UtahStateUniversity
COOPERATIVE EXTENSION

HOME OWNERSHIP
FACT SHEETS

What If Your Mortgage Loan Is Rejected?

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Ask lender the reason.
Ask how to improve your ability to get mortgage.
Don't assume that one rejection means another rejection by another lender.

Buyer Has Poor Credit
- Incorrect information
- Repay debts to bring credit current
- Credit must be good for one year

Buyer Has Insufficient Income
- Get a second job
- Are you going to get a raise soon?

Buyer Has Too Much Debt
- Pay off debts, then reapply
- If very close, convince lender you have excellent credit

Buyer Has Insufficient Funds
- Get seller to pay closing costs or points
- Investigate lease-purchase mortgages
- Monetary gift from family members
- Budget so you can save money

House Is Rejected
- Unable to get a clear title
- Appraisal lower than asking price
- Needs major repairs

Investigate Alternative Financing Arrangements

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