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

SEE THE WHOLE PROCESS FIRST

Your path, from start to finish.

Start here before searching or touring. This guide develops the first stage of the full purchase path below.

01 **Preapproval + the money plan**
Verify borrowing capacity before searching or touring. Select the product, payment, cash and reserve plan. Cash buyers verify funds.

02 **Search + property-specific offer**
Compare suitable homes and real ownership costs. Agree on price, protections, deposit, dates and possession.

03 **Accepted contract + calendar**
Deliver the signed contract, confirm the deposit and open the lender and closing files. Calendar every actual deadline.

04 **Investigate + decide**
Inspection, specialist estimates, insurance, title and association review run alongside the loan. Decide before rights expire.

05 **Underwriting + final conditions**
The lender reviews the borrower and property, clears conditions and coordinates disclosures and funding.

06 **Review + close + receive possession**
Review final figures, verify funds, walk through, sign and confirm the contractual conditions for keys.

07 **Own + maintain + keep records**
Complete the servicing, tax, insurance and maintenance handoff. Plan for future costs and the eventual sale.

Read top to bottom; work can overlap.

The chapters follow this order. Property, lender and closing reviews often run in parallel. Your contract, loan product, required approvals and actual circumstances set the dates.

FOLLOW THE STEPS. KEEP THE REFERENCE.

The details behind each decision.

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.

INSIDE THIS GUIDE

Budget

Choose the payment that works for your household.

Evidence

Find out what the lender has actually reviewed.

Conditions

Know what still needs to happen before closing.

Use this with your team

Examples are hypothetical. Your signed contract, lender, insurer, closing professional and applicable orders govern the actual work. Keep sensitive records in verified secure channels. Page-level references link the authorities; source dates are listed individually at the back.

STAGE 1 / 7 Preapproval + the money plan

01 First: preapproval. Then: the home search.

Before we book tours, turn a possible purchase into a budget that works in real life.

The order that protects your options

01 **Set a comfortable payment**

Include taxes after purchase, insurance, association dues, maintenance and the reserve you will keep.

02 **Ask the lender to verify the file**

Use a secure application and complete income, asset and credit documents. Ask what has actually been reviewed.

03 **Agree on the search brief**

Match price, property type, closing cash and timing to the lender's conditions and your household budget.

04 **Begin searching and touring**

Look at homes you can realistically pursue, then refresh the property-specific figures before each offer.

What happens before the first tour

01 You

Explain your move, income changes and source of closing money. Choose your comfort limit, even if approval is higher.

02 Loan officer + lender

Review documentation, identify conditions and discuss eligible products. Only the lender decides whether it can approve the loan.

03 Your agent

Turn the agreed payment and cash limits into a property brief. Flag condos, leaseholds, major repairs or an assumption for lender review.

THE HANDOFF

Ready to search: a conditional letter, a written payment/cash scenario, an expiration date and a list of outstanding requirements.

KEEP IN MIND

Why this is critical

Early review exposes documentation problems while time is flexible, prevents tours above your comfortable payment, tests whether your chosen property type fits the loan, and makes an offer's financing terms more credible. It does not guarantee approval or reserve an interest rate.

Reference desk: CFPB: Preapproval and its conditions · CFPB: Loan types, terms and rate structures

