

UNDERSTANDING A PRE-QUALIFICATION VS. PRE-APPROVAL. WHAT YOU NEED TO KNOW.

Knowing the difference between being pre-qualified and pre-approved can help you better understand how to become a better and more efficient buyer, ultimately putting you in the best position to make the winning offer when you find your dream home.

WHAT DOES PRE-QUALIFICATION MEAN?

Pre-qualification is the initial step in the mortgage process, and it's generally fairly simple. You supply a bank or lender with your overall financial picture, including your debt, income and assets. After evaluating this information, a lender can give you an idea of the mortgage amount for which you qualify. However, loan pre-qualification does *not* include an analysis of your credit report or an in-depth look at your ability to purchase a home. In other words, a pre-qualification is not a sure thing and it doesn't carry the same weight as a pre-approved buyer.

WHAT DOES PRE-APPROVAL MEAN?

A pre-approval is a request for a loan to buy or build a home that is a comprehensive, underwritten review of the creditworthiness (income, assets, debts and credit) of your application. Based on this information, Park Bank issues a written commitment to you that is valid for a designated period of time. Obviously, this puts you at an advantage when dealing with a potential seller, as he or she will know you're one step closer to obtaining an actual mortgage. Also, getting pre-approved for a mortgage enables you to move quickly when you find the perfect home.*

GETTING PRE-APPROVED AT PARK BANK

Park Bank mortgage advisors are experts in helping you get pre-approved for your mortgage loan. They will quickly and efficiently review the information you provide to help give you the buying power needed to land your dream home. Plus, as a community bank, Park Bank is committed to making local decisions as opposed to other banks that may not do their underwriting locally. Call (608) 278-2801, email to bank@parkbank.com or visit our website at www.parkbank.com for more information on our pre-approval process or if you're ready to apply for a mortgage loan.

