

Mortgage Letter of Understanding

From your loan officer, <Insert Name>

In order to facilitate a smooth mortgage transaction please take the time to carefully review the following items:

IMPORTANT – The Do's & Don'ts During the Loan Process

Do's

- Do continue to pay your mortgage or rent payments on time
- Do stay current on all outstanding accounts
- Do continue current employment
- Do stay with your current insurance company
- Do call if you have any questions

Don'ts

- Don't apply for new credit, this means ANY thing including increasing the balance on current credit cards
- Don't pay off credit cards or loans without consulting your loan officer first
- Don't pay off charge off or collection accounts without consulting with your Loan Officer
- Don't transfer balance between accounts
- Don't close any accounts including credit cards
- Don't switch bank accounts
- Don't consolidate debt including credit cards
- Don't increase the balance on credit cards
- Don't do anything that requires a credit check, for example a new gym membership, without consulting your loan officer first

Needs List – Items to Send to your Loan Officer ASAP

You can scan/email to <LO's email> or Fax to <LO's Fax #>

Proof of Identification – Patriot Act

- ☐ Clear copy of each borrower's driver's license. Please either scan/email or mail to our office. Please do not fax as faxed copies of driver's licenses are illegible.
- ☐ Copy of Social Security Card for each borrower

Proof of Identification – Patriot Act

- ☐ Copy of 2 most recent years' W2's for each borrower
- ☐ Copy of 2 most recent years' PERSONAL U.S. 1040 tax returns, all pages, all schedules
- ☐ Copy of 2 most recent years' BUSINESS tax returns, all pages, all schedules
- ☐ Copy of 2 most recent years' 1099's for each borrower
- ☐ Copy of 2 most recent pay stubs for each borrower
- ☐ Copy of most recent Social Security Award Letter

Asset Verification

- ☐ Copy of 2 months bank statement for all checking and savings accounts (send all pages of statements even if they are BLANK)
- ☐ Copy of most recent monthly or quarterly 401(k) statement and or retirement funds (all pages)
- ☐ Copy of cancelled earnest money check (both sides) or proof of wire

Miscellaneous

- ☐ Insurance – Send insurance agent's name, company, and contact information. Let your loan officer know if you need assistance in obtaining homeowner's insurance.
- ☐ _____
- ☐ _____
- _____

By signing below I state that I have read and agree with the Mortgage Letter of Understanding Do's and Don'ts.

Borrower Signature

Co-Borrower Signature