

The Utah Self-Employed Borrower Consumer Guide

A step-by-step guide to qualifying for a mortgage when you're self-employed, understanding income documentation, improving loan approval, and buying or refinancing a home with confidence.



**Helping Utah Entrepreneurs, Business Owners, Freelancers,
and Independent Contractors Achieve Homeownership**

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Educational Guide

WELCOME TO THE UTAH SELF-EMPLOYED BORROWER CONSUMER GUIDE

Being self-employed should never prevent you from becoming a homeowner.

Whether you own a business, work as an independent contractor, receive 1099 income, operate an LLC, S Corporation, Partnership, Sole Proprietorship, or earn income through multiple businesses, qualifying for a mortgage simply requires understanding how lenders evaluate self-employed income.

Many business owners are surprised to learn that the income shown on their tax returns may differ from the income lenders are allowed to use. Business deductions, depreciation, write-offs, and fluctuating income can all affect mortgage qualification.

Inside this guide you'll learn how self-employed income is calculated, what documentation lenders require, how tax returns are analyzed, common approval challenges, and practical strategies that may help strengthen your loan application.

Whether you're purchasing your first home, refinancing, investing in real estate, or simply planning ahead, this guide will help you understand the mortgage process with greater confidence.



In This Guide You'll Learn

- ✓ How lenders calculate self-employed income
- ✓ Which tax returns are required
- ✓ Business deductions and qualifying income
- ✓ Profit & Loss statements
- ✓ Bank statement loan options
- ✓ Improving loan approval
- ✓ Common mistakes to avoid
- ✓ Preparing before applying

✨ Magic Tip

Being self-employed isn't a disadvantage. Preparation and documentation are often more important than how you're paid.

Educational Notice

This guide is provided for educational purposes only.

Every self-employed borrower has a unique financial situation.

Income documentation requirements vary based on loan program, business structure, tax returns, and underwriting guidelines.

Always consult with your CPA, tax advisor, and mortgage professional before making financial or tax decisions that could affect your mortgage qualification.



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UNDERSTANDING SELF-EMPLOYED MORTGAGES

Being self-employed doesn't make it harder to qualify for a mortgage—it simply means lenders evaluate your income differently.

Unlike traditional W-2 employees, self-employed borrowers must demonstrate that their income is stable, consistent, and likely to continue. Underwriters review tax returns, business financials, and other documentation to determine qualifying income.

Understanding how this process works before you apply can help eliminate surprises and improve your chances of approval.

Self-Employment Basics

- ✓ Sole Proprietor
- ✓ LLC
- ✓ Partnership
- ✓ S Corporation
- ✓ C Corporation
- ✓ Independent Contractor
- ✓ Freelancer
- ✓ Gig Economy Worker

Key Takeaway

Self-employed borrowers qualify every day. Preparation and documentation make the difference.

Smart Entrepreneur Tip

Meet with your mortgage professional before filing your next tax return if you expect to buy a home within the next year.

✨ Magic Tip

The best mortgage strategy often starts months before you submit an application.

Myth vs. Fact

Myth

Self-employed people rarely qualify for mortgages.

Fact

Many self-employed borrowers qualify successfully every year with proper documentation.

Today's Action

- ☐ Identify your business structure.
- ☐ Estimate your annual income.
- ☐ Gather recent tax returns.
- ☐ Schedule a mortgage consultation.



HOW LENDERS CALCULATE SELF-EMPLOYED INCOME

Many business owners assume lenders use gross business revenue to qualify them. They do not.

Instead, lenders analyze your tax returns to determine your qualifying income after reviewing allowable expenses, depreciation, business deductions, and recurring income.

Some deductions reduce taxes but also reduce the income available for mortgage qualification.

Understanding this calculation before applying allows you and your CPA to make informed decisions.

Income Documents Reviewed

- ✓ Business tax returns
- ✓ Personal tax returns
- ✓ W-2 income (if applicable)
- ✓ 1099 income
- ✓ K-1 income
- ✓ Business deductions
- ✓ Depreciation
- ✓ Recurring income

Key Takeaway

Qualifying income is based on documented income—not gross sales.

