SELF-EMPLOYED HOME LOAN PREPARATION CHECKLIST

YOUR PRACTICAL GUIDE TO GETTING YOUR DOCUMENTS AND FINANCES ORGANISED BEFORE APPLYING FOR A HOME LOAN.



LOGAN
HOME LOANS

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UNDERSTANDING THE SELF-EMPLOYED HOME LOAN PROCESS

Being self-employed offers flexibility and independence, but applying for a home loan can involve additional considerations compared with traditional employment.

Lenders generally assess self-employed income using financial records rather than relying solely on payslips. Depending on your business structure and the lender's requirements, this may include tax returns, financial statements, Business Activity Statements (BAS) and business bank statements.

How lenders assess your income can vary, particularly when considering business expenses, income fluctuations and trading history.

This checklist will help you:

- Identify documents commonly requested by lenders.
- Understand important areas of financial preparation.
- Recognise potential issues before applying.
- Organise your information before speaking with a licensed mortgage broker.

Taking time to prepare can help you approach the home loan process with greater confidence and clearer expectations.

HOW LENDERS MAY ASSESS SELF-EMPLOYED INCOME

Lenders generally assess self-employed income using financial records to understand business earnings, expenses and income stability.

Documents they may review include:

- Personal and business tax returns
- Business financial statements
- Business Activity Statements (BAS)
- Business bank statements
- Accountant confirmation (where accepted)

Understanding assessable income

Business turnover is not the same as assessable income. Lenders may consider business profit, income trends and eligible adjustments (add-backs).

Trading history matters

Many lenders request two years of financial information, although requirements vary. Some may accept shorter trading histories or alternative documentation.

DOCUMENTS LENDERS MAY REQUEST FULL DOC HOME LOANS

Full Doc home loans generally use tax returns and financial statements to verify self-employed income. Many lenders request two years of records, although some may accept one year, depending on their lending criteria.

Identification & Business Details

□ Driver's licence or passport
□ ABN and business registration details
□ Company, partnership or trust details (if applicable)

Income Verification

□ Personal tax returns
□ ATO Notices of Assessment
□ Business tax returns (if applicable)
□ Business financial statements (profit and loss statement and balance sheet, if required)
□ Business Activity Statements (BAS)(if applicable)

Additional Information

□ Business bank statements (if requested)
□ Accountant details or confirmation (if requested)

Requirements vary by lender, loan type and business structure.

DOCUMENTS LENDERS MAY REQUEST ALT DOC HOME LOANS

Alt Doc (alternative documentation) home loans may allow self-employed borrowers to verify income using alternative financial records instead of the standard documents required for Full Doc loans.

Identification & Business Details

□ Driver's licence or passport
□ ABN and business registration details
□ GST registration (if applicable)
□ Company, partnership or trust details (if applicable)

Alternative Income Verification

Depending on the lender, documents may include:

□ Business Activity Statements (BAS)
□ Business bank statements
□ Lender-specific income declaration (if required)
□ Accountant income confirmation (where accepted)

Important Information

Alt Doc does not mean No Doc. Lenders still assess income, expenses, existing debts and repayment capacity.

Requirements vary by lender, loan type and business structure.

FINANCIAL & PROPERTY DOCUMENTS

In addition to income verification, lenders may request information about your existing financial commitments, savings and property details.

Existing Financial Commitments

- ☐ Current home loan statements (if applicable)
- ☐ Personal and car loan details
- ☐ Credit card limits and balances
- ☐ Business loans and finance commitments
- ☐ HECS/HELP or other student loan debts
- ☐ Buy Now, Pay Later commitments (if applicable)

Savings & Deposit Information

- ☐ Evidence of savings or available deposit
- ☐ Gifted deposit details (if applicable)
- ☐ Evidence of available property equity

Property Information

- ☐ Property details or purchase contract (if available)
- ☐ Existing property details (if refinancing)
- ☐ Rental income evidence (if applicable)

Important Information

Lenders may also review living expenses, credit history, repayment conduct and other financial commitments when assessing a home loan application.

Requirements vary by lender, loan type and business structure.

COMMON SELF-EMPLOYED HOME LOAN CHALLENGES

Limited Trading History
Some lenders require an established trading history, while others may consider newer businesses under specific lending criteria.

Fluctuating or Declining Income
Changes in business income can affect how lenders calculate assessable income and borrowing capacity.

Tax Deductions & Business Expenses
Legitimate business deductions may reduce assessable income, although some lenders accept eligible adjustments (add-backs).

ATO Debts & Tax Obligations
Outstanding tax debts or payment arrangements may affect an application. Lender requirements vary.

Credit History & Existing Commitments
Missed repayments, credit card limits and other debts can affect a lender's assessment.

Incomplete Financial Documents
Missing or outdated financial records can result in additional requests or application delays.

ARE YOU READY FOR THE NEXT STEP?

Before applying for a self-employed home loan, consider the following:

Business & Income

□ I understand my business structure and trading history.
□ I have reviewed my business income and expenses.
□ I can explain significant income changes.

Financial Position

□ I understand my existing debts and commitments.
□ I have reviewed my living expenses.
□ I know my deposit or available equity position.
□ I am aware of outstanding ATO obligations.

Preparation & Next Steps

□ My financial documents are organised.
□ I have identified areas needing clarification.
□ I understand lender requirements may vary.

HOW LOGAN HOME LOANS CAN HELP

We help self-employed borrowers understand common documentation requirements and organise their information. Where appropriate, we can introduce them to a licensed mortgage broker for further assistance.

YOUR NEXT STEP STARTS HERE

You've taken the first step towards preparing for a self-employed home loan. Now let's talk about what comes next.

BOOK A LOAN PREPARATION CALL

During your call, we can:

- Explain common lender documentation requirements.
- Discuss general preparation steps.
- Answer questions about organising your documents.
- Explain how our broker referral process works.

BOOK YOUR HOME LOAN PREPARATION CALL

IMPORTANT INFORMATION

Logan Home Loans is not a lender or mortgage broker. We provide general education and preparation support only, not credit advice, eligibility assessments or loan recommendations.

Where appropriate, we may introduce you to a licensed mortgage broker or lender and may receive a referral commission.