



PCS JOES MILITARY HOME BUYER GUIDE

**A Clear,
Step-by-Step
Guide to Buying
a Home**



Welcome

Buying a home is one of the largest financial decisions most people will ever make. For military service members and veterans, the process can come with additional layers—unique financing options, frequent relocations, and lingering misconceptions about VA loans that can affect negotiations.

The PCS JOES Military Home Buyer Guide was created to make the home buying process clear, predictable, and less stressful. This guide walks you through what to expect from start to finish, explains important industry rule changes, and shows how the right Realtor and lender team can protect your interests and strengthen your offer.

PCS JOES exists to educate, advocate for, and support military and veteran homebuyers by connecting them with trusted veteran and military-spouse REALTORS® nationwide who understand service, accountability, and how to win in today's market.

Understanding the Home Buying Process

Many buyers assume buying a home goes like this:



In reality, home buying is a coordinated process involving financing, inspections, contract deadlines, negotiations, appraisals, and underwriting. Each transaction is different—market conditions, property condition, loan type, and local rules can all change the path.

The goal is simple: **make smart decisions with the right information, at the right time**—and avoid surprises that can derail a deal or cost you money.

Financing & Mortgages

Most buyers finance their purchase with a mortgage. Choosing the right loan and preparing early can make your offer stronger and your closing smoother.

Common Loan Types

VA Loans

Conventional Loans

FHA Loans

USDA Loans (eligible rural properties)

The right loan depends on your eligibility, credit profile, goals, and the property you're buying.

Mortgage Insurance Note:

Some loan types require mortgage insurance, which protects the lender—not the buyer—when a down payment is less than 20%. Conventional loans may require **Private Mortgage Insurance (PMI)**, FHA loans require **Mortgage Insurance Premiums (MIP)**, and USDA loans include an annual guarantee fee. **VA loans do not require monthly mortgage insurance**, which is a major advantage for eligible military buyers. Mortgage insurance requirements can affect both monthly payments and long-term loan cost, so they should be considered when comparing loan options.



Why Talking to a Lender Early Matters

A lender conversation early helps you:

- Confirm what you can afford (comfortably, not just “approved for”)
- Identify documentation needs upfront
- Avoid delays once you're under contract
- Strengthen your offer with verified financing

PCS JOES strongly recommends getting fully prepared **before** touring homes—especially in competitive markets.

Pre-Qualification vs Pre-Approval (Why Pre-Approval Is Better)

These terms sound similar, but they are very different.



Pre-Qualification

A pre-qualification is an early estimate based mostly on information you provide verbally or through a basic form.

Typically:

- Confirm what you can afford (comfortably, not just “approved for”)
- Identify documentation needs upfront
- Avoid delays once you’re under contract
- **Strengthen your offer with verified financing**

Pre-Approval (Recommended)

A pre-approval is a lender’s more serious evaluation of your ability to purchase.

Typically:

- Documentation is verified
- Credit is reviewed
- Income, assets, and debts are analyzed
- You receive a lender letter confirming you’re pre-approved
- **Much stronger when competing for a home**

Why pre-approval is better:

Pre-approval reduces surprises, prevents last-minute underwriting issues, and signals to sellers that you’re a serious buyer who can close.

Documents Buyers Typically Need for Pre-Approval

Exact requirements vary by lender and loan type, but buyers should be prepared with:

Identification

- Government-issued photo ID (Driver's License, State ID, or Military ID)

Income & Employment

- Most recent pay stubs (commonly last 30 days)
- W-2s (commonly last 2 years)
- Tax returns (commonly last 2 years, if required by lender/loan type)
- Employment verification / contact info for employer
- If self-employed: business tax returns and additional documentation (varies)

Assets

- Bank statements (commonly last 1–2 months; all pages)
- Investment account statements (if applicable)
- Documentation for large deposits (if requested)

Credit

- Authorization for lender to pull your credit report
- Explanation letters for any major credit events if needed (late payments, collections, etc.)

If Applicable (Common Add-Ons)

- Gift letter + donor documentation (if using gift funds)
- Divorce decree / child support documentation (if applicable)
- Retirement / disability / VA benefit income documents (if applicable)
- PCS orders or service documentation sometimes requested for VA processing (varies by lender)

Tip: Keep copies of everything you send. It's common for different departments (processor, underwriter) to request the same document more than once.



