START HERE · FLORIDA PANHANDLE + COASTAL ALABAMA

Preapproval. Then the house hunt.

Know your payment. Prepare the file. Shop with a plan.

THE CLIENT COLLECTION · SEPTEMBER 2026

Gregg Costin
Practical guidance for your next real estate decision.
(850) 266-5005 · GreggCostin.com

01

THE TWO-MINUTE ORIENTATION

What matters. Where to find it.

THE SHORT ANSWER

A preapproval is a lender’s conditional assessment of your ability to borrow. Make a lender conversation and a comfortable payment budget your first two steps, before serious home shopping or an offer.

1 **Budget**
Choose the payment that works for your household.

2 **Evidence**
Find out what the lender has actually reviewed.

3 **Conditions**
Know what still needs to happen before closing.

INSIDE THIS GUIDE

Use this with your team

Official figures carry sources and dates. Worked examples are hypothetical, not current quotes or promises of approval. Your signed contract, lender requirements, insurance policy and military orders control the actual transaction. Keep private documents in the responsible professional’s secure channel.

01 What you are actually getting

The letter is useful evidence of preparation. The work behind it matters more than the label.

A lender reviews information about your income, assets, debts, and credit, then indicates the amount it may be willing to lend under stated assumptions. The CFPB cautions that a preapproval is not a guaranteed loan offer. The property, updated documents, underwriting conditions, and final checks still matter.

Ask what has been reviewed

Stage / What to establish

Initial conversation
A preliminary range based on information you share. Ask whether credit and documents were reviewed.

Document-supported preapproval
The lender has examined supporting information. Ask which income, assets, and debts were verified.

Underwritten approval, if offered
An underwriter has reviewed the borrower file, often subject to property and other conditions. Get the remaining conditions in writing.

Final approval / clear to close
The lender authorizes the next closing steps after conditions are met. Funding and possession still follow the closing process.

Lenders use “prequalification” and “preapproval” differently. Do not assume that two letters represent the same level of review. Ask who reviewed the file, what is missing, and whether the proposed property type changes the answer.

KEEP IN MIND

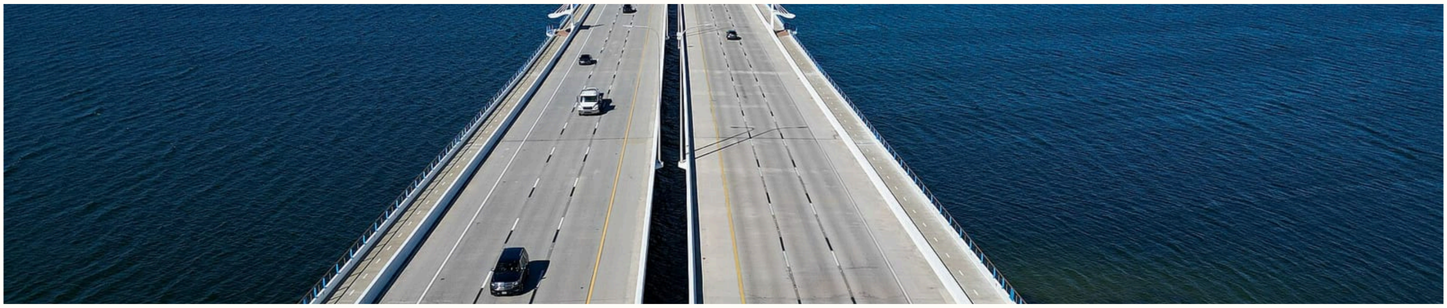
A better question

Instead of asking only “How much am I approved for?”, ask “What monthly payment, cash to close, property assumptions, and conditions support this approval?”

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter

02 Your first two steps

Start with a real budget and a lender conversation. Their order can overlap.



Step 1: Define what comfortable means

- ☐ Choose a monthly housing amount that leaves room for savings, childcare, transportation, travel, and irregular bills.
- ☐ List the cash you can use for closing separately from the emergency reserve you want to keep.
- ☐ Set your moving date, employment or PCS constraints, and any home-sale contingency.
- ☐ Discuss your search and representation with your agent, including the services and compensation in your agreement.

