

MORTGAGE DON'TS

There are plenty of pitfalls to avoid before applying for a mortgage and during the loan process itself. Here are some tips to help your loan experience go smoothly.

1

DON'T MOVE YOUR MONEY

Leave your money right where it is until your loan is closed - same bank, same account.

Don't make hard to trace or hard to explain cash deposits into your bank account.

Ensure you document and source any deposits to your account that aren't payroll or direct deposit income.

If you receive tips, keep a daily log to match your bank deposits.

If you sell personal property, like a car, you must prove that you owned the vehicle with a registration or receipt. When selling, keep a copy of the bill of sale and certified check.

Don't co-sign anything for anyone.

Don't spend money you've saved for your down payment.

Don't use cash or money orders for your builder upgrade options.

NOTE:

Even if you have been pre-qualified for a loan, please don't make any changes to the above until you first talk to your lender, who can advise you of your options!

2

DON'T MAKE MAJOR PURCHASES

High-ticket consumer purchases, like cars or home theater systems, can tank your ability to afford a home.

Increasing your consumer debt, or if you pay cash, decreasing your cash reserves could jeopardize your loan approval.

3

DON'T CHANGE JOBS

Changing jobs before or during the loan process will slow your loan approval, especially if the job is in a different line of work or at a lower rate of pay. More information must be verified.

If you're an hourly employee, don't work fewer hours. Updated pay stubs will be required before closing.

4

DON'T PAY OFF BILLS

If it's necessary to pay off bills to help you qualify for a loan, your loan officer will notify you. They will also show you the best way to pay off bills so that there's proof that the bills have been paid.

Don't increase your credit card balance or let your payments fall behind.

Have questions? Contact me!

