

# Pre-Approval Program

You Can Improve Your Purchasing Power When Looking For a Home By Making Sure You are **PRE-APPROVED** By Your Lender

## Prequalification

A lender will evaluate a potential homebuyer's credit report, plus earnings, savings and debt information to get an estimate of the mortgage amount the borrower would qualify for. This is based on documentation the borrower has on hand, or what the borrower tells the lender. The review can take as little as a few hours or as long as a few days.

Prequalification is usually free.



## PRE-APPROVAL

This process goes a step further than pre-qualifying. **Pre-Approval** means the lender has contacted the borrower's employer, bank and other places to verify all claims of earnings and assets. In return, the borrower receives a LETTER stating that he has mortgage approval for a certain amount. The only cost for pre-approval may be the lender's cost of obtaining a credit report.

## Here Are The Many Benefits

### **R** You look at the 'Right' house

You know in advanced the amount of your monthly payment. You won't waste time looking at homes that are not in your price range and you cannot afford. Your search will be focused on the right price range.

### **R** Improve Your Negotiating Position

Sellers will find your offer to purchase more favorable if they know in advance of your ability to secure financing. This may make your offer more competitive if you are in competition with other offers.

### **R** Avoid Unnecessary Costs

If you wait until you have a contract on a home before applying for your loan, you may be taking a chance. The inspections are ordered and paid for immediately after the contract is accepted. In other words, you are spending money on the home before you are certain that the bank will approve your Loan!!!

You minimize trauma of not knowing whether or not you qualify.

### **R** Enjoy a Quick and Stress Free Closing

Employment is verified, credit is checked and funds are verified—ahead of time. The Pre-Approval process means having all required loan paperwork in order before a sales contract is written. You have Peace of Mind!!!

