

# What is a pre-approval letter?

A pre-approval letter is a document from Whittaker Gregory Burton stating an exact loan amount you can borrow, assuming certain conditions are met later such as a satisfactory financial review, title report, and appraisal. You can give this letter to your agent and potential sellers to show that you're serious about buying a home. Obtaining a letter also lets you know what you can afford, so you only spend time viewing properties in your price range.

WGB Loans offers two types of letters. The first is a **basic pre-approval letter**. This letter is based on your stated income and a soft credit pull. We have not reviewed any of your documentation. These letters are great for getting a general sense of what you can afford and can be fine to use in certain markets, where agents and sellers don't require something more fully vetted.

The second letter WGB Loans offers is a **verified pre-approval letter**. You upload financial documents such as paystubs, tax returns, and bank statements for us to review and we determine the amount of qualifying income and assets we can use based on industry guidelines. This letter is great if you want more certainty about what you can afford and if you are buying in a competitive market where agents and sellers require a more fully vetted pre-approval letter.

A **prequalification** or **preapproval letter** is a document from a lender stating that the lender is tentatively willing to lend to you, up to a certain loan amount. ... Sellers frequently require a **prequalification** or **preapproval letter** before accepting your offer on a house.