

# 9 HOME LOAN KILLERS

THE SECRET TO SECURING  
YOUR PERFECT HOME LOAN

# How to Avoid These 9 Home Loan Killers and Finally Live the American Dream

My name is Holly Luca, mortgage advisor at Nonprofit mortgage in Austin, Texas. I wrote this little book to help veterans and first-time home buyers purchase their slice of the American dream. If that sounds like you, stick around until the end of this short book.

While I entitled this *9 Home Loan Killers* I could have just as easily named it the *Quick and Easy Guide to Securing Your Home Loan*. In just a moment you will begin to see why. The information is clear and to the point. All killer no filler.

Before we dig in, it always helps to identify where you are in the process to determine the appropriate next steps of action. So, before we get started, let me ask you a question.

## **Are you experiencing any of these FOUR common home loan challenges?**

**#1** Do you feel you have too low of a down payment amount? Maybe even less than the recommended 20%?

**#2** Do past credit issues make home ownership feel like a daydream just beyond your reach?

**#3** Does your final closing date seem to keep frustratingly getting pushed back by weeks at a time?

**#4** Are you sick and tired of a complete lack of communication and follow-through from the mortgage officers you may be currently dealing with?

Listen, you have nothing to worry about. You're not alone in this thing. These four common issues are exactly why many of my best clients left their previous mortgage officers and chose to work with me personally.

## **The Truth About BIG Banks**

The American public has had a growing distrust of institutions. Government, education, media, and the banking system. Namely, big banks. I had my own breaking point.

Starting out in this industry, I quickly discovered the deep dark underbelly of the Big-Box-Banks. I won't name names, but a quick google search and you'll know exactly the types of places I am referring to. In fact, you may even pass a number of these brand name locations on a daily basis. Within a few short years of my initial hiring, we would all witness the housing crisis of 2008 when the whole house of cards crashed down all around us, and in turn, destroyed the entire global economy with it.

While there was a global impact from questionable trade practices, that's also when I started to notice all the little things that created BIG problems for everyday families who simply wanted their promised piece of the American dream.

One of these things still happens today. Loan officers at the big banks pre-qualify buyers without pre-approving them. I mean, it seems like a good thing, right? Harmless. And it could be. After all, buyers would have a piece of paper *saying* they were qualified, but the mortgage officers never bothered to investigate the deal to see if they could actually *get* the amount needed to close on their home. That simple mistake causes mortgages to be denied sometimes within two days of closing, leaving the buyer to lose their offer and the house they had their heart set on.

## **Communication Is Key**

Another thing that was grinding my gears was clients never seemed to be able to get the same rep on the phone twice. Every time they called into the office; it was another person on the line. Not only is this frustrating, but it also gives too many

opportunities for mistakes. Like a manual transmission in a car. The more moving pieces you have, the higher the chance something is going to break down.

But for us, it isn't a burned out clutch we need to worry about. Documents end up lost, crucial notes don't make it on the account and clients are constantly being passed around from rep to rep without any real useful information regarding their loan. These kinds of issues are what contributes to a deal not closing on time or in many cases, not at all. It's death by a thousand papercuts. These are the same problems we see time and time again with the Big-Box-Banks.

They say today's decisions are tomorrow's realities. For me, that's when I made a decision. If I ever had the opportunity, I would open my own home loan office and do things above reproach with relentless integrity, creating clients for life by prioritizing people over profits. The type of company my clients would be proud to refer their friends and family to. Of course, I knew something like that wouldn't be easy, but nothing worthwhile ever is.

With that vision, I finally opened the doors to my own loan office. A company with one mission objective: help veterans and first time home buyers purchase their slice of the American dream.

Fast forward to today. Since opening my own office, my team and I have secured home loans for thousands of families, and we look forward to serving you well too.

## **Why Work With (Your Team Name)?**

I have built a different kind of home loan office. Through my previous experience working at an agency and mapping the actions of my current competitors, I have been careful to create **5 Key Differentiators** in our company's culture that annihilates my "*competitors*" and makes LendingProf your clear partner in meeting your home purchasing goals.

## Our 5 Key Differentiators

1. To get started, we will have a personal conversation, so I truly understand your **wants** and **desires** in your home loan.
2. You will receive **constant communication**, so you never have to wonder where we are in the process. (*I come to you first, so you never have to track me down.*)
3. We will **close on time** without having to extend the contract by weeks or months.
4. You'll receive **personal coaching** on every step of your loan process.
5. I will make sure you stay in your financial **comfort zone**. (*I never push a decision to pad my commission.*)

As you can see, I walk you through the entire home loan process step-by step, but communication doesn't just stop with us. I also keep both the listing agent and your Realtor in the loop as well, so we never run into communication bottlenecks that confuse the transaction and cause closing delays.

The truth is most loan officers are operating like it's 1979. (*Cue Smashing Pumpkins song*). They are stuck doing everything by hand and having to meet in person. Or worse, requiring you to send documents through a fax machine! Not only is it frustrating for you, but it also slows the entire process down.

I have built a state-of-the-art office for today's home buyer, ensuring you can not only meet with me, but also apply for your loan from the comfort of your home or wherever you may be. But I did something else. I built for communication.

Most offices are built to scale for growth. I built to scale communication. I know this is the biggest opportunity in this space. While others are focused on sales, I'm focused on clear communication at scale. If I get this component right, the sales will always take care of themselves, and my clients will have a smooth experience.

