

During the mortgage application process

Dos and Don'ts

DO:

- **Pay Your Bills.** This includes rent, car loans, personal loans, credit cards, child support, school loans, alimony, etc. If you don't make timely payments, a bank likely won't be willing to lend to you.
- **Stay At Your Job.** Make sure that your employment status stays the same. We recommend not taking a leave of absence, switching to part-time, accepting 100 percent commission position, or becoming self-employed.
- **Provide All Documentation Requested.** Even if you feel the lender doesn't need an item, make sure to provide it to them anyway. This will help to ensure that you close on time.
- **File Your Taxes.** File your taxes on time or if you aren't ready to file, apply for an extension. If you owe money to the IRS, pay them or work out a payment plan.
- **Keep Your Down Payment Money Secure Before Closing.** Make sure that your down payment is safe and is not spent before closing.

DON'T:

- **Do Not Change Your Marital Status.** Getting married or divorced can have a big impact on the ratios used for mortgage approval.
- **Do Not Overdraft Your Bank Account.** This is a red flag that you may be less than responsible with money.
- **Do Not Forget to Source Deposits and/or Funds to Close.** Money for closing has to be sourced with a paper trail. Sourcing (copy of; check, bank account showing withdrawal, deposit slip, etc.) of any large, non-regular deposit will be needed. This also applies to monies transferred between accounts.
- **Do Not Open New Accounts or Make Large Purchases On Your Credit Cards.** It is safer to buy furniture or appliances after your home loan closes. Opening new accounts or charging on your credit cards can lower your credit score and affect mortgage ratios.
- **Do Not Co-Sign on a Loan.** Your credit rating is affected when you co-sign and this can impact how much you can borrow.

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