



## Optimize Your Chances of Qualifying for a Mortgage

The reality of today's mortgage market is that there is money out there, but borrowers are having to work a little harder to show they are credit worthy. Below are four of the main things lenders are looking at when reviewing a loan application, plus a list of what NOT to do between the time you qualify for the loan and getting to the closing table.

### *The four C's of Getting a Home Loan:*

- **Capacity** - refers to the adequacy of the borrower's income to pay the principal and interest due on the loan, plus property taxes and homeowners insurance.
- **Character** - refers to the borrower's track record of paying debts as evidenced by his or her credit history and credit score.
- **Capital** - refers to the borrower's down payment (or equity) as a percentage of the current value of the home.
- **Collateral** - refers to the safety and soundness of the home and the value of the home as determined by an appraisal relative to the agreed-upon purchase price.

### *What NOT to do after you qualify for a mortgage:*

- Don't increase your debt burden
- Don't open new credit accounts, even just to transfer a credit-card balance
- Don't challenge the lender's requests for more documents
- Don't forget to tell your loan officer about changes your employment
- Don't forget to tell your loan officer about changes in your salary
- Don't delay payment of your bills or rent -- keep your payments current
- Don't skip your mortgage payment
- Don't overextend yourself

**The BEST way to increase your odds of qualifying for a great mortgage at a great rate is to start the loan process early on in your home search.**

**Princeton Mortgage is a local mortgage provider with dozens of lending partners, loan programs and highly competitive rates!**

**Contact me today to get started: Sheree Sachs 609-462-0746**