



Eight Ways To Miss Your Mortgage Closing Date

Here are some of the best ways to miss your closing date and ensure a difficult loan process. Avoid these and hopefully you can have a smooth trip to your closing.

1. **Give inaccurate or incomplete information.** A good loan consultant should ask thorough questions to uncover anything that could derail the approval down the road, but you can help by carefully answering questions on forms and when asked. For example when asked about income be sure to mention if any of it is bonus or commission. If you are asked for addresses for the previous two years don't leave out the apartment you only stayed in for a few months. While some omissions may be inadvertent or seem harmless if the information is discovered down the road it can cause delays and/or lead to other information being questioned.
2. **Provide incomplete documentation.** It is also important to provide exactly what is asked for as supporting documentation. One common mistake is leaving out blank pages of bank statements. The underwriter needs to see all pages to be sure there isn't information on a missing page. The pages are generally numbered at the bottom, "Page 1 of 4", etc. If you are asked to provide a letter from someone such as your CPA or individual gifting you funds for the down payment be sure to clearly communicate what the lender needs to see in the letter. It can be time consuming and frustrating to gather documentation a second time.
3. **Be unavailable during the mortgage process.** Mortgage underwriting standards have gotten a lot tougher in the past few years, and there are new mortgage and banking regulations being enacted all the time. During the course of your loan being processed you may be asked for additional information or documentation. Be sure to let your loan consultant (and real estate agent if applicable) know how to reach you in case something comes up. Responding quickly will help keep your loan's time line on track.
4. **Open a new line of credit.** This could mean opening a new credit card, buying a new car, buying furniture or appliances on credit, or opening store credit card. This could affect your current liabilities, debt to income ratio, and credit score, all of which are extremely important pieces of your mortgage application. Hold off until after closing to take on any new credit or to increase the balances on existing accounts.
5. **Miss a mortgage payment.** Most lenders will recheck your credit just before closing to be sure there haven't been any changes. A drop in credit score resulting from late payments could jeopardize your loan approval.



6. **Change jobs.** A change in employment or income will likely mean your loan application must be re-examined. If a new job is in a new field or your compensation switches from salary to commission it could affect whether you qualify for the mortgage.

7. **Work with a disjointed team.** As stated earlier many of the reasons a loan would fail to close on time are not controlled by the borrower. They are in the hands of the many professionals involved in the process such as the loan consultant, real estate agent, processor, underwriter, appraiser, inspector, insurance agent, and escrow agent. When you shop around for these services ask whether they are familiar with and work well with the other professionals you are working with. This can help you do your best to assemble a cohesive team that will ultimately serve you better.

8. **Be unavailable for closing.** Be sure to set aside time for the closing whether you are taking out a purchase mortgage or refinancing. You may not know the exact date and time until a few days before so it is helpful if you plan your closing for a time you can be flexible. If you need to travel out of the area around the time of closing you may be able to do what is called a “mail away closing” where you are sent the documents or designate a “Power of Attorney” to someone to sign for you. If you may need these special arrangements to be made notify your loan consultant as early as possible as they will take time to arrange.