

STEP 1



TRI-COUNTY
SUBURBAN
REALTORS®

PRE- APPROVAL



PRE-APPROVAL

A document that indicates how much a lender may be willing to lend you.

A pre-approval may include loan estimate, anticipated purchase price, loan amount.

RATE LOCK

An agreement between a lender and borrower that guarantees a mortgage interest rate for a specified time period.

DEBT TO INCOME RATIO

A percentage that compares your monthly debt payments to your gross monthly income before taxes.

Many lenders consider the pre-approval to be the first step in getting a mortgage.

When you apply for a pre-approval, your lender will ask you about your credit score, income, assets and other financial information like your debt to income ratio. Lenders will use these to measure your ability to manage the monthly payment to pay back the money you plan to borrow.

Your lender will then use these details to tell you how much money you qualify for.

While pre-approval isn't a guarantee that you'll get approved for a loan, it does give you a good idea of how much you can borrow during your home shopping.

PRE-QUALIFICATION

A pre-qualification is a basic review of your credit worthiness to determine if you're likely to qualify for a loan.

PRE-APPROVAL

A pre-approval provides a definite answer as to how much someone can borrow and the interest rate they qualify for.

It requires a mortgage application and submission of financial documents.

A pre-approval letter states your pre-approval amount, the loan product you'll be using, & an interest rate range.



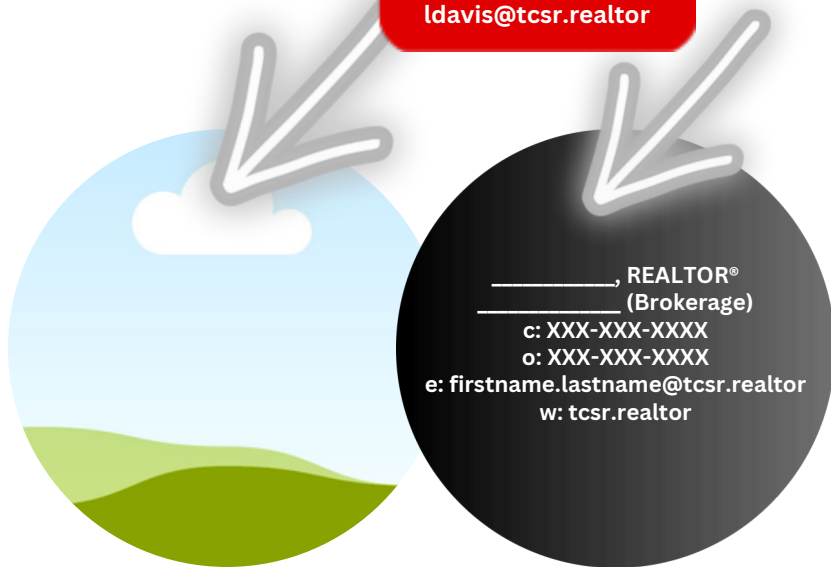
BUYER TIP

Speed up the buying-process by getting pre-approved **before** meeting with a REALTOR®.

Not sure where to start?

Ask your REALTOR® for local mortgage lender recommendations.

Make this flyer your own by emailing
Lauren Davis at
ldavis@tcsr.realtor



_____, REALTOR®
_____, (Brokerage)
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