

Five Nonnegotiables — Readiness Check

The readiness test. Answer honestly — this decides whether house hunting is productive yet.

These are not promises of approval. They are the five things that need to be in place before you start shopping. If one of these is not ready, that does not mean you cannot buy a home. It means the next step is preparation, not shopping.

1. Mortgage-Ready Credit

Know your credit profile the way a lender sees it. Review the reports and scores that will actually be used for mortgage qualification, correct material errors, and make sure any frozen files can be accessed when needed. The goal is not perfect credit — it is knowing exactly what is there before a property is on the line.

Where do I stand on this today?

☐ Ready ☐ Not yet ☐ Not sure

What's missing

2. Stable, Documentable Income

Your income has to be supportable under the loan program you intend to use — how it is reported, what adjustments a lender may make, whether the trend is stable, and whether current business performance supports the historical numbers. Do this calculation before you set a purchase price.

Where do I stand on this today?

☐ Ready ☐ Not yet ☐ Not sure

What's missing

3. Cash to Close — Plus Reserves

The down payment is only one piece. You also need closing costs, prepaid items or impounds when applicable, and any reserves required after closing. Know the source of the funds and make sure the money can be documented.

Where do I stand on this today?

☐ Ready ☐ Not yet ☐ Not sure

What's missing

4. A Debt Load That Fits the Payment

Run the debt-to-income calculation using the lender's qualifying income and a realistic housing payment including principal, interest, taxes, insurance, HOA dues, and other required obligations. Your maximum approval and your comfortable monthly payment are not the same number. Know both.

Where do I stand on this today?

☐ Ready ☐ Not yet ☐ Not sure

What's missing

5. A Complete, Explainable File

Core documents ready: personal and business returns as applicable, K-1s, W-2s or 1099s, current business financials, asset statements, and documentation for anything unusual. If there is a business loss, large deposit, ownership change, or income decline, identify it now.

Where do I stand on this today?

☐ Ready ☐ Not yet ☐ Not sure

What's missing

IF ANYTHING ABOVE IS NOT READY

What has to happen first — and by when?

Prepared by

Date