

Date: [Insert Date]

To: [Borrower Name]

Property Address: [Insert Address if Applicable, or "TBD"]

Subject: Mortgage Pre-Qualification - Two-Year Income Averaging

To Whom It May Concern,

Based on a preliminary review of the financial information provided by [Borrower Name], I am pleased to confirm that the borrower is pre-qualified for a mortgage loan in the amount of \$[Insert Loan Amount].

As the borrower is [Self-Employed / Commissioned / Bonus-Based], this qualification is calculated using a two-year average of documented taxable income for the years [Year 1] and [Year 2]. Our analysis confirms that the borrower's stable monthly income meets the guidelines required for the following terms:

- **Purchase Price:** \$[Insert Amount]
- **Loan Program:** [Insert Program, e.g., Conventional/FHA]
- **Down Payment:** [Insert Percentage or Amount]%

This pre-qualification is based on the following criteria:

1. Review of signed federal tax returns for the past two years.
2. Current credit report and debt-to-income (DTI) analysis.
3. Verification of available funds for closing.

Please note that this letter is not a final loan approval. Formal commitment is subject to a satisfactory appraisal of the subject property, a final underwriting review of all updated documentation, and no material change in the borrower's financial position.

If you have any questions regarding this calculation or the borrower's eligibility, please contact me directly.

Sincerely,

[Loan Officer Name]

[Title]

[NMLS Number]

[Lending Institution]

[Phone Number]

[Email Address]