Smart Entrepreneur Tip

Large tax write-offs may lower your tax bill but can also reduce your borrowing power.

✨ Magic Tip

Saving taxes today may affect how much home you can buy tomorrow.

Myth vs. Fact

Myth

If my business earns \$250,000, I automatically qualify using \$250,000.

Fact

Lenders qualify borrowers using adjusted qualifying income after reviewing tax returns.

Today's Action

- ☐ Review your last two tax returns.
- ☐ Identify major deductions.
- ☐ Discuss qualifying income with your lender.
- ☐ Ask your CPA about future planning.



DOCUMENTS YOU'LL NEED

Self-employed borrowers typically provide more documentation than traditional employees.

Providing complete, organized records early in the process helps reduce underwriting delays. The exact documentation depends on your business structure, loan program, and lender guidelines.

Common Documentation

- ✓ Personal tax returns
- ✓ Business tax returns
- ✓ Year-to-date Profit & Loss Statement
- ✓ Business Balance Sheet (when required)
- ✓ Business license
- ✓ CPA letter (if requested)
- ✓ Bank statements
- ✓ Photo identification

Key Takeaway

Well-organized documentation helps create a smoother loan process.

Smart Entrepreneur Tip

Keep digital copies of your financial documents throughout the year instead of gathering everything at the last minute.

✨ Magic Tip

Organization is one of the easiest ways to speed up mortgage approval.

Myth vs. Fact

Myth

Every self-employed borrower submits the exact same documents.

Fact

Documentation requirements vary depending on your business structure and loan program.

Today's Action

- ☐ Create a mortgage document folder.
- ☐ Gather tax returns.
- ☐ Update your Profit & Loss statement.
- ☐ Verify business records are current.



UNDERSTANDING PROFIT & LOSS STATEMENTS

Many lenders require a current year-to-date Profit & Loss (P&L) statement to verify that your business remains healthy.

A P&L summarizes income, expenses, and net profit over a specific period.

An accurate P&L helps underwriters understand how your business is performing beyond your most recent tax return.

What a P&L Shows

- ✓ Gross revenue
- ✓ Cost of goods sold
- ✓ Operating expenses
- ✓ Net income
- ✓ Business trends
- ✓ Seasonal changes
- ✓ Monthly performance
- ✓ Financial stability

Key Takeaway

Accurate financial reporting strengthens your mortgage application.

Smart Entrepreneur Tip

Work with your CPA or bookkeeper to keep your financial statements updated throughout the year.

✨ Magic Tip

Clean books create confident underwriters.

Myth vs. Fact

Myth

A handwritten income summary is enough.

Fact

Lenders often require professionally prepared or well supported financial statements.

Today's Action

- ☐ Review your current P&L.
- ☐ Update bookkeeping.
- ☐ Verify expense categories.
- ☐ Save an electronic copy.



BUSINESS DEDUCTIONS VS. MORTGAGE QUALIFICATION

Business deductions are an important part of reducing taxable income, but they can also reduce the income lenders use to qualify you for a mortgage.

This doesn't mean you should stop taking legitimate deductions. Instead, it means planning ahead with your CPA and mortgage professional before filing taxes.

Understanding this balance can improve both your tax strategy and your future borrowing power.

Common Business Deductions

- ✓ Vehicle expenses
- ✓ Equipment purchases
- ✓ Home office
- ✓ Business travel
- ✓ Advertising
- ✓ Office expenses
- ✓ Professional services
- ✓ Depreciation

Key Takeaway

Tax planning and mortgage planning should work together.

Smart Entrepreneur Tip

Tell your CPA if you expect to buy or refinance within the next 12 months.

✨ Magic Tip

The lowest tax bill isn't always the best financial strategy when a mortgage is part of your plans.

Myth vs. Fact

Myth

More deductions always improve my financial situation.

Fact

Some deductions may reduce the income available for mortgage qualification.

Today's Action

- ☐ Review last year's deductions.
- ☐ Discuss future tax planning.
- ☐ Compare qualifying income.
- ☐ Meet with your lender.



