Pre-Qualification vs. Pre-Approval: What's the Difference?

Pre-qualification and pre-approval are not the same thing. What each one means, which one sellers take seriously, and how to get yours in about a day.

JULY 2026 · BY THE ALVORADA MORTGAGE TEAM

These two words get used interchangeably — by buyers, by real estate agents, sometimes even by lenders. They are not the same thing, and in a competitive offer situation, the difference can decide whether the seller takes you seriously.

Pre-Qualification: The Estimate

A **pre-qualification** is based on what you *tell* the lender — your income, debts, and savings, usually in a short conversation or online form, often with a soft credit check or none at all. It produces a helpful ballpark: *"based on what you've said, you could likely afford around $X."*

It's fast, it's free, and it's a great first step for planning — especially if you're 6–12 months out. But nothing has been verified, so it carries limited weight with sellers.

Pre-Approval: The Verified Letter

A **pre-approval** means the lender has actually *checked*: credit pulled, income and assets documented, your file run through the same analysis a real loan gets. The result is a letter stating you're approved for a specific amount, subject to finding the property.

This is the letter listing agents call "solid." Many sellers won't consider an offer without one, and in multiple-offer situations a strong pre-approval can beat a slightly higher offer with a weak one.

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Side by Side

	Pre-Qualification	Pre-Approval
Based on	What you state	What the lender verifies
Credit check	Often soft or none	Full credit report
Documents	Usually none	Income, assets, ID
Time	Minutes	About a day
Weight with sellers	Low	High — often required
Best for	Early planning	Actively shopping

Common Questions, Straight Answers

- **"Will it hurt my credit?"** A mortgage pre-approval is one inquiry, and multiple mortgage pulls within the shopping window count as roughly one. The effect is small and temporary.
- **"Does it cost anything or commit me?"** No and no. You can get pre-approved with us and still shop around — in fact, you should.
- **"How long does the letter last?"** Typically 60–90 days, and refreshing it is quick. We can also re-issue it at a specific amount for a specific offer — a useful negotiation tool that keeps sellers from knowing your ceiling.

> **The order matters.** Get the letter *before* you fall in love with a house. Homes in hot Georgia and Florida markets go under contract in days — the buyer with a letter in hand wins the weekend.

What We Need From You

For most buyers: recent paystubs and W-2s (or business documentation if self-employed), two months of bank statements, and ID. ITIN and bank-statement borrowers have their own document lists — see our guides. The whole process typically takes about a day, in English, Portuguese, or Spanish.

Let's Talk About Your Mortgage

Our team serves you in English, Portuguese, and Spanish — no cost, no obligation.

Jade Taylor

BROKER / OWNER

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