

No Income Verification Mortgage

The no income verification loan was quite popular a few years ago. These mortgage products gave the borrower the opportunity to purchase a mortgage without providing any income verification, so long as they had a favorable credit score. These types of mortgages are considered higher risks, so many lenders do not offer "No Income Verification Loan" solutions.

Stated Loans and Who Qualifies for One?

The Stated Loan does require a significant down payment of 35% and is only available to self-employed borrowers. The borrower in this case will have to have an amazing credit score. With a great credit score, these loans can be offered at really good interest rates. Let's say the interest rates were 3.5%, a no income verification loan may be up to 3.75%, costing the borrower only a small amount more.

How to Acquire a No Income Verification Loan?

Take care of any outstanding credit issues and ensure that your credit score is awesome. Your credit score has to be nearly perfect as lenders are choosing to waive the review of your income. To see which interest rates are the best and which individual options are available, examine the option of securing a traditional mortgage loan as well.

It is important that the size of your mortgage is considered reasonable in comparison to the size of the mortgage you are seeking. The lenders may not be seeking proof of income; however, they do expect the income to be reasonable. Some lenders will ask the borrower to provide proof that there are no income taxes owing.

The traditional mortgage is considered less risky; therefore, the monthly payments will be lower. If you do not have restrictions or requirements in place on a traditional mortgage, it may be wise to explore the regular mortgage option as it could save you a significant amount of money.