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Reasons To Talk To A Lender **BEFORE HOUSE HUNTING**



A BSPOKE TITLE HOLDINGS COMPANY

1 IT SETS REALISTIC EXPECTATIONS

There's nothing worse than finding your dream home and then realizing that it's just outside your financial reach. Additionally, getting an online quote isn't the same thing as being preapproved. A preapproval letter from a lender proves to both real estate agents and sellers exactly what you can afford.

2 YOU'LL FINISH THE PAPERWORK EARLY

You'll need a lot of paperwork to complete the loan, including W-2s from the past two years, pay stubs for the last 30 days, and recent bank statements. Starting the document collection process earlier will make it easier when it's time to finalize your loan.

3 IT HELPS TO KNOW YOUR CLOSING COSTS

After you apply for a mortgage, the lender will give you an idea of how much origination fees, title fees, and appraisal fees will cost. While the seller sometimes pays some of the closing costs, your share could still be as much as 3% - 6% of the loan amount.

4 IT HELPS CATCH SELLERS' EYES

Coming in with a preapproved loan offer, whether you're talking to a real estate agent or a potential seller, proves that you're serious. You want to present yourself as hassle and complication-free, especially in competitive real estate markets. You aren't just "looking" and a seller can trust that you can actually sign the check.

WHICH COMES FIRST...

THE LENDER OR THE REAL ESTATE AGENT?

Both the **lender** and the **real estate agent** are essential pieces of the real estate transaction. Which comes first is the chicken or the egg debate of real estate, but it's important to consider if you will need financing to help you purchase a home.

Buying a home can be a very emotionally charged experience, and there is nothing worse than having your chances for your dream home dashed by the reality of mortgage qualifying guidelines.

SOURCE:

"Why You Should Talk to Lenders Before Your Real Estate Agent"
<https://www.lendingtree.com/home/mortgage/talk-to-lenders-before-real-estate-agent/>

SOURCE:

"5 Reasons to Talk to a Lender Before You Start House-Hunting"
<https://www.nerdwallet.com/blog/mortgages/talk-lender-before-start-house-hunting/>