



Dark Horse Realty & Property Services

Serving Windsor County, Vermont

Lender Checklist: What You Need for a Mortgage

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

5 Factors That Decide Your Credit Score

Credit scores range between 200 and 800, with scores above 620 considered desirable for obtaining a mortgage. The following factors affect your score:

- 1. Your payment history.** Did you pay your credit card obligations on time? If they were late, then how late? Bankruptcy filing, liens, and collection activity also impact your history.
- 2. How much you owe.** If you owe a great deal of money on numerous accounts, it can indicate that you are overextended. However, it's a good thing if you have a good proportion of balances to total credit limits.
- 3. The length of your credit history.** In general, the longer you have had accounts opened, the better. The average consumer's oldest obligation is 14 years old, indicating that he or she has been managing credit for some time, according to Fair Isaac Corp., and only one in 20 consumers have credit histories shorter than 2 years.
- 4. How much new credit you have.** New credit, either installment payments or new credit cards, are considered more risky, even if you pay them promptly.
- 5. The types of credit you use.** Generally, it's desirable to have more than one type of credit — installment loans, credit cards, and a mortgage, for example.

For more on evaluating and understanding your credit score, visit www.myfico.com.