

THE IMPORTANCE OF PRE-APPROVAL

Initiating any home search requires determining the precise affordability of a home and securing the necessary financing for the purchase. While a rough estimate can be obtained through prequalification, opting for pre-approval offers additional advantages. Pre-approval allows you to:

- Gain a clear understanding of your financial standing.
- Determine the exact home affordability before commencing your search.
- Bolster your purchasing power when presenting an offer.

Upon discovering a home you adore and are prepared to make an offer on, your mortgage pre-approval signals to the seller that you are earnest and fully equipped to acquire their property. This positions you more favorably compared to other potential buyers.



THE PRE-APPROVAL PROCEDURE

To initiate the pre-approval process, you'll need to furnish your lender with the following documents:

Income

- Current pay stubs, typically covering the last two months
- W-2s or 1099s, usually spanning the last two years
- Tax returns, typically for the past two years

Assets

- Bank statements
- Statements from investments/brokerage firms
- Net worth of the business owned (if applicable)

Debts

- Credit card statements
- Loan statements
- Alimony/child support payments (if applicable)