WHAT IF YOUR INCOME CHANGES?

Business income naturally rises and falls.

Seasonal businesses, commissions, and growing companies often experience fluctuations throughout the year.

Lenders understand this and typically look for stable trends rather than perfect consistency. Explaining unusual events—such as one-time expenses, business expansion, or temporary revenue declines—can sometimes help underwriters better understand your financial picture.

Income Changes May Include

- ✓ Seasonal income
- ✓ Growing revenue
- ✓ Business expansion
- ✓ One-time expenses
- ✓ Equipment purchases
- ✓ Market changes
- ✓ New contracts
- ✓ Temporary setbacks

Key Takeaway

Stable long-term income trends matter more than one unusually good or bad month.

Smart Entrepreneur Tip

Keep records explaining significant changes in business income or expenses.

✨ Magic Tip

A temporary setback doesn't always prevent mortgage approval.

Myth vs. Fact

Myth

One slow year automatically disqualifies me.

Fact

Lenders evaluate the complete financial picture, not just a single month or isolated event.

Today's Action

- ☐ Review your income trends.
- ☐ Document unusual events.
- ☐ Update financial statements.
- ☐ Discuss your situation with a mortgage professional.



ALTERNATIVE LOAN OPTIONS FOR SELF-EMPLOYED BORROWERS

Traditional tax-return qualification isn't the only way to obtain a mortgage. Depending on your financial situation, alternative documentation loan programs may be available.

Some programs use bank statements instead of tax returns, while others evaluate business cash flow or assets. These loans often have different qualification standards, interest rates, and down payment requirements than conventional financing.

Understanding your options allows you to choose the loan program that best fits your business and financial goals.

Alternative Loan Programs

- ✓ Bank Statement Loans
- ✓ Asset Depletion Loans
- ✓ DSCR Investment Loans
- ✓ Conventional Loans
- ✓ FHA Loans
- ✓ VA Loans (when eligible)
- ✓ Jumbo Loans
- ✓ Portfolio Loan Programs

Key Takeaway

If one loan program doesn't fit your situation, another may.

Smart Entrepreneur Tip

Don't assume you've been declined until you've explored multiple loan options.

✦ Magic Tip

The best mortgage isn't always the one with the lowest rate—it's the one that best fits your financial goals.

Myth vs. Fact

Myth

Self-employed borrowers only qualify using tax returns.

Fact

Some loan programs use alternative documentation, such as bank statements or assets.

Today's Action

- ☐ Ask which loan programs you qualify for.
- ☐ Compare documentation requirements.
- ☐ Review down payment options.
- ☐ Compare monthly payments.



IMPROVING YOUR MORTGAGE APPROVAL

Preparing before applying for a mortgage often leads to a smoother approval process.

Improving your credit score, reducing debt, organizing financial records, maintaining cash reserves, and understanding your qualifying income all strengthen your application.

The earlier you begin preparing, the more opportunities you'll have to improve your financial profile.

Ways to Strengthen Your Application

- ✓ Improve your credit score
- ✓ Reduce revolving debt
- ✓ Build cash reserves
- ✓ Organize tax returns
- ✓ Update bookkeeping
- ✓ Avoid major purchases
- ✓ Maintain consistent deposits
- ✓ Consult your lender early

Key Takeaway

Preparation before applying often matters more than finding the "perfect" loan program.



Smart Entrepreneur Tip

Start planning six to twelve months before purchasing whenever possible.

✨ Magic Tip

The easiest loan approval is the one you've prepared for in advance.

Myth vs. Fact

Myth

You should wait until you find a home before talking to a lender.

Fact

Early planning usually creates more financing options.

Today's Action

- ☐ Check your credit.
- ☐ Review monthly debts.
- ☐ Organize financial records.
- ☐ Schedule a mortgage review.



COMMON SELF-EMPLOYED MORTGAGE MISTAKES

Many self-employed borrowers unintentionally create financing challenges by making business decisions without considering future mortgage qualification.

