



DIVORCE LENDING · FOR CDFAS & FINANCIAL PROS

Will the housing number actually qualify?

You model the settlement. The mortgage underwriter decides whether it flies. Here are the few places those two views diverge, so the housing figure you built holds up.



You build the financial picture; the underwriter approves (or doesn't) the mortgage that has to fit inside it. When those two views line up, your client sails through. When they don't, a settlement can look sound on paper and still fall apart at the closing table. Here are the handful of places they most often diverge.

Where a CDFA model and underwriting collide

- **Support income only counts if it's documented and durable.** Alimony or child support usually needs a receipt history (commonly around six months) and enough continuance remaining after closing (often about three years) before it counts as qualifying income at all.
- **The marital mortgage in the DTI.** A court-ordered assignment can exclude it, freeing the departing spouse to buy now. Without that language, they can look like they carry two mortgages and stall.
- **The buyout, priced right.** A documented equity buyout can often be financed as a rate-and-term refinance (better rate, more equity within reach) instead of a costlier cash-out. The decree language decides which.
- **Timing.** Pre-decree versus post-decree changes how income, support, and marital property are treated on the application.

The through-line: the settlement **language** is what makes the mortgage work or not. Looping in the mortgage side **before** the numbers are final is how you protect the housing figure you modeled, instead of finding out at closing that it never qualified.

The difference it makes

Mortgage side looped in early

- The housing figure you model gets stress-tested against real underwriting.
- Support-income and DTI treatment confirmed before anyone signs.
- The buyout is structured for the better loan.

Mortgage side as an afterthought

- A qualifying number that looks fine but will not actually fund.
- Support that does not count the way the model assumed.
- A buyout accidentally forced into cash-out pricing.

Short story: your model and the underwriter's file have to agree, and the settlement language is where they meet. Bring in a CDLP while the numbers are still moving, and the housing plan you built holds all the way to closing. That is the whole point of working the two sides together, and it is exactly what I am here to do with you.