STAGE 1 / 7 Preapproval + the money plan

02 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

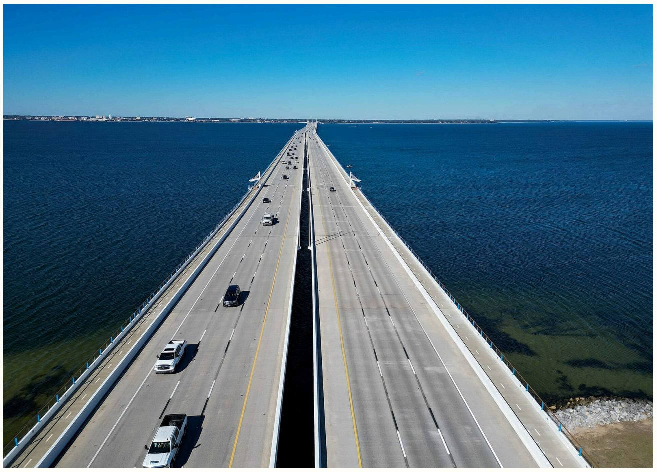
Instead of asking only “How much am I approved for?”, ask “What monthly payment, cash to close, property assumptions, and conditions support this approval?”

Reference desk: CFPB: Get a preapproval letter

03

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.

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.

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.

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.

Reference desk: CFPB: Get a preapproval letter

STAGE 1 / 7 Preapproval + the money plan

04 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.

Reference desk: CFPB: Get a preapproval letter · CFPB: Documents before closing

STAGE 1 / 7 Preapproval + the money plan

05 Choose the route your financing requires

Use this decision map with your loan officer before choosing which homes to tour.

Start with the money and the intended use

01 **Financing a purchase?**

Get product-specific preapproval first. Tell the lender whether this is your home, a second home or an investment.

02 **Taking over an existing loan?**

Ask the servicer for its assumption process and borrower review. Confirm the equity gap and seller protections before committing.

03 **Buying with cash?**

Verify accessible funds, ownership of the money and settlement timing before touring. Keep independent property and title reviews.

The route changes the work

Route / Add this checkpoint to the timeline

Conventional / jumbo

Confirm the intended occupancy, reserve and documentation rules, mortgage insurance if applicable, and property or condo eligibility. Jumbo requirements vary by lender.

FHA

Ask about mortgage insurance, FHA property requirements and whether repairs must be completed before funding. A purchase appraisal does not replace an inspection.

VA

Confirm COE and entitlement, lender qualification, funding-fee treatment, occupancy and VA property review. Include the required VA contract protection.

USDA

Screen household income and the address for program eligibility early. This program is for an eligible primary residence; coordinate lender and USDA review.

KEEP IN MIND

Program choice is not a promise of speed

Your actual lender supplies the document list and achievable dates. A financing switch can change cash needs, property requirements, disclosures and the signed contract. Reconfirm those effects before agreeing to a change.

Reference desk: CFPB: Loan types, terms and rate structures · VA: Purchase process, appraisal and closing · USDA: Guaranteed housing eligibility and application

STAGE 1 / 7 Preapproval + the money plan

06 Your loan product changes the route

Read each row from left to right. All financed routes start with preapproval before property searches or tours.

Four purchase-loan paths

Conventional / jumbo	Lender preapproval + occupancy/reserve review	→	Property and any condo review + insurance	→	Lender conditions + disclosures + closing
FHA	FHA lender preapproval + mortgage-insurance budget	→	FHA property review + any required repairs	→	Lender conditions + disclosures + closing
VA	COE + lender preapproval + cash/fee plan	→	VA contract clause + appraisal + independent inspection	→	Borrower/property conditions + closing
USDA	Income screen + lender preapproval	→	Eligible address + property review	→	Lender and agency process + closing

Program and lender requirements control. The actual contract, underwriting and disclosure calendar must be confirmed for your file.

Reference desk: CFPB: Loan types, terms and rate structures · HUD: Section 203(k) rehabilitation mortgages · USDA: Guaranteed housing eligibility and application · VA: Purchase process, appraisal and closing · VA Form 26-10291: Assumption and entitlement acknowledgement

STAGE 1 / 7 Preapproval + the money plan

06 Your loan product changes the route

CONTINUED

Routes with different decision-makers

Renovation	Preapproval + work eligibility →	Scope, bids, contractor and required consultant review →	Purchase closing → approved repair draws → completion
Investment / DSCR	Product-specific preapproval + capital →	Permitted use, rental evidence and lender property review →	Loan closing → management handoff → operating review
Assumption	Servicer borrower review + cash capacity →	Existing loan, equity gap, liability and entitlement decisions →	Servicer approval → transfer → payment handoff
Cash	Verify accessible funds before tours →	Inspect + insure + review title and intended use →	Settlement → possession → ownership handoff

A second transaction, new construction, assistance program or unusual property may add more steps. Ask who approves each addition and what evidence it needs.

