From: Tracy Cavanaugh
To: Marti Sheredy;
Subject: _Alert: The wrong way to buy a house!
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The CS Advisory Group

the plan: action alert

The WRONG way to buy a house!

Do You Have A Thousand Dollars To Simply Throw Away?

I know this may sound like a very silly question but that is exactly what happens everyday to unsuspecting buyers who do not get pre-approved for a loan **BEFORE** they go house hunting.

Let me explain with a typical scenario...

Ed decides it is time to move so he finds a Realtor and starts looking for a home.

After some house hunting he finds the perfect home and makes an offer which is accepted.

Now Ed must meet with a lender to obtain a mortgage for this home. When he applies for his loan the lender will request a credit card number (that's right, these must now be paid in advance) for the appraisal and credit report.

Since it is also a very good idea to have your home inspected, Ed generates another fee that he is required to pay for when the service is rendered.

So, approximately 7 to 10 days after Ed's contract was accepted by the seller he has already spent $1000.00 or more.

Whether Ed's loan is approved or denied, the costs he's incurred so far are not refundable because the services have been rendered.

About Tracy Cavanaugh

Tracy has over a decade of experience in the mortgage banking industry.

She established the Advisory division of AFFG with offices on both east and west coasts.

Tracy has earned the designations of Certified Mortgage Planning Specialist (CMPS®) and Certified Mortgage Planner (CMP®) and holds a New Jersey Mortgage Banking License for both first and second mortgages and is a licensed California lending agent.

She is a member in good standing with the Financial Planning Association and Certified Mortgage Planning Specialist Institute.

THE RIGHT WAY...

The proper procedure is to meet with a lender and get your loan pre-approved **BEFORE** you go house hunting. Aside from avoiding the unpleasant situati on described above there are other benefits to having your loan in place as your first step in the process.

In this pre-approval meeting we can establish what your comfort levels are for monthly payments as well as the amount of funds you can comfortably use for the transaction and use these figures to recommend the appropriate program.

Whether you are in a 'buyers market' where there are screaming deals or 'sellers market' where there ar e many more buyers in the market than there are homes for sale -- this always gives you an advantage.

When the seller knows your loan is already pre-approved your contract has a better chance of being accepted than the one from the buyer who has not yet met with the lender and may or may not be able to get a loan.

It also allows your loan agent to work out any guideline question that might arise due to your personal circumstances.

Remember that all of the problems that come up during the loan process were there at the beginning -- the sooner in the process they can be addressed, the better!

Please feel free to contact us direct to review how this may impact you or someone you know.

Call us at 818-762-0844

Warm Regards,
Tracy Cavanaugh CMP, CMPS
The CS Advisory Group

Network with us on...

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Beverly Hills, CA 90210
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