Why Get Pre-Approved Before You Start Viewing Homes

One of the most important steps in the home-buying process is getting pre-approved for a mortgage before you begin seriously viewing homes. A pre-approval does more than tell you how much a lender may be willing to loan—it helps you understand what you can comfortably afford, allows you to shop with confidence, and prepares you to make a strong offer when you find the right home.

💰 Know Your Purchasing Power

A pre-approval helps determine approximately how much you may qualify to borrow and gives you a better idea of the price range you can consider when searching for a home.

📊 Understand Your Potential Monthly Payment

Your purchase price is only part of the equation. Your lender can help you understand what your estimated monthly payment may look like and explain the different components, which can include principal, interest, property taxes, homeowners insurance, mortgage insurance, and HOA fees when applicable. These costs can vary from one property to another, so two homes with the same purchase price can have significantly different monthly payments.

🏦 Explore Your Loan Options

There are several types of mortgage programs available, and not every loan is right for every buyer. A lender can review your financial situation and explain which programs you may qualify for, along with their requirements, benefits, and potential costs.

🔍 Identify Credit Issues Early

The pre-approval process can uncover items on your credit report that may need attention. Finding these issues before you are under contract gives you time to correct errors, address outstanding accounts, or take other steps that may improve your financing options.

💵 Establish a Comfortable Budget

Just because a lender says you qualify for a certain amount doesn't mean you need to spend that much. A pre-approval gives you the information you need to establish a realistic budget that fits comfortably within your overall financial goals.

👀 Make It Easier to Schedule Showings

Having a pre-approval or prequalification letter can be important when scheduling showings. Some sellers—particularly when a home is occupied—may require proof of financing before allowing a buyer to tour the property. Having your financing documentation ready can help prevent delays when you find a home you'd like to see.

Michelle & Trey

💪 Present a Stronger Offer
When you find the right home, being pre-approved can help demonstrate to the seller that you are a serious and financially prepared buyer. Sellers will typically request a pre-approval or other proof of financing when an offer is submitted, and having it ready can make your offer more complete and competitive.

⭐ A Pre-Approval Is Your Starting Point
Before falling in love with a home, take the time to understand your financing. Getting pre-approved first can help you shop smarter, stay within your budget, schedule showings more easily, and be prepared to present a strong offer when you find the right home.

NOTE on Prequalification vs. Pre-Approval:
While the terms are sometimes used interchangeably, they are not always the same. A prequalification is generally a preliminary estimate of what you may be able to borrow based on information YOU provide to the lender. A pre-approval typically involves a more thorough review of your financial information and credit and provides stronger documentation of your ability to obtain financing. It is best to be sure that your lender has at least reviewed your credit report and determined your debt-to-income ratio. Requirements and terminology can vary by lender, so ask your lender exactly what their letter represents.