Why VA Loan Expertise Matters (And Why VA Offers Are Not “Weaker”)

VA loans are one of the strongest financing tools available to eligible military buyers. However, misconceptions still exist in the market—sometimes from sellers and sometimes from agents who don’t regularly work VA transactions.

A VA-savvy Realtor and loan officer team helps by:

- Presenting VA offers competitively and professionally
- Educating seller agents when misconceptions appear
- Keeping timelines tight with strong lender coordination
- Preventing myths from costing you a home

Common VA Misconceptions (Reality Check)

- **Myth:** “VA loans take too long.”
Reality: A good VA lender can close on competitive timelines
- **Myth:** “VA buyers are risky because they put 0% down.”
Reality: VA underwriting is structured, and many VA buyers are extremely stable borrowers.
- **Myth:** “VA appraisals kill deals.”
Reality: VA appraisals have standards, but experienced teams manage them effectively.

Finding the Right Home

A home is more than a set of bedrooms and bathrooms. Two homes at the same price can differ dramatically in:

- Commute time
- Taxes and insurance costs
- HOA rules and fees
- Layout and long-term livability
- Resale potential

Before touring homes, it helps to define:

- Must-haves (needs)
- Nice-to-haves (wants)
- Deal breakers

Clear priorities keep your search focused and prevent “analysis paralysis.”

Buyer Representation & How Realtors Get Paid

Realtors aren't just opening doors. A great buyer's agent serves as your advocate, negotiator, strategist, and transaction manager. Buyer representation is formalized through a **Buyer Representation Agreement**.

- The services your Realtor will provide
- The duties your Realtor owes you (including confidentiality and advocacy)
- How compensation is handled
- The term and scope of representation

Compensation is fully negotiable and depends on the market and the terms agreed to in writing.



Important Changes from the NAR Settlement (2024)

Following a settlement reached by the **National Association of REALTORS® (NAR) on March 15, 2024**, new industry rules governing buyer representation and agent compensation went into effect **August 17, 2024**.

What Changed as of August 17, 2024?

Under the updated rules:

- A signed Buyer Representation Agreement is required before touring homes
- This applies to in-person showings and live virtual showings
- The agreement must be signed before a private showing, not after
- Compensation and services must be clearly disclosed upfront

Buyers can still speak with agents at open houses or ask general questions without signing an agreement. But private tours now require written representation in many markets.

MLS Compensation Change (What Buyers Need to Know)

Under the updated rules, sellers may still pay buyer-agent compensation, but that compensation is no longer advertised or displayed in the MLS.

What this means for you:

- Buyer agent compensation may not be known upfront
- Offers must be structured more intentionally
- Negotiation skill matters more than ever
- Transparency and clear expectations are essential before touring homes

How PCS JOES Realtors Advocate for Buyers on Compensation

One of the most common concerns buyers have under the updated rules is whether they may need to pay their Realtor's compensation out of pocket.

PCS JOES-approved veteran and military-spouse Realtors are trained to advocate first and negotiate strategically on behalf of their buyers. In most transactions, their goal is to structure the offer in a way where the seller covers buyer-agent compensation, either through:

- Seller-paid compensation as part of the transaction, or
- Seller concessions where appropriate and permitted by lender/program guidelines

Important Reality Check (Transparency Matters)

PCS JOES Realtors will always advocate for seller-paid compensation when possible, but:

- Terms are negotiable, not guaranteed
- Market conditions and seller motivations vary
- Some transactions may still require buyer-paid compensation depending on the situation and agreement

The advantage is having a Realtor who understands how to structure offers, explain options clearly, and protect your financial position.



The PCS JOES Heroes Bonus

PCS JOES was founded to advocate for military service members and veterans. In some transactions, buyers who work with a PCS JOES-approved veteran or military-spouse Realtor may be eligible for the PCS JOES Heroes Bonus.

The Heroes Bonus is a program where a portion of the Realtor's commission may be allocated toward the buyer's allowable closing costs, helping reduce out-of-pocket expenses.