Waiting until the last minute, poor bookkeeping, excessive tax write-offs, large unexplained deposits, and incomplete documentation can delay or reduce loan approval.

Most of these challenges can be avoided through early planning.

Mistakes to Avoid

- ✓ Waiting too long to prepare
- ✓ Poor bookkeeping
- ✓ Missing tax returns
- ✓ Excessive deductions
- ✓ Unexplained bank deposits
- ✓ Mixing personal and business finances
- ✓ Inconsistent financial records
- ✓ Applying before you're ready

Key Takeaway

Most mortgage problems can be prevented before you ever apply.



Smart Entrepreneur Tip

Good preparation saves far more time than fixing problems during underwriting.

✨ Magic Tip

The smartest mortgage strategy often begins before you file your next tax return.

Myth vs. Fact

Myth

Mortgage approval is mostly based on luck.

Fact

Organization and preparation have a significant impact on approval.

Today's Action

- ☐ Review bookkeeping.
- ☐ Verify tax filings.
- ☐ Organize bank statements.
- ☐ Create an improvement plan.



BUILDING YOUR PROFESSIONAL TEAM

Buying a home while self-employed often

involves a team of professionals working together.

Your CPA helps explain tax returns, your mortgage professional determines qualifying income, your Realtor helps negotiate the purchase, and your financial advisor may assist with long-term planning.

Working together early helps reduce surprises and improves communication throughout the mortgage process.

Your Professional Team

- ✓ Mortgage Professional
- ✓ CPA or Tax Advisor
- ✓ Realtor
- ✓ Financial Advisor
- ✓ Insurance Agent
- ✓ Closing Attorney (where applicable)
- ✓ Title Company
- ✓ Business Bookkeeper

Key Takeaway

Your strongest mortgage strategy comes from a coordinated team.

Smart Entrepreneur Tip

Choose professionals who regularly work with self-employed borrowers.

✨ Magic Tip

A great team helps simplify a complicated process.

Myth vs. Fact

Myth

Your CPA alone determines whether you qualify.

Fact

Every professional contributes a different piece of the mortgage process.

Today's Action

- ☐ Identify your team.
- ☐ Schedule consultations.
- ☐ Share financial goals.
- ☐ Gather contact information.



BUYING YOUR NEXT HOME

Whether you're purchasing your first home, upgrading, downsizing, or relocating your business, preparation makes the mortgage process much easier.

Understanding your budget, qualifying income, available cash, and financing options allows you to shop confidently while avoiding unnecessary stress.

Before You Start Shopping

- ✓ Determine your budget
- ✓ Get pre-approved
- ✓ Review available loan programs
- ✓ Estimate closing costs
- ✓ Understand your monthly payment
- ✓ Build reserves
- ✓ Compare interest rates
- ✓ Plan your timeline

Key Takeaway

Shopping is much easier once you know exactly what you can afford.



Smart Entrepreneur Tip

A strong pre-approval can strengthen your purchase offer.

✨ Magic Tip

The best time to prepare for buying is before you start looking at homes.

Myth vs. Fact

Myth

Finding the house comes before financing.

Fact

Financing first often creates a better buying experience.

Today's Action

- ☐ Set your budget.
- ☐ Obtain pre-approval.
- ☐ Review loan options.
- ☐ Start shopping confidently.



REFINANCING AS A SELF-EMPLOYED BORROWER

Refinancing may help reduce monthly payments, consolidate debt, eliminate mortgage insurance, or access home equity.

Just like purchasing, refinancing requires lenders to evaluate your current income and financial documentation.

Preparing updated tax returns and business financials before applying can improve the process.

Reasons to Refinance

- ✓ Lower your interest rate
- ✓ Reduce monthly payments
- ✓ Eliminate mortgage insurance
- ✓ Access home equity
- ✓ Consolidate debt
- ✓ Finance renovations
- ✓ Change loan terms
- ✓ Improve cash flow

Key Takeaway

Refinancing can be an excellent financial tool when it supports your long-term goals.

Smart Entrepreneur Tip

Compare the long-term savings—not just the interest rate.

