a special presentation for one of my educational workshops called Affordable Housing 101, Your Guide to Homeownership. So in today's session, we'll break down the myths.

We'll explore different paths to homeownership. We'll discuss practical strategies that can help make owning a home more attainable than you may think. So guys, I want you to strap in. I want you to buckle up. I want you to get ready.

Let's get started. So let's start the conversation very plainly, which is, okay, look, let's be real. Housing feels expensive, right? I mean, we hear the complaints. We hear about it all the time. And for good reason, because interest rates are higher than what they were a few years ago, prices in many markets obviously have increased.

They've climbed, and people are feeling like the door to homeownership isn't there for them. They're not allowed in. So I want to start by giving you the good news. The good news is there are real proven ways to buy a home in today's market. Myself, my team here, we do it all the time.

You just may not know about it. Maybe nobody's shared it with you. Maybe everybody's giving you the obstacles and the hurdles, but they haven't given you insight into the bridges or levers that will help you get over. So a lot of people are held back by one of the first things is pricing, you know, that sticker shop. How's cost this much? You know, I remember my mother, when she bought her first home, her grandfather, so my great grandfather said to her, that's a lot of money for a home.

And at the time, it was either 60 something, might've been 80 something thousand dollars for a home in Charleston. And many of you probably can't even remember a time such as that. But the headlines that's on social media, that's in the news, the tweets, whatever it may be, wherever you get your news and information from, oftentimes paints a disparaging picture of home ownership, meaning that it's too hard to get into. Pricing is too high, interest rates and all those things are too high. Maybe you're afraid of a higher monthly payment, right? Most people don't know where to start.

And then because of all these things, people start assuming that they don't qualify. But the real problem isn't really any of that, right? The challenge isn't that you can't buy a home. The challenge is most people see only one path to home ownership. And when that particular path doesn't feel like, okay, like I can make it down this road, then they stop trying. And oftentimes most people don't know the people that can show them the true alternatives in their given situation.

Most people approach it as one path, one path to getting to home ownership. They assume that the traditional route that you got to have at least 20% down, you have to have a perfect credit score, 850 credit score. All those things are myths and all this other stuff. So when that path, if you will, is out of reach, the whole dream gets put on a shelf. So there's a gap in the information, the programs, the options, the alternative structures that may exist that will help you achieve home ownership.

And they aren't necessarily widely advertised. You can't just go on to social media and find out about all these things at the same time. So many people don't know what to do. They don't know what they don't know. The solution is for you to expand your view of what's possible in the first place, the very first step.

Knowledge helps you to unlock paths that are always there, but may be just hidden, if you will, out of sight. So here's what you'll learn today. You'll learn that there are different paths, your path, to buying a home. You will learn what affordable housing, what affordable really means. You'll learn what may be possible for you.

And then you will also pick up, in theory, what is your next step. So let's not spend too much time on that. Let's get started. So let's start by what affordable actually means. So affordable housing doesn't mean cheap housing or affordable housing payment doesn't mean a cheap housing payment.

It doesn't mean that the price is low. And that's what many people are looking for. They think that affordable housing is $200,000 or $100,000. Some people in different income brackets thinks an affordable home may be $500,000. Again, it's not about being cheap.

Affordable doesn't mean that you're selling for less either. It isn't poor construction. It means structuring a purchase so that the housing payment aligns with your income. That's what affordable means. That using every available program and resource to make that happen wisely, you're able to sustain home ownership, whatever that looks like.

Maybe you're using a particular loan program. Maybe you're using a traditional loan program, whatever that looks like. A $250,000 home can be more affordable than a $180,000 home, depending upon the loan type, if there's down payment assistance or particular interest rates that you may qualify for. So to understand all this and put it all into perspective, if it's structured the right way, loan type, the term on the loan, the program, all those things matter, right? That your payment aligns with your income and in using the right programs, you're able possibly to get down payment assistance, grants, or other incentives. So that's the defining of affordability, of being affordable.

So there are multiple paths to home ownership. Let me be very clear in that. And everybody's path is not the same. So taking from someone a cookie cutter approach, and what I mean by a cookie cutter approach is where someone says to you, hey, this, this is how you buy a home. You need this much money down.

You need this credit score. You need this. No, that's not right. There's more than one way to buy a home. Now, in general, there's usually about four distinctive ways to get to home ownership that most buyers are using now.