Early review can surface a credit-report error, an undocumented deposit, variable-income treatment, or a required debt payoff while you still have options. Shopping first can leave those issues to be solved after an inspection clock and earnest-money deadline are already running.

Step 2: Get the financing reviewed

- ☐ Contact lenders, explain your timing, and ask what level of preapproval they provide.
- ☐ Use the lender's secure portal for identity, income, asset, and credit documents.
- ☐ Ask the lender to price realistic taxes, insurance, flood coverage, HOA dues, and mortgage insurance where applicable.
- ☐ Confirm the letter's expiration date, update requirements, and property limitations before touring seriously.

KEEP IN MIND

You choose the budget

A lender's maximum is an eligibility result under its rules. Your spending target is a household decision. A higher approval does not require you to raise your target price.

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter

03

Build the document folder

This is a preparation list. Your lender provides the exact requirements and lookback periods.

Common requests

Category	Prepare or ask about
Identity / application	Government identification, legal names, residential history, and authorization for credit review through the secure application.
Employment income	Recent pay statements, W-2s, employment history, and explanations for transitions or variable compensation.
Self-employment	Personal and business returns as requested, year-to-date profit and loss, balance sheet, and business account information.
Assets	Complete statements with all pages for funds used at closing; document transfers, gifts, and unusual deposits.
Existing obligations	Mortgages, vehicle/student loans, support obligations where applicable, and other recurring debts.
Military / VA, when applicable	COE, LES, orders, service documentation, and applicable benefit documentation through the lender.
Property / transaction	Executed contract once available, HOA information, property insurance quotes, and the existing-home sale details if relevant.

Upload complete statements rather than screenshots of an account balance. A balance alone does not explain account ownership or the source of money. Tell the lender before moving funds or relying on a gift. Ask which documents can be supplied later and which block the approval today.

KEEP IN MIND

Keep sensitive documents in the right place

Do not email Social Security numbers, bank credentials, or full financial files to a general inquiry address. Use the lender's verified secure channel.

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter · CFPB: Documents before closing

04 Turn a price into a payment

A realistic ownership budget includes expenses outside the loan payment.

Illustrative $350,000 loan, 30 years

Assumed fixed rate / Monthly principal + interest

Bars start at zero. Values are the stated example inputs.

Calculated examples only. These are not current rate offers. Taxes, insurance, assessments, mortgage insurance, and other ownership costs are excluded.

Build the actual monthly number

Expense / Your monthly amount

Principal + interest
Use a written lender scenario

Property taxes
Estimate after the purchase, not from the seller's old bill

Homeowners / wind insurance
Annual quote divided by 12

Flood insurance
Separate quote when applicable

HOA / condominium charges
Include known special assessments separately

Maintenance + reserve
Choose a property-specific reserve, outside lender escrow

Compare homes using the same assumptions. A lower-priced coastal condo can carry higher association costs, and a seller's tax bill can understate a buyer's future bill. Ask the lender whether a changed insurance quote affects the approval amount.

KEEP IN MIND

Cash to close is a separate calculation

Down payment plus closing costs, prepaid expenses, and initial escrow, less deposits and allowable credits, is different from the monthly payment.

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter · CFPB: Closing Disclosure explainer

05 Protect the approval

Treat material financial changes as questions to ask before you act.

Tell the lender before you

- ☐ Change jobs, compensation structure, hours, or self-employment status.
- ☐ Finance a car, furniture, appliances, or another major purchase.
- ☐ Open or close credit accounts, co-sign, or take on a new payment.
- ☐ Move large sums between accounts or accept a gift for closing.
- ☐ Make a large debt payoff or cash deposit without a documented plan.
- ☐ Change the purchase price, occupancy plan, property type, or source of funds.

Continue paying obligations on time and answer document requests promptly. A preapproval can expire or need updating. The CFPB describes common letter periods of 30 to 60 days, but the date and terms on your lender's actual letter control.

