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REASONS TO GET PRE-QUALIFIED

Before Contacting a Realtor



GVC MORTGAGE

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INTRODUCTION: WHAT IS PRE-QUALIFIED?

Being pre-qualified means you have received a letter from a lender stating you are a qualified buyer. It gives you a rough estimate of what your loan terms are.

It is not comprehensive, and is not considered any type of loan commitment, but it does provide you with many benefits.

1

ESTABLISHES ELIGIBILITY AND AFFORDABILITY

Pre-qualification is an estimate of what you may be able to borrow. It lets you know if you qualify for the type of loan you want and provides you an estimate of your interest rate.

Your estimated interest rate gives you a rough idea of your total monthly mortgage payment.

This gives you a head start on budgeting and preparing for your new home's costs.



2

STREAMLINES THE LOAN PROCESS



If you know the amount of house you can afford then you know exactly which houses to look at and which ones to avoid.

This eliminates wasted time for realtors, sellers, and most importantly you.

In addition, you have established a relationship with a mortgage lender and know what to expect in terms of qualifying for a mortgage.

3

IMPROVES YOUR NEGOTIATING POWER

Sellers who are looking at multiple offers may pay more attention to offers submitted by pre-qualified buyers.

Being pre-qualified shows sellers you have taken the time to shop for mortgage financing which means the sale may close faster, potentially giving you more negotiating power.

It also confirms to the seller you qualify for the amount you are offering.



4

PREPARES YOU FOR OUT-OF-POCKET COSTS



It can be easy to overlook additional costs of homeownership. If you pre-qualify you will have a general idea of how much your monthly mortgage payments will be, how much your down payment will be, and the lender can advise about whether taxes or insurance need to be paid up front.

Knowing these costs ahead of time can help you budget accordingly for home maintenance, repairs, lawn care, and additional utility costs.

HOW DO YOU GET PRE-QUALIFIED?

Pre-qualification can be done on the phone, online, or you can meet directly with a licensed mortgage loan originator - the best part is it is free and easy to do through most lenders.

During this conversation, they will pull your credit and verbally get your employment, income, and assets. You can also discuss a loan program that may be a good fit for you and get all of your questions answered at this time.

If you do not qualify a lender should still be able to help outline a path for you to get you on the road to qualifying.





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