

CREDIT DO'S FROM CHASE

DO GET PRE-QUALIFIED Although you may be months or even years away from buying a home you should get pre-qualified as soon as possible. A pre-qualification is usually only good for 60 days however going through the process will allow you to discover any red flags that could potentially cause you problems down the road (credit issues, down payment, reserves)

DO GET TOGETHER A COMPLETE APPLICATION PACKAGE You will be provided with a list of items needed for a mortgage loan application. Make sure to collect all of the requested information as it will greatly expedite the process. Make sure you have all pages of bank statements, tax returns, etc. Cover pages and screen shots will not be accepted by most lenders and will only cause delays.

DO START SAVING NOW!!! Open a separate account at least 60 days prior to applying for a loan and place your down payment funds in it. You will be asked to show 60 days' worth of statements on any account you have, the cleaner and clearer you can make your finances look to an underwriter the better the process will go. In addition to whatever down payment you will be making, loan underwriters will be looking to make sure that you have at least 2 months of payments in reserves.

DO STAY CURRENT ON EXISTING ACCOUNTS. Late payments on your existing mortgage, car payment, or anything else that can be reported to a CRA (Credit Reporting Agency) can cost you dearly. One 30-day late payment can lower your credit score by 30-75 points. Make your mortgage payments on time and if you are refinancing call us before you make any payments that are scheduled within two weeks of closing. Make sure to keep making payments on accounts even if they are in dispute, you don't want any negative items showing on your credit report.

DO CONTINUE TO USE YOUR CREDIT AS YOU NORMALLY WOULD. Red flags are easily raised within the scoring system. If it appears you are diverting from your normal spending patterns, it could cause your score to go down. For example, if you've had a monthly service for Internet access billed to the same credit card for the past three years, there's really no reason to drop it now. Again, make your changes after the loan closes.

DO CALL YOUR LOAN CONSULTANT If you have any questions before and during the loan process about any credit issues, changes, down payments, we here to help and are just a phone call away.

Compliments of Lynne Billac,
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