A SPANNYOURDREAMS GUIDE

The First-Time Buyer's *Reality Check.*

Five things to know before you even start looking — from a consultant who'll actually tell you the truth.

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A NOTE BEFORE WE BEGIN

If you're reading this, you're *already* ahead.

Most people walk into the homebuying process the same way they'd walk into a casino — hopeful, a little nervous, and not entirely sure how the game actually works.

That's not their fault. The mortgage world is built on jargon and pressure, and most loan officers are paid to close deals, not to make sure you're getting into the right one.

I built SpannYourDreams because I got tired of watching that play out. I wanted to be the person who actually slows down with people. The one who reviews real numbers. The one who tells you the truth — even when the truth is "you're not ready yet, and here's how we get you there."

This guide is the conversation I have with most clients in their first 30 minutes with me. It won't make you an expert. But by the time you finish it, you'll know more about how to approach this than 80% of first-time buyers walking through the door.

That's the goal. Let's get into it.

— Kenyatta

FOUNDER · SPANNYOURDREAMS

CHAPTER ONE

01

What you can afford isn't what you *think* you can afford.

The online calculators lie to you — not on purpose, but because they don't know what they don't know.

Plug your salary into Zillow's affordability calculator and it'll tell you that you can afford a $450,000 house. Plug the same numbers into NerdWallet and you might get $380,000. Bankrate? Maybe $420,000. They all use slightly different assumptions about debt, taxes, insurance, and what "comfortable" means.

None of them know:

→ What your actual monthly debts look like

→ How much your property taxes will be in the neighborhood you're targeting

→ What homeowner's insurance will cost in your zip code

→ Whether you're going to need PMI (private mortgage insurance)

→ What your real lifestyle costs are — and what kind of cash buffer you actually need to sleep at night

The number that *actually* matters

What a lender will approve you for is almost always more than what you should actually spend. Lenders use a number called **DTI (debt-to-income ratio)** — typically capping you at around 43-50% of your gross monthly income going to debt payments.

But "approved" doesn't mean "comfortable." A mortgage payment that fits within your DTI cap can still wreck your life if it leaves you with no margin for car repairs, childcare, vacations, or just being a human being.

> THE REALITY CHECK
>
> *The right number isn't what a lender will approve. It's what lets you keep living your life while also owning a home. Those are very different numbers.*

CHAPTER TWO

02

The 3 numbers that actually *move* your loan.

Most first-time buyers obsess over the wrong things. Here's what actually decides whether you get approved, and on what terms.

01 Your credit score

This is the single biggest factor in what kind of loan terms you'll get. The difference between a 680 and a 740 can mean tens of thousands of dollars over the life of your loan. If your credit needs work, the most valuable thing you can do isn't shop houses — it's spend 6 months improving your score.

02 Your debt-to-income ratio (DTI)

This is your monthly debt payments divided by your gross monthly income. Lenders want to see this number stay below certain thresholds. The good news: you can lower it by paying down debt OR increasing income. The bad news: opening a new credit card or financing a car right before buying can quietly tank your approval.

03 Your reserves (savings beyond the down payment)

Lenders want to see that you have "reserves" — typically 2-6 months of mortgage payments sitting in an account after closing. Why? Because they need to know you can survive a layoff, a medical bill, or a car breaking down without immediately defaulting. If your savings goes to zero at closing, you're in a worse position than someone who put down less but kept a cushion.

> *"The clients I love are the ones who walk in already knowing their credit score. The ones I worry about are the ones who don't want to look."*

CHAPTER THREE

03

Why your loan officer matters more than *the rate.*

Everyone shops rates. Almost no one shops the person guiding them. That's backwards.

Here's something the industry doesn't advertise: **rates between competitive lenders are almost always within 0.25% of each other on any given day.** On a $350,000 loan, a 0.25% difference is roughly $50/month. That's real money — but it's not life-changing money.

You know what IS life-changing money?

- → A loan officer who steers you into the wrong loan type because it pays them more commission
- → A loan officer who doesn't catch that you'd qualify for a better program if you waited 60 days
- → A loan officer who lets your file sit for two weeks until you lose the house because someone else closed faster
- → A loan officer who can't explain the trade-offs between a conventional loan, an FHA loan, and a 2-4 unit purchase
- → A loan officer who isn't honest with you when something on your file looks risky

The questions you *should* be asking

When you're choosing a loan officer, you're really asking three things:

- → **Do they understand my situation?** Not generic buyers — me, specifically.
- → **Will they tell me the truth?** Even if it costs them this transaction.
- → **Can I reach them when it matters?** Closing days are stressful. Ghosting is the worst thing that can happen.

