# Pre-Approved! Now what?

## Mistakes to avoid when pre-approved for a mortgage

Now that you have your mortgage pre-approval in place, it's time to start your home search. Keep in mind, your pre-approval was provided to you based on your current employment, your current credit score and debt responsibilities. Here are a few of the most critical mistakes to avoid once you've secured that pre-approval.

### 1. Changes in your income

Sometimes a great new job opportunity may present itself while you are in the market for a new home. Changes to your employment can have an impact on your pre-approval. Lender's like to see consistency within positions of employment.

Be sure to loop in with your Mortgage Agent to review prior to changing positions. If you can provide a complete pay stub, and letter of employment before your purchase closing, a change in positions can often be mitigated with your lender.

Be Proactive and keep your Mortgage Agent up to speed. For Self Employment, Lender's require a full two year history of tax filings in order to use this income. Changing from salaried to contract/ sole proprietor before purchase can greatly jeopardize your financing options. Make sure you walk through any changes with your Mortgage Agent, to understand how they will impact your pre-approval.

### 2. Changes in your expenses

Your pre-approval takes into account your total income as it relates to your monthly expense obligation. Adding a car payment, buying new furniture on credit or increasing your revolving credit may impact the total amount a lender is able to offer.

### 3. Ongoing support and consultation

Even once your mortgage is signed and paperwork is complete, we are here if you need any advice on closing details, any future financing decisions/needs, and even future referral needs. We are happy to be of assistance anytime you need us.

### 4. Unexplainable large cash deposits

While many lender programs allow for gifts to help with down payment money, thorough documentation of large deposits will be required. Keep a paper trail so that it's easy to explain all activity in your bank account.

### 5. Failing to plan for additional expenses

If you're like most people, soon after moving into the home, you'll be confronted with a long list of needs and wants. Keep this in mind when negotiating and considering your total monthly payment.

### 6. Not keeping your Agent/Lender in the loop

When you are ready to make an offer, it's a good idea to circle back with your Mortgage Agent and review what your payment will look like based on your real scenario. They will be able to advise the maximum mortgage/ purchase price you can manage specific to your property of interest.