The First-Time Homebuyer's Guide to Whatcom & Skagit County

Everything you need to know to go from "where do I even start?" to keys in hand, explained in plain English.

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WELCOME

Buying your first home is a big deal. It doesn’t have to be overwhelming.

Hi, I’m Kristina. I’m a mortgage loan officer based in Ferndale, and I help first-time buyers all over Whatcom and Skagit County become homeowners.

If you’re like most of the people I work with, you have a mix of excitement and questions: How much do I actually need saved? What credit score matters? What happens after my offer is accepted? This guide answers those questions honestly: no jargon, no pressure, and no pretending it’s simpler than it is.

One thing I want you to take from this guide more than anything: **you probably need less money, and less-perfect credit, than you think.** The biggest barrier for most first-time buyers isn’t their finances; it’s the myths they've heard about their finances.

When you’re ready, whether that’s next week or next year, I’m here to walk you through it personally. You'll work with one person from the first conversation to closing day: me.

Let’s get you home.
— Kristina

Questions while you read?
Call or text (360) 961-2676, email KristinaBoyko@tristarfinance.com, or visit kristinaboyko.com. There’s no such thing as a too-small question.

THE ROADMAP

Six steps from renting to owning

1. **Talk to a loan officer first, before house hunting**
   Most people do this backwards. A 20-minute conversation tells you your real budget, which programs fit, and what (if anything) to fix before applying. It costs nothing.

2. **Get pre-approved**
   Pre-approval means your income, credit, and assets have been verified, not just estimated. It usually takes a day or two, and in our competitive market, listing agents take pre-approved buyers far more seriously.

3. **Shop within your comfort zone**
   Your pre-approval is a ceiling, not a target. We'll talk about the monthly payment you're actually comfortable with, including taxes, insurance, and the life you want to keep living.

4. **Make your offer**
   Your agent writes the offer; your pre-approval letter backs it up. I'm available during this stage to run numbers on specific homes, sometimes same-hour, so you can offer with confidence.

5. **Under contract: inspection, appraisal, underwriting**
   This is the 30–45 day stretch where I earn my keep: coordinating the appraisal, shepherding your file through underwriting, and keeping you updated so nothing surprises you.

6. **Close and get your keys**
   You'll review final numbers ahead of time (no surprises at the table), sign, fund, and walk out a homeowner.

THE MONEY QUESTION

How much do you actually need?

The famous "20% down" is a myth for first-time buyers. Here's what down payments really look like:

CONVENTIONAL

As low as 3% down

For qualified buyers, typically with credit scores around 620+. Mortgage insurance applies under 20% down but drops off once you reach 20% equity.

FHA

3.5% down

Credit scores as low as 580 (500–579 may qualify with 10% down). Includes a mortgage insurance premium, a fair trade for flexibility while your credit builds.

VA · MILITARY BENEFIT

$0 down

For eligible veterans, active-duty service members, and certain surviving spouses. No private mortgage insurance. If you've served, check this first.

USDA · RURAL AREAS

$0 down

For eligible properties in USDA-designated areas, and more of Whatcom and Skagit County qualifies than most people expect. Income limits apply.

Beyond the down payment, budget for:

Closing costs: typically a few percent of the purchase price (lender, title, escrow, and prepaid taxes/insurance). These can sometimes be negotiated to be partially seller-paid, and gift funds from family are allowed on many programs.

A cushion: moving costs, immediate fixes, and savings you don't drain to zero. Lenders like seeing reserves too.

Down payment assistance is real

Eligible Washington buyers can access down payment assistance programs, including options through the Washington State Housing Finance Commission (WSHFC). Checking what you qualify for is part of how I put your application together, so you don't have to research this alone.

GET READY

Your pre-approval checklist

Gather these before you apply and pre-approval becomes a one-or-two-day process instead of a scavenger hunt:

- ✓ **Pay stubs** from the last 30 days
- ✓ **W-2s** from the last two years (or two years of tax returns if you're self-employed)
- ✓ **Bank statements** from the last two months (all pages, all accounts)
- ✓ **Photo ID** (driver's license or passport)
- ✓ **Statements for other assets:** retirement accounts, investments (if you'll use them to qualify)
- ✓ **Documentation for any gift funds:** if family is helping with your down payment, there's simple paperwork for it

While your loan is in process: the "don't" list

Don't open new credit cards · Don't finance a car or furniture · Don't change jobs without telling me first · Don't make large cash deposits without a paper trail · Don't co-sign anyone else's loan. Lenders re-check your finances right before closing, and any of these can delay or derail an approval that was on track.

