

START WITH A PRE-APPROVAL

COMPETITION FOR PROPERTY CAN BE FIERCE. PUT YOURSELF AHEAD OF THE PACK WITH A PRE-APPROVED LOAN.

What is a pre-approval?

Sometimes referred to as an approval-in-principle, pre-approval is a general indication of how much you're able to borrow based on the information you provide to the lender.

Although subject to terms and conditions, a pre-approval basically gives you the green light on your home loan even if you've not yet decided on a particular property.

The amount of the pre-approval is usually determined by your ability to meet the loan repayments. Most pre-approvals are valid for up to three months. Just remember even with your pre-approval, your purchase must still meet all of your lender's requirements prior to obtaining final approval (including valuations, if applicable).

How do you get pre-approval?

To kick start the pre-approval process you'll need to give us some key documents. These will include proof of your employment and income such as copies of your pay slips, bank statements, proof of identity, and details of any assets you own.

Other paperwork might include details of any existing loan commitments and limits on credit cards. Once your documents and financial status have been given the tick of approval by the lender, you'll receive a pre-approval notification that will see you on your way to home ownership.

WHY OBTAIN PRE-APPROVAL?

PEACE OF MIND

A pre-approval gives you the confidence of knowing how much you can borrow when buying a property.

THE RIGHT LOAN

During the pre-approval process you have time to discuss with your broker the right loan for you without time pressure.

JUMP THE QUEUE

Your home loan pre-approved enables you to seize the opportunity and act quickly when you find the property you want.

STRONGER BARGAINING POWER

A pre-approval can sometimes help you negotiate a better price with the seller, especially if there are fewer stringent conditions upon the sale.

ABILITY TO BID AT AUCTIONS

Under the conditions of a cash contract, a pre-approval allows you to bid at auction for the property of your choice. However, you will be responsible to meet the rest of your obligations under the contract if unconditional approval is not obtained. You should seek advice on the contract before bidding at an auction.