

Get Pre-qualified Prior To Looking For Your New Home

Imagine finding your dream home, making an offer, and investing in a comprehensive home inspection only to have your loan denied for the amount you need or denied completely. The sellers are disappointed and probably wanting to sell quickly and you're disappointed because you have spent a lot of time and energy finding this home. Problems like these may be avoided by going through the initial loan pre-approval or pre-qualification process before you begin your home search in earnest. Pre-qualification gives you a general idea of what you can afford. Pre-approval allows you to search for your home in your exact price range right from the beginning saving you time and money in the long run.

There are differences between the steps in becoming pre-approved and pre-qualified, but both provide benefits you'll find helpful as you look for your home. Pre-qualification entails a simple and informal discussion with your Mortgage Planner. Basic information will be collected including your income and your approximate debt, but it is not verified through documentation. These figures help determine the amount a lender is likely to lend you for your mortgage. It is in no way binding the lender to provide the loan and is only an estimate. Pre-qualification may be a good place to start if you're curious about what you can afford, but if you're serious about buying soon you may want to get pre-approved.

The pre-approval process is much more involved than pre-qualification. When you are pre-approved, your likelihood of continued employment, income, liabilities, and your ability to provide a down payment is documented and verified with pay stubs and bank account statements. You will receive a letter stating the exact amount you are pre-approved to borrow and the commitment of the lender to provide the loan. The only pending aspect is the home appraisal that proves the home is worth the agreed upon purchase price. Pre-approvals allow you to shop for your home with confidence. Another advantage to pre-approval is the impression it makes on the seller. Your pre-approval letter acts as a seal of approval from the lender and reflects immediate credibility. Given a choice of choosing between a pre-qualified buyer and a pre-approved buyer, the seller would probably choose the latter because there is less risk of your financing falling through at the last minute.

Contact our Mortgage Division for a no-obligation pre-approval or pre-qualification. This does not obligate you to work with us, but we are confident you'll be impressed with our personalized streamlined service, quick response, and competitive low fees. We will disclose the total cost of interest and fees over the life of the loan, the current interest rate that can be locked-in to protect you from rising interest rates while you are house hunting, and how long it will take to close the loan. This information is invaluable as you compare your options. And of course, it is a quick and easy way to discover exactly the loan amount for which you are qualified.