Worried about your credit score?

Don't rule yourself out before we talk. Programs exist for a range of credit profiles, and if your score needs work, I can point you to the specific changes that raise it fastest, which beats guessing.

LEARN FROM OTHERS

Six mistakes first-time buyers make

01 House shopping before getting pre-approved

Falling in love with a home you can't finance is heartbreak you can skip, and many agents won't schedule showings without a pre-approval letter.

02 Assuming you need 20% down

See page 4. This myth keeps more renters renting than any real financial barrier.

03 Draining every dollar of savings

Closing day isn't the finish line for expenses. Keep a cushion for moving, repairs, and the water heater that fails the first winter.

04 Making big financial moves mid-process

New credit cards, car loans, job changes, and large mystery deposits can all derail an approval. When in doubt, call me before you do it.

05 Waiving the inspection to win a bid

There are safer ways to compete: a strong pre-approval, flexible dates, an escalation clause. Talk through options before giving up your safety net.

06 Not comparing loan options

Your mortgage stretches over decades; small differences compound into real money. Twenty minutes comparing programs for your specific numbers is worth more than hours of generic internet research.

SPEAK THE LANGUAGE

Plain-English glossary

Pre-qualification vs. pre-approval

Pre-qualification is an estimate based on what you tell a lender. Pre-approval means your income, assets, and credit were actually verified. Sellers care about the second one.

APR (Annual Percentage Rate)

Your interest rate plus certain loan costs, expressed as a yearly rate, useful for comparing offers apples-to-apples.

Escrow

A neutral third party that holds money and documents during the sale. Also: the account your lender may use to pay your property taxes and insurance from your monthly payment.

PMI / MIP (mortgage insurance)

Insurance that protects the lender when you put less than 20% down. On conventional loans (PMI) it drops off at 20% equity; on FHA loans (MIP) it's typically removed later by refinancing.

DTI (Debt-to-Income ratio)

Your monthly debt payments divided by your gross monthly income, one of the main numbers lenders use to size your loan.

Contingency

A condition in your offer that lets you back out safely, commonly for inspection, financing, or appraisal.

Appraisal

An independent opinion of the home's value, ordered during underwriting. It protects you from overpaying and the lender from over-lending.

Underwriting

The lender's formal review of your complete file, the step between "offer accepted" and "clear to close."

Closing costs

The fees to finalize the purchase: lender, title, escrow, recording, and prepaid taxes/insurance. Typically a few percent of the purchase price.

Clear to close

The best phrase in the mortgage world: underwriting is done, and all that's left is signing.

BUYING LOCAL

A first-timer's look at Whatcom & Skagit County

Every community here has its own personality and price point. A quick orientation:

Bellingham

The biggest market and the most variety: historic neighborhoods, condos, new construction. Competitive: pre-approval matters most here.

Ferndale

Fast-growing, family-friendly, and more house for the money than Bellingham a few minutes south. Where many first-timers land.

Lynden

Tidy, community-minded, well-kept homes that hold value. Some nearby addresses qualify for USDA zero-down.

Blaine & Birch Bay

Coastal living at Whatcom prices, popular with first-timers and retirees alike. Many USDA-eligible areas.

Everson & the Nooksack Valley

Small-town quiet and acreage options with gentler prices, a USDA sweet spot.

Mount Vernon & Anacortes

Skagit's anchors: the riverfront county seat with a wide price range, and Fidalgo Island living where inventory moves fast.

Not sure where you fit?

Tell me your budget and lifestyle, and I'll tell you honestly which communities give you the most options, including ones you might not have considered. And if an address might be USDA-eligible for zero down, I can check it in minutes.

Ready when you are.

Whether you're buying this spring or just starting to dream, the next step is the same: a short, no-pressure conversation about your situation.

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