Important Disclosures & Limitations

The PCS JOES Heroes Bonus:

- Is only available in states where such incentives are permitted by law
- Must comply with all lender guidelines, including limits on contributions
- Is subject to loan program rules (VA, FHA, Conventional)
- Is not guaranteed and may vary by transaction, location, and lender approval

Your Realtor and loan officer will coordinate to determine whether the Heroes Bonus can be applied and how it may be structured compliantly.



What PCS JOES Realtors Provide

Our System & Process for Military Homebuyers

PCS JOES-approved veteran and military-spouse real estate agents follow a structured, advocacy-first system designed to protect buyers, reduce stress, and deliver clarity throughout the home buying process.

Our System Includes:



Key Takeaway:

PCS JOES Realtors provide more than showings and paperwork—they provide a proven system designed to protect military and veteran buyers from start to finish.

Understanding Costs & Due Diligence

Buyers commonly encounter several costs in a transaction. These vary by state, lender, and loan type.

Common Buyer Costs

- Earnest Money Deposit
- Option Period / Due-Diligence Period (terminology varies by state)
- Home Inspection
- Closing Costs
- Home Warranty (optional)

Option Period / Due-Diligence Period

The Option Period (also called the Due-Diligence Period in some states) is a defined time window in which the buyer can:

- Conduct inspections
- Review disclosures
- Evaluate the property condition
- Decide whether to move forward

This period is one of your most important buyer protections.

Closing Costs (General)

Closing costs often include lender fees, title services, escrow, prepaid items (taxes/insurance), and other transaction costs. Buyers sometimes negotiate seller contributions or concessions to help reduce out-of-pocket costs, depending on market conditions and lender guidelines.



Home Inspections

Home inspections help identify issues and reduce surprises after closing.

Best Practices

- Hire a licensed inspector with strong reviews
- Attend the inspection if possible
- Read the report carefully
- Focus on safety, major systems, and structural concerns

Negotiating After the Inspection

After reviewing the inspection report, buyers may:

- Request repairs
- Request credits or concessions
- Request a price adjustment
- Move forward as-is
- Walk away during the due diligence window (depending on contract terms)

A great Realtor helps you prioritize what matters and avoid getting stuck on minor cosmetic issues.



Appraisals & the VA Tidewater Process

An appraisal determines the home's market value for the lender. It's not the same as an inspection.



If the Appraisal Comes in Low

When the appraised value is below the contract price, buyers generally have several paths:

- Renegotiate price with the seller
- Request seller concessions
- Bring the difference in cash (if feasible)
- Challenge valuation through allowable lender processes
- Walk away if contract terms allow

VA Tidewater (VA Loans)

If a VA appraisal appears likely to come in low, the VA Tidewater process may be triggered. Tidewater is designed to help ensure the appraiser considers relevant market data before finalizing a low valuation.

Tidewater can allow the buyer's team to submit additional comparable sales for reconsideration before the value is finalized. Success depends on:

- A VA-experienced loan officer
- A Realtor who understands market comps and timelines
- Fast coordination and strong data

Key Takeaway:

Tidewater is a process, not a guarantee—but having a specialized VA team significantly improves how effectively it's handled.

Homeowner Associations (HOAs)

HOAs can provide amenities and neighborhood standards, but they also come with rules and fees.

Pros

- Maintained common areas (pools, parks, landscaping)
- Community standards that may support property values
- Amenities and neighborhood coordination

Cons

- Monthly/annual dues add cost
- Restrictions may affect renovations, parking, or rentals
- Enforcement can include fines or liens
- HOA quality varies widely

Always review HOA documents early and understand:

- Fees and special assessments
- Rental restrictions
- Rules that could affect your lifestyle or future resale

Final Walkthrough

The final walkthrough is the last check before closing. It ensures:

- Agreed repairs are completed
- The home is in the expected condition
- Included items (appliances/fixtures) remain
- The property is clean and vacant (unless otherwise agreed)

This is the moment to confirm the home matches the deal you signed.

Closing Day

On closing day, you'll sign a significant amount of paperwork. The title/closing officer will guide you through what you are signing and answer questions.

Common Items to Bring/Prepare

- Valid photo ID for all signers
- Required funds (wire or cashier's check, as instructed by title)
- Any final documents requested by your lender

Keys are typically released after the transaction is fully funded according to local practice.

