

PRE-QUALIFICATION VS. PREAPPROVAL

Pre-Qualification	Preapproval
▶ Estimated income and savings, often self-reported	▶ Exact income, verified with documentation, such as pay stubs and W2s
▶ Estimated savings and assets, often self-reported	▶ Exact savings and assets, verified with documentations such as bank records
▶ Informal inquiry into credit rating, though some lenders may run a quick check	▶ Formal inquiry into credit rating with credit reports from credit bureaus
▶ Employment not typically verified	▶ Employment verified
▶ Typically completed within a day, if not sooner	▶ Typically takes days and sometimes multiple weeks
▶ Estimated loan eligibility amount provided at conclusion	▶ Exact loan eligibility amount provided at conclusion