



# Preparing For Your Mortgage Approval

Do's & Don'ts before and during the loan process

With the increased federal and state regulations governing today's mortgage financing, both lenders and borrowers are having to work within tighter guidelines. To improve your experience, here are some helpful tips and good habits you should keep in mind to help secure a successful loan approval.

## GOOD HABITS: THE DO'S

- **DO:** Keep paying your bills on time including any mortgage, car, credit cards, etc. even if they're being paid through the new loan.
- **DO:** Inform us in advance of any employment or income change.
- **DO:** Keep copies of all pay check stubs you receive.
- **DO:** Call us before changing your marital status.
- **DO:** Call us if you are going out of town or planning a vacation.
- **DO:** Call us anytime if you are unclear or have a question about your loan.

## POTENTIALLY HARMFUL: THE DON'TS

- **DON'T:** Change your employment status or your pay scale, even if it seems good. This could endanger your loan approval. Call us first.
- **DON'T:** Buy new furniture for your home or anything where your credit report needs to be pulled, including interest free credit at a furniture store. Hint: If they need your SSN, they're probably going to check your credit. Call us first.
- **DON'T:** Start significant home improvements on your home.
- **DON'T:** Payoff collections or charge-offs. From now on, don't pay off collections unless we specifically ask you to. Generally, paying off old collections causes a drop in the credit score.
- **DON'T:** Max out or over charge existing credit cards.
- **DON'T:** Consolidate debt. Wait until after your loan closes.
- **DON'T:** Close credit card accounts.
- **DON'T:** Cosign on a loan, change your name, or address.
- **DON'T:** Make large purchases such as real estate or vehicles.
- **DON'T:** Move money around, open, or close accounts. Keep funds in one account.
- **DON'T:** Avoid cash or unexplainable deposits into bank accounts.

## Why Is This So Important?

Even moves that seem logical and beneficial can actually have a detrimental effect to your loan approval. Mistakes can cost you thousands of dollars or even your ability to obtain financing at all.

The key is to call me before you make any changes to your financial picture, so we can help your approval go as smoothly as possible.



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