

THE IMPORTANCE OF OBTAINING MORTGAGE PRE-APPROVAL

Dear Applicant,

Before we begin shopping for your new home, Choice Realty requires our home buyer clients to obtain written pre-approval status for a home mortgage prior to looking at homes for sale. Pre-approval is a quick way to find out how much real estate you can afford. To get pre-approved a lender (of your choice) will verify your credit, employment and bank references. Once you have obtained a mortgage pre-approval letter from a bank you will know your sales price range and you will have gained the added confidence and peace of mind knowing that your new home financing is secure and in place well in advance of making an offer to purchase. You will also have greatly improved and strengthened your negotiating position with the seller because sellers and their real estate agents understand that a pre-approved buyer is serious and quite motivated and may be prepared to close on a property more quickly.

No Obligation - You're not committed to the lender who generates your pre-approval letter. You are free to shop for the best lender at any time prior to writing an offer to purchase. Lenders are not obligated to lend you the amount in the pre-approval letter because what you can actually afford is directly tied to two variables that are not fixed until your offer is accepted: 1) the interest rate and 2) the final sales price.

Your Mortgage Loan Officer will show you what various mortgage products are available based upon your current *FICO Credit Score* and show you how much property you can afford to purchase based upon your current financial situation.

Your Mortgage Loan Officer will also prepare for you an *Estimate of Buyer's Mortgage Closing Costs*. This will show you how much cash you will need for the down payment and closing costs and estimates what your total monthly mortgage payment will be.
No Surprises!