You want service that is custom tailored to your personal needs. That is why I created a loan application that is a survey style questionnaire that will help me understand your unique situation. From there, I determine the best solution to help you purchase your new home without hassle.

**My goal is to provide you such a high level of service that you rave about it to all your friends and family. (Or the ones you like, anyway.)**

## **The #1 Secret to Securing the Perfect Home**

As one friend to another, before you decide on a home or even a Realtor, you really need to know how much home you can afford. I don't simply mean the monthly payment amount. The whole deal. It's wise to know exactly what you're working with before stepping foot into an open house or a scheduled showing.

Here is the secret. The most powerful weapon you can have in your home-buying arsenal is a home loan pre-approval. This can often be granted the same day. You see, most home buyers are running around with a pre-qualification. This is a huge mistake.

When you are armed with a pre-approval, this helps you narrow your search down to the precise properties your lender will agree to finance, but it also gives you a leg up on other home hunters who do not have a pre-approval. This is negotiating power. A pre-approval is much closer to a sure thing for a seller than someone with a pre-qualification letter.

I would highly advise, before you check out another property, let's get you set up with a pre-qualification today.

## **You're Just Five Documents Away**

There is a common misconception that you need a number of different documents and paperwork to get the process started. The truth is you can get you a pre-approval and your loan secured typically with just five documents you may have in your possession right now.

For most people, you will need to track down your two most recent **W-2 forms** and two most recent **payroll stubs**. Even if you're paid with direct deposit, your employer can get these for you. Start a file for documents, since we are going to need a few more.

Next, you'll need **bank statements** from the last 60 days. Include every account you want considered to qualify for the loan, including checking and savings. If you have money stashed away in these accounts, earmarked for a home purchase, include these bank statements.

You'll also want to include the two most recent statements from any retirement or investment brokerage accounts. Make sure to include all pages from your statements. Even blank pages. I know that may seem like a lot, but lenders want to be sure they have everything there. We don't want them denying a pre-approval over a blank sheet of paper.

Next, list all monthly **debt payments**. That could be anything from student loans, auto loans and credit cards. Include each creditor's name and address, your account number, remaining balance, and minimum monthly payment amount.

For the last one. If you are currently renting, we need to show **rent payments** for the past 12 months and include contact information for landlords or property managers from the last two years.

That's it. For most cases, this is the standard paperwork you need for an affordable, on-time, home loan pre-approval letter. If you are issued a 1099, self-employed or a business owner, the paperwork will vary. This isn't a problem; my team would be happy to help you gather the appropriate documents to get you started.

If you are currently on the market for a home, you're probably preparing to set yourself up for success. But before you make any decisions, ensure you DO NOT commit any of these...

## 9 Home Loan Killers

**#1 DON'T take out other loans until after closing!** This includes any credit cards, medical, furniture or appliance loans or car purchases.

**#2 DON'T use your credit card!** It's important to maintain a low debt-to-income ratio. Racking up credit card debt means you are struggling financially.

**#3 DON'T miss any current bill payments!** Creditworthiness is determined by payment history. Make sure you are diligent with your monthly bills.

**#4 DON'T make any BIG purchases!** This raises all kinds of red flags. Now is not the time for a new car or motorcycle. Delay big purchases until after you move into your new home.

**#5 DON'T change jobs!** Not only does this create extra paperwork and delay closing, but lenders believe it shows a lack of reliability.

**#6 DON'T close credit cards or accounts!** Lenders use these histories to get a picture of the type of consumer you are. Low balances on opened accounts directly affect your FICO score. Closing them can create irreversible damage.

**#7 DON'T make BIG bank deposits!** This is a red flag. Lenders assume you are getting help to pay for the home and cannot afford it alone.

**#8 DON'T co-sign on any loans!** Even as a co-signer you are directly responsible for any late payments. It also means your personal credit profile will see changes. Lenders hate those kinds of changes.

**#9 DON'T give up!** You're likely just a few tweaks away from being able to buy your slice of the American dream. Call me, I can give you the step-by-step roadmap how to achieve your goal.



**Let me be clear**, if you've committed any of these loan killers, it doesn't automatically mean you can't get a loan. However, it does affect your loan in a few ways. First, it could increase your rate which means a much higher monthly payment. But if you are looking to get into a new home quickly, it will delay your closing date. In many cases, further delays can cause you to lose out on your home.

What lenders are looking for is someone who can afford to make the payments on time and will do so for the life of the loan. For now, avoid these home loan killers, especially until after we close on your home together.

## **How Can I Help?**

If you want to be pre-approved for your dream home, secure an affordable home loan, work with only two people during the entire process and close on time, here's what I want you to do next.

If you haven't already, when you received this book, you should have automatically had the opportunity to fill out a questionnaire. If you skipped it, that is not a problem. Once you complete and submit that form, I'll assign a home loan expert to you. From there, they will reach out and walk you through the process step-by-step. It is as simple as that. Quite often, we can have a pre-approval for you the very same day.

If you haven't already, head over to [www.lendingprof.com](http://www.lendingprof.com) and watch a short video. If you feel like we might be a good fit, click the button below the video and we will get started on your loan right away.

Otherwise, good luck on your home purchasing journey and God bless.