Useful questions for your lender

Question / Why it matters

What could still prevent closing?
Separates borrower, property, and documentation conditions.

Is the rate locked? Until when?
A preapproval is not automatically a rate lock.

Can this approval support a condo or assumption?
Special property and product rules may apply.

When will you refresh the documents?
Helps avoid last-week surprises.

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter

06 Your preapproval conversation sheet

Complete this with the lender and bring the agreed budget to your home search.

YOUR WORKING NOTES · CONFIRM WITH THE RESPONSIBLE PROFESSIONAL

Record the working plan

Comfortable total monthly housing payment:

Maximum cash for closing / reserve to keep:

Lender / loan officer / verified contact:

Loan type / down payment / assumed interest rate:

Taxes / insurance / HOA assumptions:

Documents reviewed / conditions still outstanding:

Preapproval expiration / rate-lock expiration if any:

Target purchase date / next action / person responsible:

KEEP IN MIND

When the offer is accepted

Send the executed contract to the lender promptly. Obtain and compare formal Loan Estimates when the application requirements are met. A preapproval does not commit you to that lender.

Bring the letter, the assumptions, and your payment target together. That gives your agent a useful search range and lets you make an offer with a clearer understanding of the financing work still ahead.

Sources reviewed 2026-09-06: CFPB: Get a preapproval letter · CFPB: Documents before closing

FOLLOW THE EVIDENCE

The original guidance.

Consult the source before relying on a changing amount, deadline, policy or contact. Source review: 2026-09-06.

01

CFPB: Get a preapproval letter

https://www.consumerfinance.gov/owning-a-home/explore/get-a-preapproval-letter/

02

CFPB: Documents before closing

https://www.consumerfinance.gov/ask-cfpb/what-documents-should-i-receive-before-closing-on-a-mortgage-loan-en-181/

03

CFPB: Closing Disclosure explainer

https://www.consumerfinance.gov/owning-a-home/closing-disclosure/

Apply the rule to your situation

This is an educational resource. Your lender, closing professional, insurer, property appraiser and installation offices confirm matters within their roles. No government agency, military installation or lender sponsors or endorses this publication. Source review dates change only after actual verification.

THE COSTIN TEAM

LEVIN RINKE REALTY

THE COSTIN TEAM · LEVIN RINKE REALTY

Gregg Costin

REALTOR® · Licensed in Florida & Alabama

Coastal expertise.
Personal attention.

From waterfront homes and first purchases to complex military moves, I bring disciplined planning, clear advice and skilled negotiation to one of your most consequential decisions.

RECOGNITION

2025 Rookie of the Year

Levin Rinke Realty / Forbes Global Properties

Retired U.S. Air Force Captain · E-3 AWACS Combat Systems Officer · Prior-enlisted Staff Sergeant
20 years of military service. 11 personal PCS moves.

$25M+	60+	99.89%	8.1%
Transaction volume	Families helped in the past year	List-to-price ratio Seller clients	Average price reduction Buyer clients

Credentials behind the guidance.

- **ABR®** Accredited Buyer's Representative
- **RENE®** Real Estate Negotiation Expert
- **MRP®** Military Relocation Professional
- **MCA®** MORE Certified Agent
- **SRS®** Seller Representative Specialist
- **HFR®** Home Finance Resource
- **FMS®** Florida Military Specialist
- **FAA** Part 107 Certified

Let's plan your next move.

(850) 266-5005

greggcostin@gmail.com

BUY · SELL · COASTAL LIVING

GreggCostin.com

MILITARY · VA · PCS RELOCATION

PensacolaMilitaryHousing.com

Instagram @greggcostinrealtor

Facebook /greggcostinrealtor

YouTube @PensacolaMilitaryRealtor

LinkedIn /in/greggcostin

Performance figures provided by Gregg Costin, September 6, 2026.
Credentials & recognition: Brokerage profile · Biography · Reviewed September 6, 2026. All contact links.
Florida license SL3630964 · Licensed in Florida & Alabama · Equal Housing Opportunity.