

THE GO-BAG ADVENTURES EGUIDE

**SURVIVING UNEMPLOYMENT
DURING THE HOME BUYING PROCESS**





It's a perfect, sunny day. There's not a cloud in the sky and you are flying to your dream home nestled in the heart of the best neighborhood in town. Your realtor secured the home at below asking price. All you have to do is fly in for the closing, sign the contract, and begin sharing your gorgeous home with your wonderful family.

Not so fast.

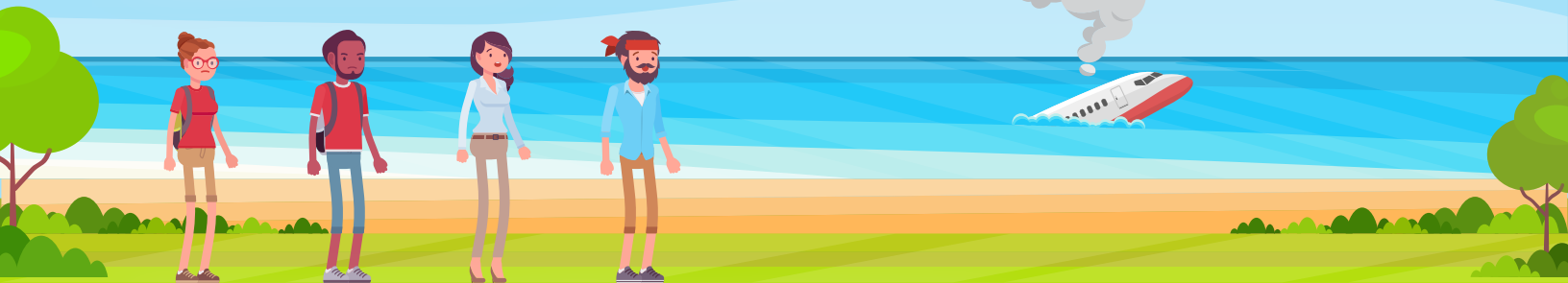
There's a bump of turbulence that rattles your flight: ***An email from work.***

You open it and the plane begins to shake. Glancing around, you realize: ***OTHER PASSENGERS ARE PANICKING TOO!***

The cabin lights flicker.
Oxygen masks drop.

The plane drops, nose down, into an uncontrollable free-fall and panic sets in.

All you see turns to black.



You survived! But what now? You're stranded too far away to make it to the closing on time. You can feel the future you planned slipping away, but is all hope really lost?

Losing a job while in the midst of the home buying process is an obstacle that, if prepared, you can navigate and put yourself back on the path of homeownership.

That's why we have created your ***HOME BUYING GO-BAG***.



- HOME BUYING GO-BAG -



Think of this Go-Bag like a wilderness survival kit. It contains the tools and resources you'll need to navigate any disruption to the mortgage process.



CONTACT INFO:

Create an up-to-date list of phone numbers, emails, and addresses for all lenders, realtors and sellers you're working with. Scrambling to notify these people about the change in your employment status adds stress to an already uncomfortable situation.



CREDIT:

Better manage your debt-to-income ratio by monitoring credit reports closely, tracking financial obligations like student and car loans. There are many ways to keep your score above 700, even while unemployed. One example includes applying for forbearance on student loans.



VALID IDS:

From driver's licenses and passports to social security cards, permanent resident cards and visas, keep all forms of ID valid and up-to-date. These are necessary when you find a new job, as well as at the beginning and end of your future mortgage application process.



PROOF OF EMPLOYMENT:

Since lenders like to see 3 to 6 months of steady employment before reopening your application, be prepared to show lenders proof of your new job. A contract that shows an official start date can be helpful. To avoid future delays, be sure to let your new boss know that lenders will contact them for proof of employment during the closing process.



PROOF OF INCOME:

Gather 3 to 6 months of bank statements or pay stubs from your new job to show lenders that your income is steady again. If you've decided to explore self-employment, a lender will likely want to see 1 to 2 years of records to be sure your income is stable.



