Pre-Qualify For A Mortgage in Minutes

Hunting for a new house can be an exciting time. It sure does help to know what you can afford prior to stepping foot on a property. Finding out if you quality for a mortgage is FREE and there is no obligation. Once you find out, your approved rate is good for up to 120 days.

Prior to getting a mortgage, getting a pre-approval for your mortgage is important for two main reasons:

? The pre-approval provides you with an estimated budget, based on the size of mortgage you are able to afford.

? The pre-approved rate is locked in for up to 120 days, which helps protect you from any sudden rate increases.
Pre-Approvals:

? The Pre-Approval is FREE with NO Obligations. This interest rate is guaranteed for up to 120 days with certain lenders.

? All your information is kept private on secure servers.

? There is a quick and simple short form that can be completed in approximately 9 minutes.

Your mortgage pre-approval will be set in motion, once all the information is given and all the supported documentation is provided. It is very important to be up front and honest when filling out the detailed paperwork. This is the only way to get the best rates and terms with the lender. Our job as brokers is to shop the mortgage lenders on your behalf. Our promise to you is that we represent the client first. We will shop around for the best mortgage option for your particular case.

Five important factors that come into play for lenders when deciding if you qualify for a mortgage:

a) Your identity
b) Your income compared to debts
c) Your credit history
d) Your history of employment
e) The property value

Once you understand how a lender will judge your loan application, it will be easier to understand your individual weaknesses and strengths as a loan applicant.

The following features will be present on a strong loan application:

? Low debt-to-income ratio, no greater than 44%.

? Housing expense ratio of 32% or less. This is now optional, but the lower the ratio is better.

? Home-buyer has good credit as verified by paying their bills on time. The home-buyer will also need proof of a steady income, holding the same job for more than two years
or more.

? It is also key that the home is actually worth the price that the buyer is purchasing it for.

Your Income

The lender is going to be concerned about how much of your total income will be spent on housing. Lenders will use this specific information to help decide if you are able to afford this home or whether you will be stretched beyond your means.

For example, if the monthly payments on the house represent a larger portion of your actual income, you might be more likely to have troubles making payments on the house. This could be due to other monthly expenses including car payments, furniture payments and other debts. If the house payment does in fact make up only a small portion of your income, there is a really good chance you are really able to afford the home.

When you are applying for a loan, the lender will look at your ?gross income?. This is the income that you earn before taxes. Income will often include wages, commissions, dividends, and capital gains to name a few. You will need to show that there is a steady history for these particular sources of income. For example, the lender is more likely to count income that comes from a part time job if you have been at that same job for two years or more.

One other important factor that a lender will be concerned about is comparing your expenses for your new home purchase compared to