

# Checklist for Mortgages for 1099 Employees and Independent Contractors

Securing a mortgage as a 1099 employee or independent contractor involves unique considerations. Use this checklist to systematically guide you through the mortgage application process:

- Verify Employment Status:** Confirm your status as a 1099 employee or independent contractor, as this affects how lenders evaluate your income.
- Gather Proof of Income:** Compile documentation proving your income, such as tax returns, profit and loss statements, and any other relevant financial documents.
- Check Credit Score:** Obtain your credit score to understand your creditworthiness, as it plays a crucial role in mortgage approval and determining interest rates.
- Research Mortgage Lenders:** Explore lenders experienced in working with 1099 employees and independent contractors. Consider their reputation, terms, and interest rates.
- Evaluate Loan Amount Needed:** Calculate the total loan amount required, considering your financial needs and avoiding unnecessary borrowing.
- Check Eligibility Criteria:** Understand the eligibility criteria set by lenders, focusing on factors beyond traditional employment, such as income stability and credit history.
- Explore Non-QM Loans:** Investigate Non-Qualified Mortgage (Non-QM) options designed for individuals with non-traditional income sources.
- Understand Interest Rates and Fees:** Request mortgage quotes from different lenders, comparing interest rates, closing costs, and any other charges associated with the loan.
- Review Repayment Terms:** Thoroughly review the repayment terms of the mortgage, including the loan tenure, monthly payments, and any conditions specific to your situation.
- Check for Flexible Repayment Options:** Inquire about flexible repayment options that accommodate irregular income, such as adjustable-rate mortgages or interest-only periods.
- Evaluate Debt-to-Income Ratio:** Understand your debt-to-income ratio and work towards minimizing existing debts, improving your chances of mortgage approval.
- Gather Necessary Documentation:** Prepare essential documents required by the lender, including proof of income, bank statements, and any other information relevant to your financial situation.
- Complete Mortgage Application:** Fill out the mortgage application accurately and provide all necessary information. Pay attention to details and ensure timely submission of required documents.
- Wait for Mortgage Approval:** Patiently wait for the lender's decision after submitting your application. This process may take some time, so be patient.
- Sign the Mortgage Agreement:** If your application is approved, carefully read and sign the mortgage agreement. Ensure you understand all terms and conditions.

## Using the Checklist

This checklist is designed to guide 1099 employees and independent contractors through the process of obtaining a mortgage. Begin by verifying your employment status and gathering proof of income. Progress through each step systematically, from researching lenders to signing the mortgage agreement. Use this checklist as a tool to ensure you make informed decisions and successfully secure a mortgage tailored to your

specific income structure. Regularly refer to the checklist to stay organized and navigate the mortgage application process efficiently.