



YOUR CREDIT HISTORY COUNTS!

When considering your mortgage application we will review your credit report. We will consider how much you owe on credit cards, car payments, student loans and other debt and how well you repay your obligations.

QUICK TIPS!



YOUR CREDIT SCORE

There are minimum credit score requirements to qualify for a mortgage. If your credit score is low, take the time to improve it. If you find errors on your credit report, take the time to correct them. This may put your home buying plans on hold, but could result in a better loan and more affordable rates.

CHECK ANNUALLY!

Sometimes people think they have good credit. Then, they apply for a loan and are surprised to learn that there are some problems with their credit. That's why it's critical that you get a copy of your credit report and credit score a few months before making a major purchase, such as a home. You can easily obtain your credit report through www.annualcreditreport.com and are entitled to one free report each year.

CHECK FOR ERRORS!

Once you have obtained your credit report, check it thoroughly to make sure the information is accurate. Keep in mind that you are the only one who'll notice if anything is out of the ordinary and it is up to you to find any inaccuracies. Mistakes on your credit report can drastically lower your chances of qualifying for the mortgage and interest rate you deserve.

If you find an error, take the necessary steps to fix it as soon as possible. If you see evidence of fraud, contact the credit reporting agencies immediately. Explain the situation and ask that a fraud alert be placed in your file. Identity theft is the fastest growing white-collar crime in America and, in addition to being the leading fraud complaint last year, on average the rate of incidents has more than doubled each year since 2000.

BANKRUPTCY, FORECLOSURE, & SHORT SALES...

If you've had a bankruptcy or foreclosure in the past, it may affect your ability to get a new mortgage. According to Mortgage Center policies and guidelines, we generally require that 2 - 7 years have passed before you can qualify for a mortgage. In the case of a foreclosure the waiting period is 7 years. With a short sale, the 7 year wait may be reduced to a minimum of 2 years with a down payment of at least 20%. In the case of a bankruptcy, we require that 4 years have passed. In addition, in all cases you must have re-established an acceptable credit history with new loans or credit cards, and improved your credit score. For specific credit requirements, please contact a Mortgage Center Loan Officer.



GreenPath Debt Solutions

Mortgage Center has partnered with GreenPath, Inc to offer you free access to financial education and counseling services. The following are a few of the services that are offered:

- Debt Counseling and Coaching
- Debt Management Program
- Credit Report
- Financial Education
- Housing Counseling
- Bankruptcy Counseling

For more information call 888-893-2715 or visit greenpath.com.

HOW TO FIX YOUR CREDIT REPORT

Inquiries

Your credit report lists all inquiries made by potential lenders in the previous 90 days. If your report indicates that recent inquiries took place, you must provide either a written, signed letter confirming that you have not obtained new credit or, if additional credit was obtained, you must provide verification of that debt. Your new monthly payment will be considered when qualifying you for your mortgage loan.

Disputed Accounts

If your credit report lists an account that was disputed by you, it may be considered a credit risk. Mortgage Center may require that you resolve the dispute with the credit bureaus before proceeding with your mortgage application. Depending on the nature and payment history of the account, your credit score may drop. In this case, Mortgage Center would need to obtain a new credit report once the account is no longer reported as disputed.

Judgments, Garnishments, Liens, and Past Due Accounts

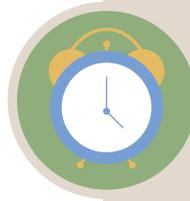
If your credit report lists an unsatisfied judgment, garnishment, lien or past due account, you will need to provide evidence that the account is satisfied and/or current. You must also verify that you have an acceptable source of funds to satisfy these obligations.

Collection and Charge-off Accounts

- For one-unit, principal residence properties, you are not generally required to pay off outstanding collections or charge-offs — regardless of the amount.
- For two- to four-unit owner occupied and second home properties, collections and charge-offs totaling more than \$5,000 must be paid in full prior to closing. You must provide evidence that the account is satisfied, and verify that you used an acceptable source of funds to satisfy the obligation.
- For investment properties, individual accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to closing. You must provide evidence that the account is satisfied, and verify that you used an acceptable source of funds to satisfy the obligation.

Unreported Debts

If you have a mortgage, loan and/or land contract that is not reported on your credit report, you will need to provide evidence that the account has not been past due by two or more payments in the last twelve months. We will need a twelve month payment history from the creditor and/or twelve months consecutive cancelled checks to document this requirement.



BOOST YOUR CREDIT SCORE!

Your credit score changes when new information is reported by your creditors. When you manage your credit responsibly, your score will improve over time. Below are some general ways to improve your credit score:

- ✓ **Pay your bills on time.**
Delinquent payments and collections can hurt your score.
- ✓ **Keep balances low on credit cards.**
High debt can hurt your score.
- ✓ **Pay off debt rather than moving it between credit cards.**
The most effective way to improve your score in this area is to pay down your revolving credit.
- ✓ **Apply for and open new credit accounts only when you need them.**
- ✓ **Check your credit report.**
Review it regularly for accuracy and contact the creditor and credit reporting agency to correct any errors.
- ✓ **If you have missed payments, get current and stay current.**
The longer you pay your bills on time, the better your score.



READY TO APPLY?
CALL YOUR MORTGAGE
CENTER LOAN OFFICER
TODAY AT 888-562-6865.



For members. For life.



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