



# Mark Kruse

## Your Personal Broker Associate

Interviewing the lender:

Although, lenders have many questions, and sometimes even stringent, guidelines that you must conform to, do not forget that you too have the option of “interviewing” your lenders to make sure they meet your needs as well. Here are some questions that you can, and should ask a prospective lender:

- A Are both fixed-rate and adjustable rate mortgages offered?*
- A What is their current interest rate?*
- A Are there “points”?*
- A Can I “lock-in” the current interest rate if approved, and for how long?*
- A Is it possible to get an extension on the lock- in, and what is the fee for this?*
- A What are the other fees a lender may charge me in conjunction with my loan?*
- A How often can the interest rate be adjusted on a variable rate loan?*
- A Is there a maximum limit on each rate change?*
- A How often will the monthly payment be adjusted?*
- A Is there a cap on payment adjustments?*
- A Can the term of the loan be extended?*
- A Is there a pre-payment penalty?*
- A What is the “grace” period?*
- A How late can a monthly payment be made before a late charge is assessed?*
- A What will happen if a payment is missed?*
- A If you sell your house, will the new buyer be able to assume your mortgage at the same interest rate?*
- A Will mortgage insurance be required?*

You may choose to ask some or all of these questions (or others you may have) before applying for a loan, as a means of determining which lender can best meet your needs.

Be sure that you ask for a photocopy for your records any time you fill out any type of credit application. You can then attach their responses to the above questions, as well as any other notes you've made.