

much do I have to pay in cash before the loan is funded? and 2) What is the approximate amount of money I will have to borrow to end up with a certain amount of cash? By comparing the answers, you can find out how much you would have to borrow from each source to end up with the same amount of cash paid to you.

## **WHAT DO I NEED TO KNOW ABOUT THE LOAN APPLICATION?**

You will usually be asked to fill out a loan application describing your income, assets, debts, and expenses, and the real property to secure the loan. Before you sign the application, make sure that it truthfully states your income, assets, debts, and expenses. Never sign a blank application. Do not stretch the truth on your loan application. Do not exaggerate your income or understate your debts. Some loans may not require the lender to fully verify the information. Generally, loans with limited verification on documentation require large down payments or require higher amounts of equity in the property. Be wary of any loan representative who tells you it is OK to stretch the truth in order to qualify. It is against the law to provide false information on a loan application to a financial institution. The lender is entitled to know your true financial condition. Never sign a blank loan application or one where information is left out. You may be asked to provide documents to the broker to verify your employment and bank accounts, etc. The sooner you comply with these requests, the sooner your loan application can be processed.

## **CONSUMER CHECKLIST**

### The Loan Application

- q Accurately report your income, assets, and debts.
- q Never sign a blank application.
- q Ask for a copy of your signed application.
- q To avoid delays, promptly provide the information requested by the mortgage broker.
- q Ask approximately how long it will take to process the application and obtain the loan you are requesting.