

# Get Preapproved for a Mortgage

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A lender can **prequalify** you to buy a house after a quick conversation about your income, assets and down payment but it has no value to sellers and little value to you. Getting **preapproved** is completely different, a lender will need to verify your financial information and submit your loan for preliminary underwriting. That extra effort will pay off when you begin your home search. A preapproval letter saves you time, stress, and heartache. It shows sellers you are serious. It is the gold seal of excellence on your offer.

## WHAT YOU WILL NEED TO PREPARE:

### Identification

- Driver's license or U.S. passport
- Social Security card or number
- A copy of the front and back of your permanent resident card (if you aren't a U.S. citizen)
- Credit history
- Employment verification (employment letter and yearly salary)

### Income

- Pay stubs covering the last 30 days
- W-2 forms from the last two years
- Proof of any additional income
- Federal income tax returns (personal and business) with all pages and schedules from the last two years

### Assets

- Bank statements proving you have enough money to cover the down payment and closing costs
- A gift letter saying your down payment is a gift, if you are receiving one
- An approval certificate if you are receiving a bond or grant
- Latest quarterly statements for asset accounts including your 401(k), IRA, stock accounts and mutual funds



### Important to note:

Having a preapproval sets you up for success but it does not commit you to a lender, you have the right to shop around, and should. More on this in a few pages.

