CULTURE REALTY COLLECTIVE | COMPASS

BUYER REMINDER

Protect Your Mortgage Approval: Don’t Make Major Purchases Before Closing!



As you move through the buying process, one of the most important things you can do is keep your finances as stable as possible until your home purchase is officially closed and funded.

Your mortgage approval is based on your financial picture at the time of application. Changes to your credit, debt, income, or available funds can affect your lender’s decision—even after you have received loan approval.

BEFORE CLOSING

1. Don’t Make Major Purchases

- Avoid buying a car, truck, boat, or other large-ticket item.
- Hold off on furniture, appliances, electronics, or expensive home improvements.
- Avoid financing or leasing anything new.

2. Don’t Open New Credit Accounts

- Don’t apply for new credit cards or store financing.
- Avoid taking advantage of “0% interest” or buy-now-pay-later offers.
- Don’t co-sign a loan or credit application for anyone else.

CULTURE REALTY COLLECTIVE

COMPASS

BEFORE CLOSING



3. Don't Make Large Financial Changes

- Avoid large, unexplained deposits into your bank accounts.
- Don't move money between accounts without first consulting your lender.
- Don't make large cash withdrawals or transfers without discussing them with your lender.

4. Don't Change Your Employment or Income

- Avoid changing jobs, switching employers, or becoming self-employed.
- Don't change from salaried to commission-based or contract work without speaking with your lender first.
- Notify your lender immediately if your employment or income situation changes.

5. Don't Miss Payments or Increase Existing Debt

- Continue making all mortgage, car, credit card, and other payments on time.
- Keep credit card balances low.
- Avoid paying off or closing existing credit accounts without consulting your lender.

CULTURE REALTY COLLECTIVE | COMPASS

WHY DOES THIS MATTER?

Your lender may verify your credit, employment, income, bank balances, and outstanding debts again shortly before closing.

New debt or changes to your financial situation can:

- Increase your debt-to-income (DTI) ratio.
- Lower your credit score.
- Reduce the funds available for your down payment and closing costs.
- Change your loan terms or interest rate.
- Delay closing or, in some cases, jeopardize your mortgage approval.



CULTURE REALTY
COLLECTIVE

COMPASS

YOUR GOLDEN RULE

- If you're thinking about buying it, financing it, opening an account, moving money, or making a major financial change—talk to your lender FIRST.
- Even if you've received final loan approval, wait until your loan has closed and funded before making major purchases.
- Your new home is the big purchase. Let's make sure nothing gets in the way of getting you to the closing table!
- Your real estate team is here to help guide you through the process. Your mortgage lender is your best resource for questions about how financial decisions may affect your loan.



https://culturerealty.com/buy/