Reference desk: CFPB: Loan types, terms and rate structures · HUD: Section 203(k) rehabilitation mortgages · USDA: Guaranteed housing eligibility and application · VA: Purchase process, appraisal and closing · VA Form 26-10291: Assumption and entitlement acknowledgement

STAGE 1 / 7 Preapproval + the money plan

07 When the standard purchase path changes

Renovations, investment use and a second transaction add decisions before the normal closing sequence.

Renovation loan: add a construction track

01 **Before the offer**

Ask a lender that offers the product whether the property and proposed work fit.

02 **Before loan approval**

Develop the scope, contractor documents, bids and required contingency or consultant review with the lender.

03 **At purchase closing**

Confirm the approved repair escrow and the rules for access, draws and occupancy.

04 **After purchase**

Complete work, inspections and draw documentation under the loan agreement. Purchase closing is not the end of this route.

Investment financing: declare the use first

01 **You + property manager**

Provide a realistic rental plan, documented rent evidence, expenses, vacancy assumptions and reserves. Verify that the intended use is permitted.

02 **Lender**

Confirm investment occupancy, personal or rental-income underwriting, title/entity rules, cash requirements and any prepayment terms.

03 **Agent + closing attorney**

Coordinate contract protections and ownership documents. Do not promise that a later entity transfer or rental plan is permitted by the loan.

THE HANDOFF

Ask a DSCR lender for its actual rent, expense, payment and coverage calculation. A lender’s rental test is not the same as your household cash-flow analysis.

KEEP IN MIND

Selling before buying, or building new?

A sale contingency adds a second contract and proceeds handoff. New construction adds builder deadlines, selections, completion and inspection milestones. Put those dependencies on both calendars before committing to a closing date.

Reference desk: HUD: Section 203(k) rehabilitation mortgages · CFPB: Loan types, terms and rate structures

STAGE 1 / 7 Preapproval + the money plan

08 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.

Reference desk: CFPB: Get a preapproval letter · CFPB: Closing Disclosure explainer

STAGE 1 / 7 Preapproval + the money plan

09

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.

Reference desk: CFPB: Get a preapproval letter

10 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.

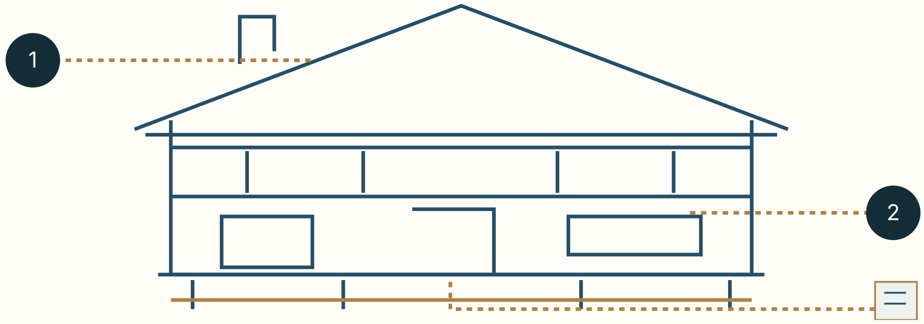
Reference desk: CFPB: Get a preapproval letter · CFPB: Documents before closing

STAGE 2 / 7 Search + property-specific offer

11 Search with a purpose; offer with evidence

Preapproval is complete enough to guide the search. Each actual property still needs its own review.

