Homebuyer University
Loan Document Checklist

Use this checklist to collect and keep track of the most common documents your lender may ask for. Not every line will apply to you – check the ones that do and begin collecting the items or taking note of how or when you need to collect them. More details on select categories/documents are included at the end of this worksheet.

Every lender will have slightly different requirements – be sure to reach out to your top lender candidates and ask for a complete list of required documents at least a month before applying so you can avoid scrambling for documents at the last minute.

Please Note: The time frames of "last two years" or "last 30 days" are based on the date you plan to apply.

Personal

Document	Applies to Me	Collect By	Notes	Collected
Social Security Card	✓			
Photo Identification	✓			
Residency Documentation				
Divorce Decree				
Veteran's DD-214 and eligibility cert. (if applying for VA loan)				
Name/address/phone for each landlord for last two years				
Rental payment history for last two years (receipts or ledger)				

Wage-Based Income Verification

Document	Applies to Me	Collect By	Notes	Collected
Name/address/phone for each employer for last two years				
Paystubs for last 30 days				
W-2 forms for last two years				
Federal tax returns for last two years				

Self-Employed Income Verification

Document	Applies to Me	Collect By	Notes	Collected
Federal tax returns for last two years with all schedules (this applies to personal, partnership and corporate)				
Year-to-date profit and loss statement for current year (after last tax year)				
Current balance sheet				

Non-Wage-Based Income Verification

Document	Applies to Me	Collect By	Notes	Collected
Child support received documentation for last year (or court-issued agreement)				
Alimony received documentation for last year (or martial settlement agreement)				
Social Security proof of income letter				
Disability (SSI) proof of income letter				
Other:				
Other:				

Asset Verification

Document	Applies to Me	Collect By	Notes	Collected
Checking account statements for last three months				
Savings account statements for last three months				
Retirement account statements for last three months				
Brokerage/investment account statements for last three months				
Other account (statements for three months):				
Other account (statements for three months):				
Letter stating that gift funds do not need to be repaid (if part of down payment is a gift)				

Debt Verification

Document	Applies to Me	Collect By	Notes	Collected
Most recent statement for any missing creditors on credit report				
Child support owed documentation for last year (or court-issued agreement)				
Alimony owed documentation for last year (or martial settlement agreement)				

Irregularities Explanations

Document	Applies to Me	Collect By	Notes	Collected
Derogatory account(s) (from credit report) letter(s) of explanation (collections, delinquent, etc.)				
Chapter 7 or 13 bankruptcy filing, including discharge papers and list of creditors (Schedule F)				
Gaps in employment within last two years letter of explanation				
Rental history irregularities letter of explanation				

House Sale Verification

Document	Applies to Me	Collect By	Notes	Collected
Signed sales contract (between you and the seller)	✓			
Proof of homeowner's insurance	✓			

Select Document Details and Instructions

Federal Tax Returns

It is your legal responsibility to report your personal and business income to the IRS by the deadline each year. Lenders will look at your tax returns to verify your income and look for liabilities. Some lenders will ask for copies of your returns while others will have you sign a release so they can access them directly.

If you need copies of your tax returns:
- Use the “Get Transcript” tool on IRS.gov to get a free copy of your previous returns (fastest method)
- Order by phone by calling 800-908-9946 and following the prompts
- Order by mail by filling out the 4506-T, Request for Transcript of Tax Return

To find out if you are legally required to file your taxes:
- Use the “Do I Need to File a Tax Return” tool on IRS.gov

Get help with your tax returns
- Ladder Up is a Chicago nonprofit that specializes in free tax assistance and has open appointments every tax season (about Feb-Apr). Get help with:
  - Filing taxes
  - Filing prior-year taxes
  - Requesting a filing extension

Wage-Based Income Documents

Wage-based income is when you receive regular compensation by an employer. It can be hourly or salaried. Lenders use your paystubs and W-2s to see the consistency or your income in the past so they can be surer of your future income. They will also verify your employment independently.

Paystubs
- You should receive a paystub each pay period. Begin saving them about 3 months before your loan application
- If you are missing any, contact your HR representative at your place of employment
- Your employer may also have your paystubs available online

W-2s
- Your employer is required to send your W-2 for the most recent tax year to you by mid-February. If you haven't received it, contact your employer.
- If you are missing previous years’, contact your employer/s.
- If you can’t get previous W-2s from your employer/s, but you attached it to your taxes, you can order a copy of the entire return from the IRS “Get Transcript” tool.

Self-Employed Income Documents

Self-employed income is when you carry on a trade or business as a sole proprietor, an independent contractor, or as some form of partnership. Common types of self-employment include: Uber/Lyft driver, online or physical sales, and service-related work like hair-styling or providing day-care. Lenders need to see a complete picture of your income and expenses in a year.

Year-to-Date Financials

- If you apply after a few months past your tax filing date, you will need to show complete year-to-date financials for your business
- The most common requested documents are profit and loss statements and balance sheets

Schedule C

- AKA: Profit or Loss From Business form
- Complete when you file your taxes
- Use the "Get Transcript" tool on IRS.gov to access free copies

Get Help with Your Schedule C

- Ladder Up is a Chicago nonprofit that specializes in free tax assistance and has open appointments every tax season (about Feb-Apr). For Schedule C assistance, they focus especially on independent contractors. Visit goladderup.org for more information.

Non-Wage-Based Income Documents

Non-wage-based income can be regular or irregular income that is not tied to employment. Lenders accept different types of income in their calculations so it is important to clarify which you should include in your application.

Government Programs

- Includes Social Security, SSI, veteran's benefits, etc.
- Request proof of income letter/statement from the relevant government agency

Legal Agreements

- Includes court-ordered or legal agreements for child support or alimony
- You'll need to show your court-issued terms letter or (non-court-ordered) settlement agreement
- And you may need to show proof of payment receipts

Irregularity Explanation Documents

Irregularities are situations that may disqualify you from a home loan if they are not adequately explained and/or a pattern of improved behavior is demonstrated. It is in your best interest to begin documenting any potential irregularities in your loan application.

Get Help with Irregularities

- Consider working with a free HUD-certified counselor to help you resolve any irregularities and/or to help you prepare your explanatory documents. We especially encourage you to see a HUD-certified counselor if you have experienced hardship during the COVID-19 pandemic.