And each respectively has their own advantages. You have traditional homes, you have new construction, you have modular and manufactured housing, and then you also have land and home packages as well, which are variation or a combination of the manufactured and modular as well as new construction, kind of bundle that all together, so to speak. But depending upon where you are, your goals and your financial situation, as well as your location, that will help to dictate what your entry into home ownership really and truly is. So let's start with path, quote unquote, number one. Those traditional homes are existing resale homes.

They remain the most common path to home ownership. Most people buy an existing home when they're entering into home ownership. Not all people, not every person buys new construction, if you will, with their first purchase. Today's market demands more preparation and stronger qualification than some buyers expect. So here's what you need to know.

Competitive markets in most areas cause well-priced homes to move fast. Pricing in many markets remains elevated from recent years. And lenders typically require stronger credit and income documentation. So inspections and negotiation stills matter more than ever, meaning you should be listening to your agent, to your realtor, and taking their advice as far as to how to structure, how to negotiate in the given situation that you may find yourself in. Now, traditional homes are best for buyers who are fully pre-approved, meaning that you've already been through the pre-approval process.

You have some flexibility on timing because most traditional homes are currently occupied still. So that means that sellers may need a little bit of time to move out. Maybe, just maybe, they're going to buy a new home. So they want to time the closing of this home with the closing of the purchase of the new one. But you also need to be ready to move decisively when the right property shows itself.

Path number two, which is oftentimes one of the most desirable, is new construction, guys. Builders across many markets are actively offering incentives to attract buyers. So this makes new construction a very competitive and surprisingly accessible option right now. So builder incentives such as rate buydowns, closing cost contributions, and upgrade packages are commonly available. Always make sure that you check with your agent, your realtor.

Make sure your agent is a realtor, guys. There's a difference. And have them verify what incentives may be available that you may qualify for. Now, new construction also typically offers lower early maintenance. Now, I will tell you now very plainly, there's no such thing as a perfect house.

Here's what that means. That means that there is going to be a defect. Guys, the home that I occupy now that I bought new, which was my last home purchase where I live, guys, look, three months in, my roof leaked. Downstairs, two-story house. So there's going to be issues.

Nothing is perfect, right? So typically, you'll experience lower upfront or lower early maintenance costs. New homes have new roofs, new systems, et cetera. So oftentimes, you're able to avoid having the experience, if you will, of having to replace a roof year number one, et cetera. Also have oftentimes warranties that come with these properties that allow you to offset the responsibility there as well. Now, locations for new constructions varies.

I mean, obviously, more densely populated areas may not have as much new construction as, say, a more rural area, somewhere less congested or less density. So typically, new construction is going to be a little bit further out from, if you will, the city center, wherever that may be for you. So guys, we have an amazing time here on this show. Glad y'all are still with us. Before we continue, I'd like to take a quick moment to introduce one of the affordable home ownership solutions that we offer through our sister company, Country Boy Homes.

So if you're looking for a quality, affordable, manufactured, or modular home, this is an option that you'll definitely want to consider. We'll be right back. You served your country with pride. Now it's time someone serves you. At Country Boy Homes, we believe every Veteran deserves a safe, beautiful, and affordable place to call home.

We proudly offer VA loan-friendly, manufactured, and modular homes built with integrity, quality, and your family in mind. Whether you're retiring to the peaceful low country or starting fresh with your family, we're here to build the future you've earned. Give us a call today, 843-574-8979. Country Boy Homes, built to honor, built to last. Path number three.

So this is a good time to plug in that we have a sister company, Country Boy Homes, that offers modular and manufactured housing. So manufactured and modular homes is one of the most overlooked and most misunderstood options in our current market. Modern manufactured housing is not the mobile homes of the past. They are quality built. They're attractive.

I mean, they look good, guys, and significantly more affordable per square foot than site-built homes. You can build a modular home typically for less than what you can build a site-built home in the current market. Now the advantages are usually, again, lower cost per foot than traditional construction. They are brand new. You have no prior ownership wear and tear.

No deferred maintenance on them because they're new homes. They're a strong entry point for first-time buyers who are on a budget. So if you're thinking about affordability, I think you should consider this as well. And financing options have expanded and are continuing to expand in recent years for these particular types of products. So today's manufactured and modular homes are built to either HUD, so housing and urban development, you can do a FHA loan, USDA loan, VA loan on manufactured housing.

Modular homes are built to IRC, which is a building code. That's a standard that is built to. It is considered to be site-built. Plans for the home have to be approved by the municipality. It is a permanent structure.