What a tour can and cannot tell you



Condition
01

Observe roof, moisture, systems and maintenance clues. An inspector or specialist investigates them.

Ownership cost
02

Obtain address-specific insurance, tax and association figures. An attractive list price is only one input.

Fit and use
03

Test your route, layout and intended use. Confirm restrictions and financing compatibility.

Conceptual illustration. It does not diagnose defects or represent a particular property.

Reference desk: CFPB: Preapproval and its conditions · NAR: What goes into pricing a home

STAGE 2 / 7 Search + property-specific offer

11 Search with a purpose; offer with evidence

CONTINUED

From a shortlist to an offer

01 You

Record must-haves, concerns and the total cost you can carry. Choose acceptable tradeoffs before the offer conversation.

02 Agent

Research comparable sales and competition, clarify included items and prepare price, protections, deposit and timing options.

03 Lender + insurance professional

Check the property, quoted payment, cash need and coverage constraints. Update the letter when the offer calls for it.

THE HANDOFF

You approve the complete proposed terms. A signed agreement starts the actual deadline calendar; touring itself does not approve the property.

YOUR WORKING NOTES · CONFIRM WITH THE RESPONSIBLE PROFESSIONAL

Bring to the offer conversation

Price / payment / closing cash for this address:

Inspection, financing and appraisal protections requested:

Deposit / closing / possession dates proposed:

Unresolved question / person responsible / answer due:

Reference desk: CFPB: Preapproval and its conditions · NAR: What goes into pricing a home

FOLLOW THE EVIDENCE

The original guidance.

Consult the source before relying on a changing amount, deadline, policy or contact. Individual source review dates appear below.

01

CFPB: Preapproval and its conditions

https://www.consumerfinance.gov/owning-a-home/explore/get-a-preapproval-letter/
Reviewed 2026-09-08

02

CFPB: Loan types, terms and rate structures

https://www.consumerfinance.gov/owning-a-home/explore/understand-the-different-kinds-of-loans-available/
Reviewed 2026-09-08

03

CFPB: Get a preapproval letter

https://www.consumerfinance.gov/owning-a-home/explore/get-a-preapproval-letter/
Reviewed 2026-09-06

04

CFPB: Documents before closing

https://www.consumerfinance.gov/ask-cfpb/what-documents-should-i-receive-before-closing-on-a-mortgage-loan-en-181/
Reviewed 2026-09-06

05

VA: Purchase process, appraisal and closing

https://www.va.gov/housing-assistance/home-loans/home-buying-process/
Reviewed 2026-09-08

06

USDA: Guaranteed housing eligibility and application

https://www.rd.usda.gov/programs-services/single-family-housing-programs/single-family-housing-guaranteed-loan-program
Reviewed 2026-09-08

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.

FOLLOW THE EVIDENCE

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07

HUD: Section 203(k) rehabilitation mortgages

https://www.hud.gov/hud-partners/single-family-mortgage-programs-203k
Reviewed 2026-09-08

08

VA Form 26-10291: Assumption and entitlement acknowledgement

https://www.vba.va.gov/pubs/forms/VBA-26-10291-ARE.pdf
Reviewed 2026-09-08

09

CFPB: Closing Disclosure explainer

https://www.consumerfinance.gov/owning-a-home/closing-disclosure/
Reviewed 2026-09-06

10

NAR: What goes into pricing a home

https://www.nar.realtor/the-facts/consumer-guide-what-goes-into-pricing-your-home
Reviewed 2026-09-08

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Coastal expertise.
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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	**SRS®**	Seller Representative Specialist
RENE®	Real Estate Negotiation Expert	**HFR®**	Home Finance Resource
MRP®	Military Relocation Professional	**FMS®**	Florida Military Specialist
MCA®	MORE Certified Agent	**FAA**	Part 107 Certified

Let’s plan your next move.

(850) 266-5005

greggcostin@gmail.com

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Performance figures provided by Gregg Costin, September 6, 2026.
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