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Mortgage advertisements

Look for red flags in advertisements
from mortgage lenders.

What is the problem?

Some mortgage lenders target veterans and servicemembers with advertisements promising special deals or implying their loans are approved by the Department of Veterans Affairs (VA), the Department of Housing and Urban Development (HUD) or the Federal Housing Administration (FHA).

What are some red flags?

- Official-looking logos implying that the advertisement comes from a government agency such as VA, HUD or FHA. Government agencies are not involved in direct mortgage lending.
- Promises of amazingly low rates - which, if you read the fine print, may only last a short time. These are usually adjustable-rate mortgages and your payments may increase once the initial rate changes.
- Promises that a reverse mortgage will let you stay in your home payment-free. Typically borrowers with a reverse mortgage are still responsible for taxes and homeowner's insurance.
- Announcements of "pre-approval" and large amounts of cash or credit available to you. There's no guarantee that you will be approved for a loan this early in the process.



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