✨ Magic Tip

The right refinance should improve your financial picture, not simply change your loan.

Myth vs. Fact

Myth

Refinancing is easier than buying.

Fact

Income documentation requirements are often very similar.

Today's Action

- ☐ Compare your current mortgage.
- ☐ Estimate monthly savings.
- ☐ Gather financial documents.
- ☐ Discuss refinance options.



REAL-LIFE SELF-EMPLOYED BORROWER SCENARIOS

Every business owner has a different financial story, but many face similar mortgage challenges.

Scenario One

A self-employed contractor qualifies for a conventional mortgage after organizing two years of tax returns and reducing unnecessary debt.

Scenario Two

A Realtor uses a bank statement loan because business deductions significantly reduced taxable income.

Scenario Three

A small business owner delays filing taxes for one year while working with a CPA and mortgage professional to improve qualifying income before purchasing a larger home.

Lessons Learned

- ✓ Preparation matters.
- ✓ Documentation matters.
- ✓ Communication matters.
- ✓ Planning creates better financing options.

Key Takeaway

There is rarely only one path to mortgage approval for a self-employed borrower.

Smart Entrepreneur Tip

Every business is different. Build your financing strategy around your unique situation.

✦ Magic Tip

Successful entrepreneurs don't wait for perfect circumstances—they prepare for opportunities.

Myth vs. Fact

Myth

Every self-employed borrower qualifies the same way.

Fact

Loan approval depends on business structure, income documentation, financial history, and the loan program selected.

Today's Action

- Identify which scenario most closely matches your business.
- Write down your questions.
- Review your financial records.
- Schedule your mortgage strategy session.



REAL-WORLD SUCCESS STORIES

Thousands of self-employed borrowers

successfully purchase and refinance homes every year. While every situation is unique, many share the same challenges—tax write-offs, fluctuating income, and uncertainty about qualifying.

Scenario One

A self-employed electrician organized two years of tax returns, reduced revolving debt, and qualified for a conventional loan with a competitive interest rate.

Scenario Two

A freelance graphic designer used a bank statement loan after business deductions significantly reduced taxable income.

Scenario Three

A restaurant owner delayed purchasing for six months while working with a CPA and mortgage professional. Better planning resulted in qualifying for a larger loan with improved terms.

Lessons Learned

- ✓ Preparation creates opportunities.
- ✓ Documentation builds confidence.
- ✓ Planning improves approval odds.
- ✓ Professional guidance matters.

Key Takeaway

Successful self-employed borrowers prepare well before they apply.

Smart Entrepreneur Tip

The earlier you begin planning, the more financing options you'll usually have.

Magic Tip

Preparation is often the difference between a stressful mortgage and a smooth one.

Myth vs. Fact

Myth

Every self-employed borrower has a complicated approval process.

Fact

Many approvals are straightforward when financial records are complete and organized.

Today's Action

- ☐ Identify the story most like yours.
- ☐ List your biggest concerns.
- ☐ Gather your financial records.
- ☐ Schedule a planning consultation.



YOUR SELF-EMPLOYED MORTGAGE ACTION PLAN

Buying or refinancing while self-employed is much easier when you follow a step-by-step plan.

Instead of waiting until you find a home, begin preparing your financial records, understanding your qualifying income, improving your credit, and selecting the loan program that best fits your situation.

Mortgage Preparation Checklist

- ✓ Organize tax returns
- ✓ Update bookkeeping
- ✓ Review qualifying income
- ✓ Improve credit if needed
- ✓ Build cash reserves
- ✓ Meet with your CPA
- ✓ Meet with your mortgage professional
- ✓ Obtain pre-approval

Key Takeaway

A written action plan reduces stress and helps you move forward with confidence.

Smart Entrepreneur Tip

Break your mortgage preparation into small monthly goals instead of trying to do everything at once.

✨ Magic Tip

Small improvements made early often create big opportunities later.

Myth vs. Fact

Myth

Mortgage preparation starts after you find a home.

Fact

The strongest buyers prepare long before they begin shopping.