RECORDS OF ASSETS:

If you own other property — homes, cars, boats — you'll want to keep documents readily available. The same goes for bank accounts, investments and retirement accounts. These all help a lender decide whether to approve your loan, as well as its terms.



RECORDS OF DEBT:

From student and car loans to documents proving that you've settled legal disputes, these documents help a lender determine whether you can afford to make full, on-time payments for your new home, even with a new job.

HOW TO USE YOUR HOME BUYING GO-BAG DURING FINANCIAL EMERGENCIES

The below four characters represent mortgage clients who experienced unexpected economic hardship in the middle of searching for or buying a home. You might identify with some or all of their adventures.



Michael was laid off BEFORE closing on his new home.

Michael might be a brave explorer, but he never expected to lose his job and watch his one bridge to home ownership wash away. Luckily, Michael's Go-Bag has the tools he needs to survive the wilderness of unemployment and build a stronger bridge.

Learn how he did it on PAGE 5



Sarah was furloughed BEFORE closing on her new home.

Getting furloughed while shopping for a home feels like getting caught in quicksand. Don't fight too hard, maybe you'll get out! Then again, if you're prepared like Sarah, your Go-Bag can help you endure the barren desert of furlough and become a homeowner.

Learn how she did it on PAGE 7



David was laid off AFTER closing on his new home.

Ever been lost in the woods? Felt pursued by wolves? That's what losing a job AFTER closing can feel like. It's a good thing that David's Go-Bag has all the tools he needs to escape the evil woods of unemployment and make it back home safely.

Learn how he did it on PAGE 9



Maria was laid off right BEFORE enjoying her retirement in a new home.

A seasoned Navy captain, Maria never imagined her ship would get torpedoed and she'd end up marooned on an iceberg days before retirement. Thankfully, her Go-Bag helped her get rescued from the icy tundra of unemployment and find her dream home too.

Learn how she did it on PAGE 11

MICHAEL'S STORY

Michael spent a year hunting for the perfect home...

Finally,
A House on
the River

But he wasn't prepared to
lose his job **BEFORE CLOSING!**



Like a bridge, salaries unite
HOMES AND LOANS.

Michael needs to make a large
downpayment for his lender
to sign off on his mortgage.

Without substantial
savings I can't afford to
make a down payment.

I need to build a
new bridge to reach
my dream home.



Michael uses his **GO-BAG** to **CONTACT**
his lender for help and informs them
of his employment status change.



He also begins hunting for a new job
to show **PROOF OF EMPLOYMENT** when
he applies for a mortgage again.

HELP!



MICHAEL'S STORY

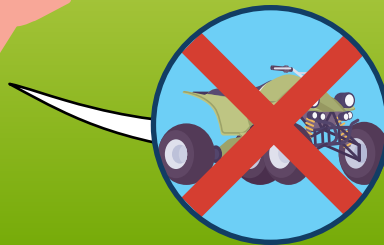
While searching for work
Michael also applies for
UNEMPLOYMENT BENEFITS.



These funds will help Michael
gather daily essentials.



Michael applies for **ECONOMIC
HARDSHIP FORBEARANCE** on his student
loans and avoids missing payments to
prevent damaging his **CREDIT SCORE.**



By avoiding big purchases,
I can maintain a low
DEBT-TO-INCOME RATIO.

Once he lands a new job, Michael calls his lender
and brings **PROOF OF STABLE EMPLOYMENT AND
INCOME FOR 3 TO 6 MONTHS.**



This is how Michael, and **YOU**, could achieve
homeownership dreams **AFTER LOSING A JOB.**



SARAH'S STORY

Being **FURLOUGHED** leaves you in a terrible sinking place...

Sarah, like many people, found herself without a job this year.

It felt like she was trapped in quicksand!



Lenders don't consider furlough pay to be stable income.

Fortunately, Sarah used the tools in her **GO-BAG** to **CONTACT** her lender.

She learned she would have to pull herself out of that hole before being considered for a loan again.

To escape the barren desert of furlough: Sarah calls the current homeowners and offers to make a deposit, so they'll hold the house for her.



