

## **Ten Questions to Ask Your Lender**

**Be sure you find a loan that fits your needs with these comprehensive questions.**

1. What are the most popular mortgage loans you make? Why?
2. Which type of mortgage plan do you think would best for us? Why?
3. Are your rates, terms, fees, and closing costs negotiable?
4. Will I have to buy private mortgage insurance? If so how much will it cost and how long will it be required? NOTE: Private mortgage insurance is usually required if you make less than a 20-percent downpayment, but most lenders will let you discontinue the policy when you've acquired a certain amount of equity by paying down the loan.
5. Who will service the loan? Your bank or another company?
6. What escrow requirements do you have?
7. How long is your loan lock-in period (the time that the quoted interest rate will be honored)? Will I be able to obtain a lower rate if they drop during this period?
8. 8. How long will the loan approval process take?
9. 9. How long will it take to close the loan?
- 10.10. Are there any charges or penalties for prepaying the loan?

## **Ten Things a Lender Needs from You**

1. W-2 forms or business tax return forms if your self-employed for the last two or three years for every person signing the loan.
2. Copies of one or more months of pay stubs for every person signing the loan.
3. Copies of two to four months of bank or credit union statements for both checking and savings accounts.
4. Copies of personal tax forms for the last two to three years.
5. Copies of brokerage account statements for two to four months, as well as a list of any other major assets of value, e.g., a boat, RV, or stocks or bonds not held in a brokerage account.
6. Copies of your most recent 401(k) or other retirement account statement.
7. Documentation to verify additional income, such as child support, pension, etc.
8. Account numbers of all your credit cards and the amounts of any outstanding balances
9. Lender, loan number, and amount owed on other installment loans—student loans, car loans, etc.
10. Addresses where you lived for the last five to seven years, with names of landlords if appropriate.

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