



Dos and Don'ts of the Mortgage Process for Borrowers!

✓ Do tell us of any changes in your employment status: layoffs, terminations, promotions, raises, unpaid time off, etc.	X Don't change anything about your employment. Your employment will be verified prior to closing. Changing jobs, being laid off, or taking medical leave can adversely affect your mortgage.
✓ Do share with us anything that might be important to us. Nothing is unimportant to us during this process: car accident and a new car is needed, taking time away due to family matters, anything that changes your current situation should be brought to our attention.	X Don't pay off debts, collections, or charge offs during the mortgage process as it will cause a LOT of additional paperwork or, even worse, decline of your loan if you use cash to pay off debts. TALK TO YOUR LOAN OFFICER FIRST!
✓ Do send us back documents within 48 hours of them being requested. Do check email daily through the process.	X Don't purchase your earnest money deposit with cash; this is untraceable. Use the funds in your bank account so there is a paper trail.
✓ Do stay current on all existing accounts. Missed and late payments have a negative impact on your credit score.	X Don't apply for new credit of any kind – we monitor your credit and are notified if it is run to open new debt. This could cause your mortgage loan to be denied if it increases your debt-to-income ratio over the allowable threshold.
✓ Do keep records of deposits into your account. Lenders want to know where your funds come from, especially if the source isn't your employer.	X Don't transfer money all around – keep your money in the bank account it is currently in. If you do, we will need the paper trail of all the movements.
✓ Do call your loan originator. If you receive a notice from a creditor that might have an adverse effect on your credit score, call your Loan Officer for resources that can help prevent any derogatory reporting.	X Don't make large deposits into your bank accounts – ask your loan officer what a large deposit is on your particular file (they do vary based on loan program). We will need to source it and need additional documentation.
✓ Do maintain a paperwork trail of everything connected to your application.	X Don't close credit card accounts. This will raise your debt-to-credit ratio and lower your credit score.
✓ Do keep your file current with the most recent copies of your pay stubs and bank statements.	X Don't max out or over charge existing credit cards. Try to keep your credit cards below 50% of the available limit.
✓ Do tell us of any changes in your funds to close. Do continue to update us with any changes from now to closing.	X Don't deposit cash into your account as we will not be able to use it as funds to close. Cash is NOT acceptable for anything while applying for a mortgage.