Move-In Checklist

Once you have the keys, these steps help protect your home and reduce early headaches:

Security & Safety

- Change exterior door locks immediately
- Test smoke detectors and replace batteries
- Locate water shutoff valves and breaker panel
- Verify garage door remotes and keypads function



Utilities & Services

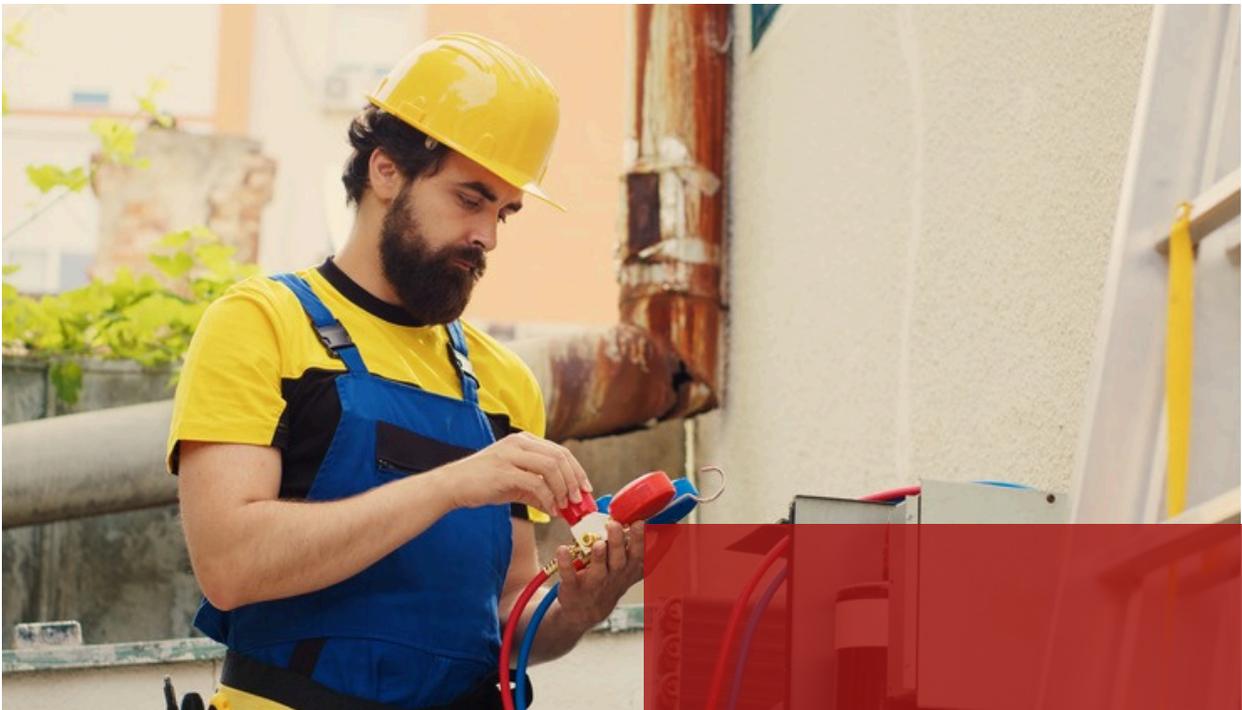
- Transfer electricity, water, gas, trash, and internet into your name
- Confirm HVAC service schedule and filter sizes
- Set up pest control (optional but recommended in many areas)

Address & Records

- Submit address change with USPS
- Update address with:
 - Banks and lenders
 - Insurance providers
 - Employers
 - VA and benefit-related accounts
 - Credit cards and other subscriptions

Homeownership Setup

- Confirm homeowner's insurance is active
- Store your closing documents in a safe place
- Review HOA payment schedules and rules (if applicable)
- Create a maintenance calendar (HVAC, gutters, landscaping, etc.)





Final Thoughts

Buying a home doesn't have to feel confusing or risky. The key is education, preparation, and working with professionals who understand the process and can advocate effectively—especially when VA financing is involved.

PCS JOES supports military and veteran homebuyers by connecting them with experienced veteran and military-spouse realtors who understand service, accountability, and how to protect buyers through every step—from planning to keys.