



Items You Need When Applying For a Loan

Have These Items Ready When You Apply For a Loan

It used to be that lenders mailed out verifications to employers, banks, mortgage companies, and so on, in order to verify the data supplied by borrowers. Nowadays, the interest is often in speed and getting answers quickly so alternate documentation has become more widely used. Alternate documentation means that underwriting answers can be obtained with information supplied directly from the borrower instead of waiting around for verifications to come back in the mail.

The following is required for most standardized loans as part of alternate documentation processing. Items may differ according to whether your loan is a conforming (Fannie Mae or Freddie Mac), non-conforming (jumbo) loan, government loan, or a portfolio loan.

Verifications are still mailed out, but usually as part of quality control procedures.

These are the things you need to supply to your lender to get a quick approval using alternate documentation

Income Items

- W2 forms for the last two years
- Pay stubs covering a 30 day period
- Federal tax returns (1040s) for the last two years, if:
 - you are self-employed
 - earn more than 25% of your income from commissions or bonuses
 - own rental property
 - or are in a career where you are likely to take non-reimbursed business expenses
- Year-to-Date Profit and Loss Statement (for self employed)
- Corporate or partnership tax returns (if applicable)
- Pension Award letter (for retired individuals)
- Social Security Award letters (for those on Social Security)

Asset Items

- Bank statements for previous two months (sometimes three) on all accounts. All pages.
- Statements for two months on all stocks, mutual funds, bonds, etc.

- Copy of most recent 401K statement (or other retirement assets)
- Explanations for any large deposits and source of those funds
- Copy of HUD1 Settlement Statement on recent sales of homes
- Copy of Estimated HUD1 Settlement Statement if a previous home is for sale, but not yet closed
- Gift letter (if some of the funds come as a gift from a family member)
- Gifts can also require:
 - Verification of donor's ability to make the gift (bank statement)
 - Copy of the check used to make the gift
 - Copy of the deposit receipt showing the funds deposited into bank account or escrow

Credit Items

- Landlord's name, address, and phone number (for verification of rental)
- Explanations for any of the following items that may appear on your credit report:
 - Late payments
 - Credit inquiries in the last 90 days
 - Charge-offs
 - Collections
 - Judgments
 - Liens
- Copy of bankruptcy papers if you have filed bankruptcy within the last seven years

Other

- Copy of purchase agreement (if you have already made an offer)
- To document receipt of child support (if you desire to show it as income)
 - Copy of Divorce Settlement (to show the amount)
 - Copies of twelve months canceled checks to document actual receipt of fund

FHA Loans

- Copy of Social Security Card (or other documentation of social security number)
- Copy of Driver's license

VA Loans

- Copy of DD214

Refinances

- Copy of Note on existing loan
- Copy of HUD1 Settlement Statement on existing loan
- Name, address, phone number, loan number of existing loan/lender

