



Questions About Today's Real Estate?

Ask Phyllis!

Do you really need a lender prequalification when submitting an offer?

*Dear Phyllis,
Out of the blue, I went to an open house over the weekend and really liked the home. I phoned my Realtor® and told her I wanted to make an offer. She told me I can't make an offer without a prequalification letter from a lender.*

It's been a really long time since I have bought or sold a home, so maybe things have changed. It seems to me I should be able to make the offer at the same time I am talking

with the bank. I really hate to miss out on this house.

*What is the normal procedure?
Clarification, Please*

Dear Clarification,

As with most aspects of real estate, the answer depends on specifics. If the home is a bank foreclosure or short sale, the lender will not respond to offers without lender pre-qualifications.

If an attorney is involved due to a trust sale or probate, most likely a pre-qualification

will be required before your offer is considered.

Personally, I feel that offers submitted with preapprovals and evidence of down payment are taken much more seriously. Homebuyers who submit their offer with the appropriate accompanying paperwork are in a stronger negotiating position.

If the home is a standard sale, it is up to the home seller (with the guidance of their real estate agent) to make the determination whether

your offer will be responded to without a prequalification.

If the home is a standard sale, you might try submitting your offer with evidence of your down payment and paycheck stubs. You might also include a cover letter explaining that you have contacted a lender and that the seller's Realtor is encouraged to give them a call to verify your qualifications.

Lending guidelines continue to be very restrictive. I am sure you can

understand a home seller's reluctance in taking their home off the market for a buyer who may not be able to obtain financing.

Good luck to you, and if this home doesn't work out, continue with the prequalification process so that you don't miss out on the next one.

Phyllis Harb is a Realtor with Prudential California Realty.

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