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THE KERKHOFF KEY

YOUR MORTGAGE FIRST RESPONDER

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WHY WE DO THIS

Most of what I do is ordinary, and I like it that way. Somebody moves up the road. Somebody refinances. Somebody buys the second house because the first one got too small.

Then once in a while a file comes across the desk that reminds me why I left a patrol car for a spreadsheet.

This is one of those, and the timing of it is not lost on me.

THE TABLE THIS YEAR

Thanksgiving is my favorite. I am not complicated about it. Good food, people I like, and for one afternoon whatever is going on everywhere else goes on the back burner.

So a family sitting down to it in their own house, in a year where that was not supposed to be possible, is the whole reason this newsletter exists.

WHAT THE FIRST LENDER SAW

A couple who run their own business. The last couple of years went up and down the way a small business does, and the down part cost them their rental. They moved in with family and put the whole household in a garage.

They did not want to rent again. Their thinking was that rent was money leaving and never coming back, so they saved instead, in a garage, with the kids.

When they were ready they went to a lender. Income from your own business is harder for a lender to read than a paycheck, and the number that came back was a hundred and five thousand dollars. In this county that is not a house. That is a no with a number attached to it.

They believed it. Most people would. It arrived on a letterhead.

WHAT A NO IS ACTUALLY MADE OF

Here is the part I want you to take away, and it is the whole letter.

A no is not one thing. It is made of something, and the something is usually how a lender read your income rather than what your income is.

If you are on salary, your income is a number on a pay stub and every lender reads it the same way. If you work for yourself, your income is an argument.

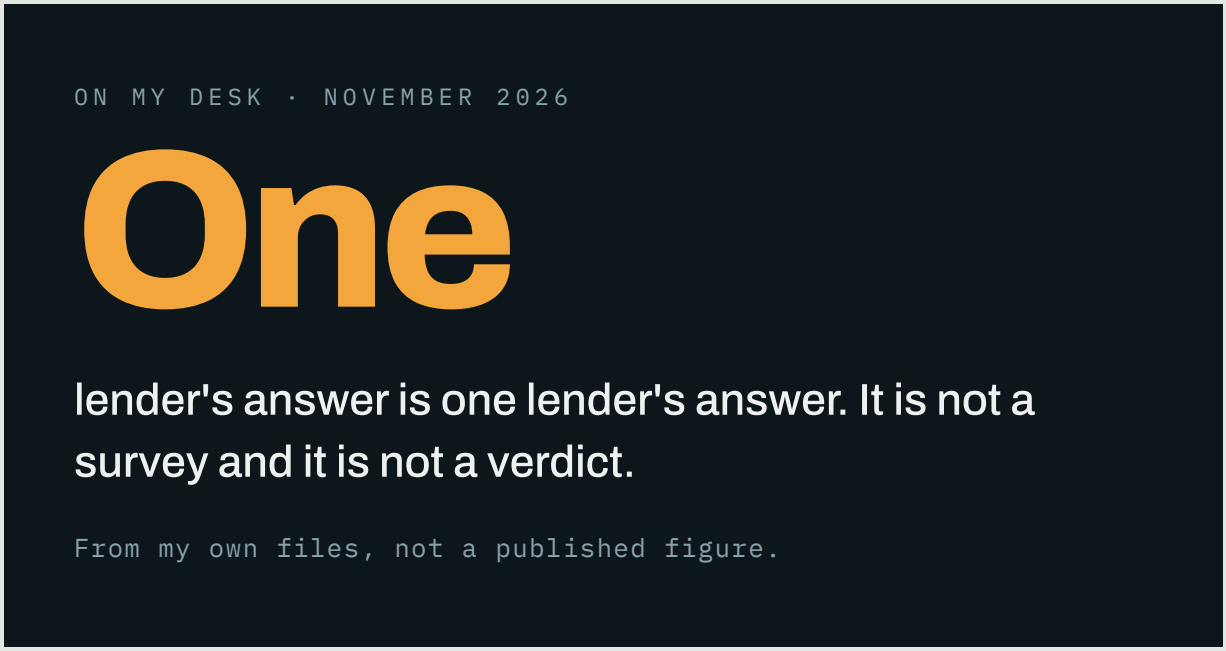
It is built from two years of tax returns. What you earned, minus what you wrote off as business expenses, plus the write-offs that are only paper and not money that actually left, like the wear and tear a business is allowed to count. Then a

judgment about which of it is a pattern and which was a one-off. Two people can read the same tax return, do all of that honestly, and arrive at different numbers.

So when somebody who works for themselves is told a number that feels far too low, the question is not whether the lender is right. The question is **what the no was made of.** Which two years did they use. Which write-offs did they count as real money gone and which did they put back. Did they read the whole business or the worst stretch of it.

That is a question you are allowed to ask. Out loud, of a human being, and you are allowed to ask it twice.

I am not telling you every no is wrong. Plenty are right, and part of my job is saying so when it is. What I am telling you is that a no with no reasoning attached to it is not finished, and you do not have to treat it as finished.



WHAT THE SECOND LOOK FOUND

A realtor I work with called me about this one. Her words were that it did not seem right, which is the most useful sentence in my trade. She also did something I could not, which was carry both sides of the conversation in a room where English was not everybody's first language.

They sent me their documents. I read the income the way self-employed income has to be read, over the whole arc instead of the worst stretch of it, and the number I could get to was not a hundred and five thousand.

They bought a house. Four walls, bedrooms, a door that locks, in the same county where a month earlier the answer had been no.

There is a photograph in my head of what that garage looked like, and another one of what this Thursday looks like, and I am not going to pretend to be neutral about the difference.

SOMEBODY ELSE'S WORDS

I am not going to sit here and tell you I am good at this. Here is a note from a couple who just closed on their first house.

"As first time homebuyers, my significant other and I had a lot of questions about the process, and Thad took the time to explain each step clearly and make sure we understood what to expect along the way. With my hectic work schedule, I really appreciated how accommodating he was to work around my availability. He took the time to understand our financial goals and was flexible with our budget, helping us explore and explain our options that made sense for us without making us feel pressured."

FIRST TIME BUYERS · KITSAP COUNTY · CLOSED NOVEMBER 2026

The line I want you to notice is the hectic work schedule one. Working around somebody's hours is not a favor I do. **It is the whole job.**

THE ONE TAKEAWAY

A no from one lender is one lender's answer, not the answer.
Ask what the no was made of.

If you have been told no and nobody explained what the no was made of, send it to me. Not to argue with anybody. Just so somebody reads it twice.

That goes double if you work for yourself, and double again if the number you were given did not sound like your own life.

Bring me your scenario.

Send me your question

First responders and veterans. Family and community.
Mortgages in plain English.
That's all I write about.

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