It is a permanent residence. Most times these floor plans, a lot of these floor plans offer modern finishes, energy efficient construction, so very well insulated and also open floor plans if that is what you desire. And many, especially the modulus guys are indistinguishable from site-built homes. And your fourth path, again, is kind of a combination as I made mention of earlier. And this is for buyers who want more space, more location, flexibility, simply more bang, if you will, for the bug.

And that's when you combine a land home package and purchase a home with a larger track of land. So, this opens doors oftentimes that traditional listings can't. It's more difficult as well as more expensive typically to find a home with a larger piece of land, so an acre or more in a more reasonable price. So, in this particular situation, you're able to combine the loan, the land and the home all into one package. So, many lenders offer this financing that bundles everything together.

You have more location options. So, now instead of being isolated to wherever you can find a traditional home, you can go seek out land in other places in order to make sure that you are locating yourself more in the area where you prefer to be versus not. And then it's oftentimes, guys, more affordable as a whole. So, we want to make sure that we focus on that, that we understand that and that we follow through on that. So, here's some common myths that, again, keep people from buying.

One, this is a big one here, guys. I need 20% down. This is the biggest misinformation that exists in the industry. FHA loans require as little as 3.5% down.

VA and USDA loans can require no down payment, can be 100% financing. So, no down payment. And there's also down payment assistance and other loan programs that kind of meet somewhere in the middle as well where there's either no down payment or very low down payment. You don't necessarily need 20% down. If you're doing a conventional transaction, putting 20% down to avoid mortgage insurance, yes.

But outside of that, there are other options. The second myth is my credit has to be perfect. I've got to have an 850 credit score. Lenders, look at your full financial picture, guys, not just a number. FHA financing is available with scores down to 580 with a 3.

5% down payment. However, if you have a score lower than that, there still may be options with FHA. With no overlays and underwriting, you can go down to a 500 credit score and possibly still qualify for FHA loan. It just will require a little bit more money down. What matters most is the direction your credit is going.

Is it declining? Are you missing payments? Or are you stable? Payments being made on time and your score is gradually going up. And the last myth, which is one of the things that, you know, the first two really keep people from moving forward. But then this is where the defeat sets in. Defeat sets in when people start to believe and think that nothing affordable exists. This is all misinformation.

Affordable home buying options exist all across each path that you may choose. They just require the right guidance to help you find them and to help you execute and move through them. So they're available. You just need to have someone in your corner like me and like my team here at Exxon Realty Low Country Group to show you how to do it. So here's what lenders actually look at.

So let's forget the myths for a moment. Here's what really determines your ability to get approved for a mortgage or get pre-approved. And the good news is that all of these are within your control. First and foremost, you got to have stable income. Lenders want to see consistent, documentable income.

Now, I am going to segue into a brief reference. If you are an investor who happens to be looking at this presentation, please note there are options that exist outside of what we're talking about. However, if you're looking to own or occupy your home, you're not an investor, you have options to remain affordable on housing costs for entry as well as affordability with payments. Income stability is number one. You don't necessarily have to have a high income, but it needs to be documented.

W-2, self-employment, even some non-traditional income sources can all be used to help you qualify. The income has to be stable. The next thing is your DTI, and people talk about DTI all the time. Here's the thing. Your DTI, your debt to income ratio, guys, is very important.

However, in understanding affordability, you need to make sure that your debt to income ratio is in alignment with what you need in order to qualify for the loan program that you're looking to qualify under. Some programs require a housing ratio as well as a total debt ratio to be factored in. And if you look at affordable housing options, your housing ratio, which is your housing payment, total payment, principal interest, taxes, insurance, mortgage insurance, if a loan, that total payment should not exceed 33% of your monthly income, gross monthly income, which is before taxes. Reducing your debt can dramatically improve your buying power. The last thing is credit.

A lot of people like to start with it, but a credit score that is stable or going up indicates that you're financially stable. It tells a story for the lender. The lenders care about where your credit is going, meaning how you're spending, how you're paying your bills, not just where it is today. So on-time payments and reducing your balance helps you move that needle forward. So I've said before that opportunities still exist today.

Despite what the headlines say, there are real and actual opportunities out here in the market today for buyers. The key is knowing where to look and how to position yourself strategically. There are a tremendous amount of down payment assistance programs nationwide. There's a lot. And many buyers haven't been told about them.