Today's Action

- ☐ Create your preparation timeline.
- ☐ Gather missing documents.
- ☐ Review financial goals.
- ☐ Set your mortgage target date.



SELF-EMPLOYED MORTGAGE DOCUMENT CHECKLIST

Keeping your mortgage documents organized saves time and reduces unnecessary underwriting delays.

Not every borrower will need every document, but having them readily available helps your lender evaluate your loan more efficiently.

Financial Documents

- ✓ Personal tax returns
- ✓ Business tax returns
- ✓ Profit & Loss statement
- ✓ Business bank statements
- ✓ Personal bank statements
- ✓ Business license
- ✓ CPA contact information
- ✓ Photo identification

Additional Documents (When Needed)

- ✓ Balance Sheet
- ✓ K-1s
- ✓ Articles of Organization
- ✓ Year-to-date financials
- ✓ Partnership agreements
- ✓ Corporate returns

Key Takeaway

Organization is one of the simplest ways to create a smoother mortgage experience.



Smart Entrepreneur Tip

Keep one secure digital folder for all mortgage-related financial documents.

✨ Magic Tip

The document you organize today may save days of underwriting later.

Myth vs. Fact

Myth

Lenders request extra paperwork because they don't trust business owners.

Fact

Documentation requirements are designed to verify stable qualifying income and meet lending guidelines.

Today's Action

- ☐ Create your mortgage folder.
- ☐ Verify your tax returns.
- ☐ Update financial statements.
- ☐ Identify any missing documents.



QUESTIONS TO ASK BEFORE APPLYING

Meeting with a mortgage professional before submitting an application can save significant time and reduce surprises.

Understanding your qualifying income, available loan programs, documentation requirements, and estimated monthly payment allows you to make informed decisions before beginning the home-buying process.

Questions to Ask Before You Apply

- ✓ How will my income be calculated?
- ✓ Which loan programs fit my situation?
- ✓ How much can I qualify for?
- ✓ What documents will I need?
- ✓ How much cash should I have available?
- ✓ Are there ways to improve my approval?
- ✓ What should I avoid before closing?
- ✓ What timeline should I expect?

Key Takeaway

Asking the right questions early creates a smoother mortgage experience.

Smart Entrepreneur Tip

Write your questions down before every meeting so you don't forget important details.

✨ Magic Tip

The best mortgage consultations begin with curiosity, not assumptions.

Myth vs. Fact

Myth

You should only contact a lender after finding a home.

Fact

Planning early often improves both your financing options and negotiating power.

Today's Action

- ☑ Write down your questions.
- ☑ Schedule a consultation.
- ☑ Review your financial goals.
- ☑ Start your mortgage preparation.



FREQUENTLY ASKED QUESTIONS

How many years of self-employment do I need?

Many loan programs prefer a two-year history, although exceptions may exist depending on the circumstances and loan program.

Can I qualify if my income varies?

Yes. Lenders typically evaluate income trends rather than expecting identical earnings every year.

Will business deductions hurt my approval?

Some deductions reduce qualifying income. Planning with your CPA and mortgage professional before filing taxes can help.

What if I recently became self-employed?

Qualification depends on your previous work history, business stability, and loan guidelines.

Can I qualify using bank statements?

Some loan programs allow bank statement qualification instead of traditional tax-return qualification.

Should I wait until tax season?

Not necessarily. Planning before filing taxes often creates more flexibility.

Can I refinance if I'm self-employed?

Yes. The documentation requirements are generally similar to purchasing a home

Key Takeaway

Every business is unique, so your mortgage strategy should be tailored to your specific financial situation.

Smart Entrepreneur Tip

Keep an ongoing list of questions throughout your mortgage journey and discuss them during your consultations.

✨ Magic Tip

Good questions today often become great financial decisions tomorrow.

Myth vs. Fact

Myth

There is only one way for a self-employed borrower to qualify.

Fact

Different loan programs and documentation methods may provide multiple paths to homeownership.

