

# What Would You Do?



*Waaa? Gosh dang it! They declined our loan! Now what the Sam Hill are we supposed to do? Keep renting this dump?*

## What Would You Do If:

1. The lender declined your loan and offered no explanation or alternative loan suggestion?
2. The loan officer dragged her feet submitting your loan until your rate lock expired and now your interest rate will be a half-point higher for the same fees.
3. The loan officer omitted some important information in your loan file and after waiting for days for it to come out of underwriting, it was suspended.
4. The lender quoted you 4.50% on a 30-year fixed rate but later told you it would be 5.50%.
5. Your loan was suspended because the appraiser didn't follow a few FNMA requirements.
6. Your loan was approved based solely on your husband's income but he died the night before you were scheduled to sign the documents for closing.
7. You refinanced your home but it burned to the ground the day after the loan closed.
8. The lender jacked up your rate half-way through your rate-lock period and said: "Sorry, too bad."
9. The loan officer included some information in your file that was unnecessary and as a result the loan was declined on that basis.
10. At closing, the escrow officer asked you why you accepted a loan with a demand feature.
11. Your loan was declined for some simple erroneous reason. When you asked for a copy to give to another lender they told you that they don't transfer completed loan packages.
12. You were told by your loan officer that your loan at 80.50% LTV required PMI and impounds to be made part of the payment for as long as you keep the loan and you only found out about it at closing. The loan officer is out of town and the clock is ticking on your rate lock.

13. You shopped your loan with six different lenders and you mistakenly allowed each of them to pull your credit report. Before you started shopping rates, your middle credit score was 683. Do you think your score will still be 683 when the lender you finally select pulls your credit?
14. Your loan was declined based on a correctable issue but the loan officer said he couldn't help you.
15. The lender submitted your loan file to DU and received an "Approve" but later told you that the senior underwriter had reviewed it and was forced to decline it. They said they were very sorry but there was nothing they could do about it because they can't overrule a senior underwriter.
16. On the 27<sup>th</sup> day of a 30-day rate lock with rates on the rise, your loan came out of underwriting suspended with a requirement for an appraisal review.
17. Your loan officer advised you that your loan was approved and talked you into a 7-day rate lock because, as he claimed, the closing was a slam-dunk. That was on December 20<sup>th</sup>, a Friday and the closing documents had not yet been drawn.
18. The lender declined your loan and based it upon two serious collection accounts upon which you were not the primary creditor.
19. Your loan was suspended due to inadequate credit. The loan officer asked if you had any other credit references and if so, write a letter. So, as it turns out, you had a current auto loan from a friend in the amount of \$475.00 per month that was not listed on your credit report. Bingo! You had your friend write a letter explaining that all your payments were made on time. Now the amount of your established credit was acceptable but the newly disclosed \$475.00 monthly payment shot your debt ratios through the roof and caused your loan to be declined.
20. You applied for a mortgage with your wife. Your credit was excellent but your wife's credit was trashed. You could qualify for the loan on the basis of your income alone but your wife's bad credit killed your chances for a conventional loan.
21. The day after your loan closed and you moved into your new home, you got fired from your job.
22. In reviewing your credit report, you have three outstanding loans that weren't listed. And a few days later your loan was approved with no mention of the three missing loans.
23. Three months after your loan closed, someone showed up at the house claiming the previous owner owed them \$20,000 and they had a promissory note showing the property as collateral.
24. Your employment numbers are perfect, you've got plenty of assets, but your credit score of 625 is too low, according to the loan officer, to let you qualify for the 85% LTV loan that you applied for. She tells you you'll need an FHA loan to get a loan for the \$115,000-dollar house.
25. A son and his parents want to buy a house together. The parents' credit scores are 790 and 805 but the son has no credit score at all. How can the son get the ownership interest that his parents want him to have?

The above examples should make you see that there's a lot more involved in getting a mortgage than simply filling out an application and submitting a couple of W-2s. Many of the examples cited above could not be remedied by a bank or mortgage company loan officer because of conflict of interest issues. Their employment contracts would certainly prevent them from participating in any activity with a borrower that might have the smell of impropriety. Their hands can be easily tied – mine can't!

I have no conflict of interest issues whatsoever. There's nobody looking over my shoulder or asking me why I did this or that. I put in my time working for a big national bank's home mortgage division and I know how underwriters look at the elements that affect loan approvals. I have even worked as a mortgage underwriter and I was schooled by the best experts in the country. Hire me and I will use all of my considerable experience to keep your loan out of trouble and get you a fair deal on the terms.