The rate is a tiebreaker, not the decision.

5 questions to ask *before* you apply.

Save these. Use them every time you talk to a loan officer — including me.

01 "What loan programs do I actually qualify for — and which one fits me best?"

You should hear at least 2-3 options with clear trade-offs. If they only push one, ask why.

02 "What's my total monthly payment going to look like — not just principal and interest?"

The real number includes taxes, insurance, and PMI. If they only quote you P&I, they're hiding the full picture.

03 "What happens if my situation changes between now and closing?"

A good loan officer will walk you through scenarios — job change, big purchase, etc. A bad one will say "just don't make any changes."

04 "How accessible will you be once we're under contract?"

The first two weeks of escrow are when things get real. You need someone who answers their phone — not someone who'll route you through a junior assistant.

05 "What's the one thing about my file that worries you?"

This is the most important question on this list. A good loan officer will give you a real answer. A bad one will say "nothing, you're great!" — which is sometimes true and sometimes a lie.

CHAPTER FIVE

05

Your 90-day *prep plan.*

If you're starting from "I want to buy a house someday," here's exactly what to do over the next three months.

Days 1–30: *Get the picture clear*

- → **Pull your credit reports** from all three bureaus (annualcreditreport.com — free, no credit card needed)
- → **Make a list of every debt you have** — credit cards, student loans, car payment, anything reported
- → **Calculate your real take-home income** for the last 24 months — that's what lenders will average
- → **Set a savings target** — for a down payment AND closing costs AND reserves (typically 4-8% of purchase price all in, beyond the down payment)

Days 31–60: *Fix what needs fixing*

- → **Dispute any credit report errors** — this is more common than people realize
- → **Pay down high-balance credit cards** to under 30% of their limit (better yet: under 10%)
- → **Don't open any new credit accounts** — every new account temporarily dings your score
- → **Don't make any big purchases on credit** — a new car payment can derail your approval

Days 61–90: *Get a real assessment*

- → **Have a strategy conversation** with a loan officer or mortgage consultant — not a formal application yet, just a real look at where you stand
- → **Identify the gap** between where you are and where you need to be
- → **Build a realistic timeline** — sometimes you're 30 days from being ready; sometimes you're 18 months out, and that's okay

> STRATEGY FIRST
>
> *The people who win at homebuying are the ones who treat the 90 days BEFORE applying as the most important phase. Don't skip it.*

YOUR NEXT MOVE

Now you know the questions. *Let's find your answers.*

If you read this far, you're not someone looking for a sales pitch. You're someone trying to make a real decision. That's exactly the kind of person I love working with.

Here's what I'd suggest as a next step: book a **30-minute strategy call** with me. No application. No credit pull. No commitment to anything.

What we'll do in that call:

→ Walk through your specific situation — income, savings, credit, goals

→ Identify which loan programs actually fit you

→ Map out a realistic timeline — whether that's 30 days or 18 months

→ Answer every question you have, in plain English

That's it. If we're a fit, we'll talk about working together. If we're not, you'll walk away with a real plan and zero pressure.

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ABOUT THE AUTHOR

Meet *Kenyatta.*

Kenyatta Spann is the founder of **SpannYourDreams**, a mortgage strategy consultancy based in Chicago.

She works across two worlds: residential financing for families and homeowners, and investor financing for people building real estate wealth. That dual perspective lets her see paths most loan officers can't — and gives her the freedom to recommend what actually fits each client, not what fits her commission.

Her work is built on one principle: **strategy before products.** The right financing follows from the right strategy. Not the other way around.

When she's not consulting on deals, she's writing guides like this one — trying to put more honest information into the hands of buyers who'd otherwise be navigating the process alone.

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IMPORTANT NOTICES

Fine print, *fairly stated.*

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About loan approvals

All loans are subject to credit approval and underwriting guidelines. Loan approval, terms, and rates are determined by individual lenders based on a complete review of each applicant's financial profile. Not all applicants will qualify for every program mentioned in this guide.

About working with Kenyatta

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