

# PREPARE!



When you prepare for the mortgage lending process it can be a smooth and almost uneventful process. A great deal depends on careful review and organization of your finances and documentation.

- Review your credit reports and make sure you correct any errors.
- Spend the time necessary to take a thorough look at your income, budget and future plans.
- Speak with your loan officer and discuss the different types of mortgage plans available to you. If you have questions—ASK for answers!!
- Tailor your mortgage decision to meet your personal financial factors.
- Be thorough and prompt when submitting your mortgage application documents—this will help ensure a smooth process and timely approval.

*Just call—we'll help!*

Contact me for any questions you have regarding your new home purchase

Your Salesperson is:

\_\_\_\_\_

Telephone: \_\_\_\_\_

Your Purchase Agreement Manager is:

\_\_\_\_\_

Telephone: \_\_\_\_\_

Your Closing Coordinator is:

\_\_\_\_\_

Telephone: \_\_\_\_\_

Your Loan Officer is:

\_\_\_\_\_

Telephone: \_\_\_\_\_

**Be sure to ask about the next Complimentary Homebuyers Workshop in your area!**  
**[www.buildingsolutionsllc.com](http://www.buildingsolutionsllc.com)**



BUILDING SOLUTIONS, LLC

# APPLYING FOR A MORTGAGE



## LOOKING AHEAD

A GUIDE TO YOUR  
NEW HOME PURCHASE

# IT'S IN YOUR BEST INTEREST...

Many mortgage applications have been stopped in their tracks because the applicants decided to make a large purchase prior to closing on their new home. Newly acquired debt can be enough to throw the ratios off and make your mortgage unobtainable—or substantially increase your interest rate. If you are moving from state to state and/or expect a change in your employment - tell your loan officer ahead of time! Your lender may require verification of employment - if you are in between jobs - this can hold up your loan!

## YOUR CREDIT

### NOW IS THE TIME TO EXAMINE YOUR CREDIT!

Your credit report is integral to helping your lender determine the type of loan and interest rate you qualify for. The better your credit, the lower the interest rate. Your life will be easier when you apply for a loan if you cover the basics first.

### GET A COPY OF YOUR CREDIT REPORT!

Equifax 800.685.1111 ~ equifax.com

Experian 888.397.3742 ~ experian.com

Transunion 800.888.4213 ~ transunion.com

Contact any or all of the three primary credit bureaus by phone or by visiting their website. Review your report(s) and confirm their accuracy. You may find items that are incorrect or you would like to dispute. You should pay special attention to items that are incorrect — or are not familiar to you. Remember, identity theft is rampant today and there may be charges against your credit that you are not even aware of. Be sure to contact the bureaus immediately to correct inaccuracies.

A good report and maintaining current payments on your accounts will help increase your score and your ability to secure a desirable mortgage and the lowest possible interest rate.

## HOW MUCH?

### DO YOU KNOW HOW MUCH HOUSE YOU CAN AFFORD?

What seems like a simple question can often be overlooked and can adversely impact your budget. With today's low interest rates, you can probably afford a lot more than you may have thought, however here are some important items to keep in mind.

Calculate your total estimated housing expense. This number should typically include Principal, Interest, Taxes and Insurance (PITI). Bear this total in mind and then consider your total debt vs your monthly income. Your total debt should combine PITI, car loans, personal loans, credit card payments and any other loans you may have. Your total debt is the number that will be used to determine your ratios and essentially, how much house you can afford. It is also important to plan for the future. Be sure to examine your finances carefully and consider how much money you need to allocate toward meeting your goals (savings, retirement, education). Your mortgage lender will work with you to select the appropriate loan program specific to your financial needs.



Once your credit is in order and you have determined how much house you can afford, it is time to apply for a loan.

**Be prepared to provide these items to your loan officer:**

- ▶ **A COPY OF YOUR PURCHASE AGREEMENT**
- ▶ **A COPY OF YOUR DEPOSIT CHECK**
- ▶ **YOUR EMPLOYMENT HISTORY**
- ▶ **LAST TWO YEARS W2 FORMS**
- ▶ **LAST TWO YEARS INCOME TAX RETURNS**
- ▶ **PAYCHECK STUBS FOR THE LAST 30 DAYS**
- ▶ **PROOF OF SECONDARY INCOME**
- ▶ **STATEMENTS PROVING YOUR CURRENT ASSETS**  
Including checking & savings account statements, investment accounts and proof of other sources of cash or assets.
- ▶ **LIST OF YOUR CURRENT DEBTS**  
Including type of accounts (credit cards, auto loans, student loans, etc). Be sure to provide account numbers and contact information for these accounts.

**This will give you a good start! Be prepared to submit further documentation upon request.**