



## What NOT to do while waiting for your loan approval

Whether you're looking for a mortgage loan right now or planning a refinance in the future, your lender's processing team and underwriter will be looking for stability and consistency in your buying and spending habits.

**Here's what NOT to do while you're waiting for the clear to close:**

- **Don't ignore lender requirements**

Keep copies of recent paychecks and bank statements available so you're prepared for any additional requests for documentation from your lender. Don't be surprised if you're asked to provide other documentation as well, such as a canceled check as proof of payment. The sooner you can fulfill these requests, the better.

- **Avoid major purchases**

Adding to existing debt can reduce the amount you can qualify for on your home loan. So hold off on buying appliances or a new car – because a \$400 monthly car payment can reduce your approved loan limit by as much as \$50,000.

- **Don't open additional lines of credit**

Lines of credit illustrate your ability to pay, but every outstanding balance and minimum payment adds up to what you can afford each month. So keep a tight rein on credit card debt, review the terms and conditions, and be aware of rate increases that kick in for late payments. Steer clear of opening any new lines of credit until your mortgage loan is approved.

- **Don't change jobs**

While changing jobs to increase your income is a no-brainer, other inconsistencies in work income may decrease your chances of securing a loan. The loan approval process is not the time to start your own business or take a job with less pay.

**Talk with an Embrace loan consultant today.**

855.612.9444

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