

About Pre-Approval



WHAT YOU NEED TO KNOW

WHAT IS A HOME LOAN PRE-APPROVAL?

If you have been looking at buying property and perhaps have seen some great deals on Domain or realestate.com.au but did not know what to do next, then you need a pre-approval.

A pre-approval gets all the paper work out of the way, removes the uncertainty of whether you can afford the property or not, and lets you get on with the important part of finding the right property to buy.

A pre-approval is essentially the lender confirming that you meet the criteria for a home loan with them subject to valuation and possibly lenders mortgage insurance approval.

SOME OF THE ADVANTAGES OF A PRE-APPROVAL INCLUDE:

- Completely FREE - our service is free also as the bank simply pays us instead of the branch manager
- NO OBLIGATION to take the finance - if you don't want to use the approval you don't have to
- Pre-approval lasts for 90 to 180 DAYS depending on the lender with option to roll over if pre-approval expires
- Speeds up the formal approval process - once you have signed a contract generally all the bank needs to do is a valuation on the property
- More NEGOTIATING POWER - vendors LOVE to hear you have pre-approval as they know you are a serious buyer

HOW MUCH SHOULD I GET PRE-APPROVED FOR?

It is recommended that you get pre-approved for the absolute most you would ever conceivably borrow. You can always borrow less but if you end up requiring more than you were pre-approved for then we need to go through the whole assessment process again.

IS A PRE-APPROVAL UNCONDITIONAL FINANCE APPROVAL?

A pre-approval is not yet an unconditional approval. To be unconditional the lender generally needs to order a valuation on the property to confirm that it is acceptable security to them.

WHAT DOCUMENTS DO I NEED FOR PRE-APPROVAL?

We will need all the documents that would normally be required for a home loan application, including:

1. Drivers license and passport or birth certificate
2. Marriage certified if applicable
3. Two recent pay slips
4. Recent statement on any credit cards confirming the limit,
5. Recent statement on any personal or car loans confirming limit and repayment.
6. Recent statement on any personal or car loans confirming limit and repayment.

Some lenders require other documentation. We will advise you what is required when discussing home loan options with you.