

GETTING PRE-APPROVED? KNOW YOUR OPTIONS

Most people know that in order to buy a home, they need to get preapproved. Did you know that there are different types of “preapprovals”? Some are better than others - Know your options!

HOW WE WORK AT THE COWART TEAM

Surprisingly, NONE of the above information answers the main questions that homebuyers have. In our opinion, more important than any letter is the strategy and confidence through consultation. We hear questions such as, “How much money do I need to close?” “What will my payment be?” and “What are the loan terms?” We talk with clients who have been pre-qualified or pre-approved with other lenders, and the buyers STILL have not had their basic questions addressed.

Here at The Cowart Team, our model is to learn your goals and concerns, talk with you, get the details right, show you options, and PROACTIVELY solve any problems that could come up in the homebuying process. We do all of this as we issue your prequalification and preapproval letters, so you’re never shopping without feeling informed and comfortable.

PREQUALIFICATION

This is the most common/easiest path - Either you go to a lender website or briefly talk with a lender. They pull credit, determine your maximum qualifying purchase price and issue a letter for this max amount. We rarely use this option as it doesn't give you or us enough information.



PREAPPROVAL

Similar to a prequal BUT much more accurate because the lender verifies your information by collecting your documents (tax returns, paystubs, bank statements or W-2's). This step gives lender room to problem solve, involves more work for you by providing documents but gets more accurate results and less surprises. This step typically involves a human consultation but not always.



SURE THING APPROVAL

This is the most common/easiest path - Either you go to a lender website or briefly talk with a lender. They pull credit, determine your maximum qualifying purchase price and issue a letter for this max amount. We rarely use this option as it doesn't give you or us enough information.



The pre-approval may be issued before or after a home is found. A pre-approval is an initial verification that the buyer has the income and assets to afford a home up to a certain amount. This means we have pulled credit, collected documents, verified assets, submitted the file to processing and underwriting, ordered verification of rent and employment, completed an analysis of credit, debt ratio and assets, and issued the pre-approval. The pre-approval is contingent upon no changes to financials and property approval/appraisal. Please note that the pre-qualification does not constitute a commitment or a loan approval, but is instead a preliminary assessment of your current credit worthiness. Make sure you understand the features associated with the loan program you choose, and that it meets your unique financial needs. Subject to Debt-to-Income and Underwriting requirements. This is not a credit decision or a commitment to lend. Eligibility is subject to completion of an application and verification of home ownership, occupancy, title, income, employment, credit, home value, collateral, and underwriting requirements. Not all programs are available in all areas. Offers may vary and are subject to change at any time without notice. Refinancing an existing loan may result in the total finance charges being higher over the life of the loan.
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The Cowart Team
HOME LOANS
Grow Forward. Confidently.



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