

6. Submit a Pre-Approval Application

- Fill out a more detailed application with your chosen lender to get pre-approved. This will involve a hard credit check.

7. Review Your Pre-Approval Letter

- Once approved, you'll receive a pre-approval letter stating how much the lender is willing to loan you. This will come in handy as you're looking for a home.

8. Find Your Perfect Home

- With your pre-approval letter in hand, you're ready to search for your dream home!

NOTES

Mistakes to Avoid

Overlooking Debt-to-Income Ratio:

Too much debt can be a red flag for lenders.

Applying With Too Many Lenders:

While it's good to shop around, too many applications can negatively impact your credit score.

Changing Jobs:

If you switch jobs right before applying, lenders may question your financial stability.

Making Big Purchases:

Hold off on buying a car or furniture until after you've secured your mortgage.

Not Having Enough Savings:

You'll need savings not just for a down payment but also for emergencies once you own a home.

Not Understanding Pre-Approval Limits:

Just because you're pre-approved for a certain amount doesn't mean you should spend that much. Be realistic with your budget.

Not Locking in Your Rate:

Rates can change. Consider locking in a rate if you think they might go up.

Not Using a Trusted Lender:

Work with a reputable lender to ensure you get a fair deal.