I WANT TO BUY YOUR HOUSE!



SARAH'S STORY



Sarah uses the tools in her Go-Bag to apply for **ECONOMIC HARDSHIP FORBEARANCE** on student loans.



This helps her maintain a healthy **CREDIT SCORE** and Low **DEBT-TO-INCOME RATIO**.



The road back home is long, but keeping your **IDs UP-TO-DATE AND VALID** can help you travel faster.



Once Sarah heads back to work, she keeps all her pay stubs to show **PROOF OF EMPLOYMENT** and **PROOF OF INCOME FOR 3 TO 6 MONTHS**.

She then **CONTACTS** her lender to verify her employment status and continues her homebuying journey



DAVID'S STORY

Even though David is a great homeowner, he still lost his job right **AFTER CLOSING**.

David plummeted deep into the scary woods of **UNEMPLOYMENT**.

He wasn't sure where to turn or who to trust.



David was worried about debtors hunting him to take away his home.

But then David remembered that he and his wife built a **GO-BAG** to prepare for scary times just like this.

I should **CONTACT** my lender right way to learn about all my options



If you're like David, you've been a good borrower who always paid on-time and in full.

David was able to apply for **FORBEARANCE**, allowing him to postpone payments and camp out until he got back on his feet.



DAVID'S STORY

LOAN MODIFICATION was another good solution that David explored.

By extending the life of his mortgage he could lower his monthly payments.



David focuses on keeping a low **DEBT-TO-INCOME RATIO** by utilizing **UNEMPLOYMENT BENEFITS**

David applies for **ECONOMIC HARDSHIP FORBEARANCE** on his student loans to lower his monthly **DEBT**.



Work with your lender to find the best solution for your situation.

This is how **YOU**, like David, can navigate unemployment **AFTER BUYING A HOME**.



MARIA'S STORY

*After decades of successful sailing, Maria got torpedoed months **BEFORE RETIREMENT!***

Getting marooned so late in life felt like being stranded in a cold, dark place.

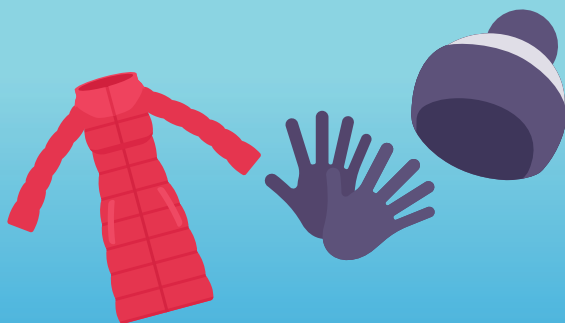


*Luckily, Maria built a **GO-BAG** before setting sail on her latest adventure. She planned to drop anchor on a home that was closer to her family.*

*She **CONTACTED** her Lender and gathered important documents: **ASSETS, DEBTS, CREDIT REPORTS, PAY STUBS, AND MORE.***

Maria also made lifestyle changes, allowing her to keep savings up.

*She **CUT EXPENSES** and claimed **SOCIAL SECURITY.***



MARIA'S STORY

Maria also explored all mortgage terms like a true intrepid sailor, shrinking her monthly payments to fit her new budget.

*She cashed in on investments to increase her **DOWN PAYMENT** and incentivize lenders to give her a mortgage.*



*Then she talked to her lenders about unique financing options, like a reverse mortgage, aka **HECM FOR PURCHASE LOANS**.*

*Just like Maria, it's still possible to land your dream home, on land or at sea, after being fired right **BEFORE RETIREMENT**.*





EMPOWERING THE AMERICAN DREAM OF HOMEOWNERSHIP

Open Mortgage empowers our partners to deliver the American dream of homeownership to borrowers across the country. Our partners include our retail branches, mortgage brokers, community banks and credit unions. Our partners provide the retail storefront to American borrowers. Open Mortgage provides the operational engine that empowers our partners to succeed, delivering the American dream of homeownership to an ever-growing audience.



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