

# Thing you need when applying for a Home Loan

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Congratulations! Now that you have found the perfect home, all that's left is getting the perfect mortgage. In order to do that, you will have to know what your lender needs from you in order to get your loan application approved.

## Property Description

When applying for a home loan, you will need to provide the lender with detailed information regarding the property that you intend to purchase, including a physical address, what type of loan you are requesting and how you obtained the funds to be used as a down payment.

## Borrower & Co-Borrower Information

All persons named on a home loan must be able to provide their name, date of birth, current address, former address (if within the last two years), marital status, current and former employment information, telephone number and social security number.

Most lenders require tax returns for the two years preceding the loan application, along with current paystubs or, if self-employed, a year-to-date profit/loss statement.

## Current Mortgage Expenses

An important part of every home loan is affordability, which is why your lender will need to know how much of your income is available to pay for a new home. If you have a current mortgage, be ready to provide a detailed list of expenses that you pay each month in relation to the property. This includes a mortgage payment, real estate taxes, mortgage insurance, homeowner's association dues, utilities, etc. If you plan to sell the home, let your lender know so that they will understand you are simply replacing one debt with another.

## Yes Or No

Almost every loan application asks both the borrower and co-borrower (if applicable) to answer a few simple yes and no questions on the application. Questions pertaining to outstanding judgments, bankruptcy filings, foreclosures, lawsuits, alimony, child support and citizenship status are standard and should be expected when applying for a home loan.

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## Statement Of Assets & Liabilities

When applying for a home loan, both the borrower and co-borrower will be required to disclose all of their current assets and liabilities. An asset is property, either real or personal, that is owned and is of value. A liability, on the other hand, is a financial obligation for which one is liable.

A loan application will request information relating to assets and their current market value, including automobiles, real estate, stocks, bonds, life insurance (cash value), business net worth, personal property, etc. If any amount of money is owed on these properties, the lender will request information relating to the unpaid balance in order to determine the actual equity that the borrower has in any given property.