Self-Employed Qualification Checklist

Your Complete Guide to NON-QM Mortgage Approval

Getting approved for a mortgage as a self-employed borrower doesn't have to be complicated. This checklist will help you prepare everything you need for a smooth approval process.

Bank Statement Loan (12 or 24 months)

■ Personal and/or business bank statements (12 or 24 months)

■ Profit & Loss statement (CPA-prepared preferred)

■ Business license or proof of self-employment

■ Credit report (minimum 620 score)

■ Down payment funds (typically 10-20%)

■ Property appraisal

■ Government-issued photo ID

1099 Income Loan

■ 1099 forms (most recent 2 years)

■ Personal tax returns (2 years)

■ Year-to-date P&L; statement

■ Credit report (minimum 620 score)

■ Down payment funds (typically 10-20%)

■ Property appraisal

■ Government-issued photo ID

How We Calculate Your Income

Bank Statement Method:
We analyze your deposits over 12 or 24 months and apply an expense ratio (typically 50%) to determine your qualifying income. Business accounts get better expense ratios than personal accounts.

1099 Method:
We use your 1099 income from the past 2 years, averaging the amounts to determine your qualifying income. This works great for contractors and gig workers.

Pro Tips for Self-Employed Borrowers

• **Keep business and personal expenses separate:** Use a dedicated business account for better expense ratios

• **Maintain consistent deposits:** Lenders like to see steady income patterns

• **Don't make large unusual deposits:** These can complicate underwriting

• **Have 6-12 months reserves:** Shows financial stability

• **Work on your credit score:** Higher scores = better rates and terms

Ready to Get Started?

Contact NS Funding today to discuss your self-employed mortgage options. Our loan officers specialize in NON-QM loans and can help you navigate the process.

Phone: (800) 921-4858
Website: www.nsfunding.com