



CALL THE UNDERWRITER

HELPING SELLER-FINANCE INVESTORS
STAY DODD-FRANK COMPLIANT

Questions to ask every borrower before you begin

1. Have you been current on all rent or housing payments over last 12 months?
 - If they are not current on rent, or have been late in the past yr, they will most likely not meet requirements.
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2. Is your rental history verifiable (have you made your past 12 rent payments on time and can we verify)?
3. Will your landlord provide a letter stating you have been on time with rental payments for the past 12 months? **(if credit score is under 620 this will be a requirement)**
4. How do you earn income and can it be verified? Can they produce the following docs?
 - Self Employed: 2 previous yr.'s tax returns, or 12 months of current bank deposits.
 - W2 wage earner: Last yr.'s W-2 and 2 current pay stubs
 - Pension/SSI/Disability etc.: last yr.'s 1099 or current award letter
5. Do you have a 2-year income history and can it be documented?
 - **If they can't produce income verification documents for at least 12 months, they will not meet Ability to Repay requirements.**
6. Are there any outstanding liens or judgments that will appear on your credit? Let them know we will be pulling credit, so they may as well disclose these issues up front.
7. Have you ever applied for a home loan and what were the results?



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8. Are you currently in foreclosure, forbearance or bankruptcy? If so, most likely they will not meet requirements. **(At the very least you will need all the documentation before submitting a loan app for underwriting.)**

9. Do you have any open credit lines on your credit report? (car payment, credit card etc.)

-If not, they will be required to produce (2) 12 month good payment histories from some creditor on the “alternative credit list” such as car insurance, cell phone, Netflix etc. **(borrowers who cannot produce this, will not meet requirements).**

*Asking these questions before completing a loan app will save you, the borrower and us time and money as these questions will help identify candidates that will not qualify.