

DON'T DO IT!

While you are applying for a home loan and during the home loan process, there are a number of things you should not do. Any of the following things can greatly impact your ability to obtain a mortgage loan or can delay your closing date. It is very important to avoid doing the following until AFTER your loan has closed.



DON'T CHANGE YOUR JOB

If you change jobs before or during the loan process it can create real problems in qualifying for a home loan, particularly if your new job is in a different line of work or at a lower rate of pay. During the loan process, it can also create time delays as the new job will need to be verified.

DON'T CHANGE BANKS OR MOVE YOUR MONEY AROUND

Moving your money to a new bank interferes with the verification process. It is best to leave your money where it is until your loan closes, unless otherwise recommended by your loan officer.

DON'T DEPOSIT CASH

Don't deposit any cash or money into your accounts other than funds that can be documented, such as pay check or gift checks. Cash deposits can cause a file to be denied.

DON'T MAKE ANY MAJOR PURCHASES

Many borrowers make the mistake of buying a new car or making another major purchase without realizing the impact it can have on their ability to buy a home. A new monthly payment can affect the amount you can qualify for and actually make it difficult to get your loan approved.

DON'T CLOSE CREDIT CARD ACCOUNTS

If you close a credit card account, it can affect your ratio of debt to available credit, which has a 30% impact on your credit score. If you really want to close an account, do it after you close your mortgage loan.

DON'T APPLY FOR NEW CREDIT OF ANY KIND

If you receive invitations to apply for new lines of credit, don't respond. If you do, that company will pull your credit and this will have an adverse effect on your credit score. Likewise, don't establish new lines of credit for furniture, appliances, computers, etc.

DON'T FAIL TO DISCLOSE FINANCIAL /CREDIT INFORMATION

Surprises during the loan process can make it difficult for the lender to approve your loan. Disclosure to the loan officer up front allows time to work on potential problems.

Call for more information!



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