



Your Mortgage PLANNER

with Jamie H. Harrington, President

Mortgage Loans: Pre-Qualification vs. Pre-Approval

A letter of pre-approval is one of the strongest bargaining weapons you can stock in your real estate arsenal. A pre-approval letter demonstrates to both your real estate agent and the prospective seller that you are a serious buyer. Not only do you declare your interest in purchasing a piece of property, you demonstrate the actual means to do so.

Novice applicants often confuse being "pre-qualified" for a loan with being "pre-approved" for the loan. Pre-qualification is a preliminary step in the loan process in which the loan agent advises you regarding how much money you could probably borrow based upon your current salary and debt commitment. It is a casual assessment contingent upon information that you provide without any documented support. Pre-approval, on the other hand, involves you actually applying for the loan, submitting the necessary paperwork, past income tax filings, paycheck receipts and a credit report. The process of pre-approval requires a financial disclosure and involves a certain amount of scrutiny into your financial background. A letter of pre-approval could be the determining factor in purchasing the house of your dreams.

If you would like to discuss what type of mortgage loan will work best for you, call Jamie Harrington at 828-632-0650 for an appointment. United Carolina Group is located at 493 NC Hwy. 16 - Suite 2, in Taylorsville.

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