We actually have a website, NoDownPaymentSC.com, where you can find out about down payment assistance programs that are available across the state of South Carolina. Again, that is NoDownPaymentSC.com. You have multiple paths to buy.

So we talked about that. And the one thing that matters most, guys, is your strategy. Timing the market matters far less than having the right plan and the right team. Many people try to time it. It's like double dutch, trying to jump in.

When do we jump in? When do we do this? The reality is that action of trying to time the market usually doesn't work. So understanding all of that, this is what it comes down to, quote unquote, where the rubber, if you will, meets the road. You may be closer than what you think. Most people who believe home ownership is outside of their reach are surprised to discover how close they actually are. The gap between where you are and where you need to be is usually smaller than what it appears.

And almost always, you can close that gap with the right support. So what makes the difference isn't waiting for interest rates to drop or saving for years, because the reality is interest rates fluctuate, but home prices do as well. So if you buy a home now at a lower price with a higher rate and rates go down, you can refinance into a lower rate. If you buy a house, wait till later and pay a higher price and get a lower interest rate, you still paid more for the home and you don't have an option at that point in time if rates don't go any further downward to refinance into a better payment. So make sure you get the right information.

Make sure that you're speaking with someone who understands and knows more, quote unquote, than just the average bear. Knowing all your options, not just the ones that are obvious on face value, is critical to your success. Employing the right strategy, talking with your agent about a plan that's specific to you, not one that they follow for every buyer. Everybody has to get an FHA loan. Everybody has to put three and a half percent down.

Everybody has to have $5,000 or $10,000 for their closing costs. What about the options where you can have no down payment on a loan? What about the options where you can ask for the seller to contribute or pay your closing costs so that minimizes the limits, the amount of money you have to bring out of pocket? Having the right guidance helps to make these things possible, to minimize your exposure, to make sure you understand the process and what your options are. So the bottom line, guys, is that you don't need perfect credit. You don't need a large down payment or a high income to be a homeowner. You just need a clear plan and someone who really is committed to helping assist you in executing it.

So here are your next steps. Remember the information, guys, is powerful, but action is what changes the situation. So let's map out your specific path to homeownership right now together. First, hey, you need to schedule a consultation. Yeah, we're still a little bit old school.

We like to sit down and talk with you about your current situation, your dreams, your aspirations, your goals with homeownership so we can make sure that we help navigate you through the strategies that's going to help you achieve your dreams. We focus on, I focus on a life by design. That means how do you want it to look and let's make sure that what we do today incorporates itself, ingrains itself in that life that you have designed. Number two, with that, we'll explore your options, walk through all the paths and clarify which one aligns most or best with your income, your timeline, as well as your goals. We'll work to get you connected to financing if needed.

If you're a cash buyer, please make sure that you reach out. We'd love to assist you. But if you need assistance with financing, we'll connect you to one of our lenders who is best suited to serve you in your existing situation. We don't just send you to generic options. We don't just send you to random lenders.

We work with partners, as I tell all of my clients, if I won't trust them with my mama, I won't trust them with you. So, we want you to pay attention because here shortly, I'm going to put up a QR code for you to scan in order to make sure that you can reach me to schedule your appointment. So, your next steps is to connect with me. Again, my name is Corwyn J. Melette.

I am the broker and owner of [Exit Realty Lowcountry Group](). My email, you can see here, is [corwyn@corwynmelette.com](). My phone number, **843-364-3095**. That is my mobile.

I can be reached there nearly at all times. You can scan this QR code in order to collect my information, have it downloaded directly to your phone. Again, I appreciate your time. I appreciate your enthusiasm. And I'm excited to assist you in achieving your goals of home ownership.

So, thank you all for joining me for this episode of Exit Strategies Radio Show. I hope today's conversation helped you to see that affordable home ownership isn't about just finding, in theory, what many people would say is a cheap house. It's about finding the right strategy for your financial situation. So, whether you're considering a traditional home, new construction, a manufactured or modular home, land home package, there are more options available than most people realize. So, if you're ready to explore what's possible for you, my team and I will be honored to help you create a personalized plan toward home ownership.

And if today's episode encouraged you or answered any questions that you've been asking about home ownership, be sure to subscribe to the Exit Strategies Radio Show, share this episode with someone who could benefit from it, and join us again for more conversations that empower our community through financial literacy and real estate education. And if you don't know, if you don't know what I say, you know I always put two things together and I deliver it to you this way, which is to tell you that I love you, I love you, I love you. And we're going to see you guys out there.