Today's Action

- ☐ Highlight the questions that apply to your situation.
- ☐ Add your own questions.
- ☐ Review them with your lender.
- ☐ Keep your answers in your mortgage planning folder.



YOUR SELF-EMPLOYED MORTGAGE CHECKLIST

Use this checklist to organize your mortgage

preparation before applying for financing. Completing these steps early can reduce underwriting delays and improve your overall borrowing experience.

Not every borrower will need every document or complete every step, but working through this checklist will help you identify areas that may need attention before submitting your loan application.

Financial Preparation

- ✓ Gather the last two years of personal tax returns
- ✓ Gather business tax returns (if required)
- ✓ Update your Profit & Loss statement
- ✓ Organize business and personal bank statements
- ✓ Review your credit report

Business Preparation

- ✓ Verify bookkeeping is current
- ✓ Separate business and personal finances
- ✓ Meet with your CPA
- ✓ Review qualifying income
- ✓ Organize business licenses and formation documents

Mortgage Preparation

- ✓ Meet with your mortgage professional
- ✓ Compare available loan programs
- ✓ Determine your budget
- ✓ Obtain a pre-approval
- ✓ Create your home-buying timeline

Key Takeaway

Preparation before applying often leads to a faster, less stressful mortgage process.

Smart Entrepreneur Tip

Complete as much of this checklist as possible before beginning your home search.

✨ Magic Tip

The borrowers who seem the luckiest are usually the ones who prepared the best.

Myth vs. Fact

Myth

Getting pre-approved only takes a few minutes.

Fact

A quality pre-approval depends on accurate documentation and careful review.

Today's Action

- ☐ Mark completed items.
- ☐ Highlight missing documents.
- ☐ Schedule your mortgage consultation.
- ☐ Set your target purchase date.



YOUR SELF-EMPLOYED SUCCESS ROADMAP

Being self-employed should never discourage you from pursuing homeownership.

While documenting income can be different than it is for W-2 employees, thousands of business owners successfully purchase and refinance homes every year.

Preparation, organization, and professional guidance can help you understand your options and avoid unnecessary surprises during the mortgage process.

Whether you're buying your first home, upgrading, investing, or refinancing, understanding how lenders evaluate self-employed borrowers gives you a significant advantage.

What You've Accomplished

- ✓ Learned how lenders calculate income
- ✓ Understood required documentation
- ✓ Reviewed common loan programs
- ✓ Explored mortgage strategies
- ✓ Learned common mistakes to avoid
- ✓ Built a preparation plan
- ✓ Organized your financial records
- ✓ Increased your mortgage confidence

Key Takeaway

Knowledge and preparation are two of the strongest financial tools available to a self-employed borrower.



Smart Entrepreneur Tip

Continue working with your CPA and mortgage professional throughout the home-buying process.

✦ Magic Tip

Confidence comes from preparation—not guessing.

Myth vs. Fact

Myth

Self-employed borrowers are at a disadvantage.

Fact

Well-prepared self-employed borrowers successfully close mortgages every day.

Today's Action

- ☐ Review your progress.
- ☐ Update your financial records.
- ☐ Confirm your next step.
- ☐ Begin your mortgage journey.



MOVING FORWARD WITH CONFIDENCE

Building a successful business takes

commitment, persistence, and careful planning. Buying or refinancing a home as a self-employed borrower follows many of those same principles. By understanding how lenders evaluate income, organizing your financial records, and preparing well before you apply, you've already taken important steps toward becoming a stronger mortgage borrower.

No two businesses are exactly alike, which means your financing strategy shouldn't be either. The right loan program depends on your income, business structure, financial goals, and long-term plans.

Whether you're buying your first home, moving into a larger home, refinancing your current mortgage, or investing in real estate, preparation gives you more choices and greater confidence throughout the process.

What You've Accomplished

- ✓ Learned how self-employed income is evaluated
- ✓ Reviewed documentation requirements
- ✓ Explored available loan programs
- ✓ Understood common underwriting challenges
- ✓ Learned how tax planning affects qualification
- ✓ Built a mortgage preparation strategy
- ✓ Organized your financial records
- ✓ Created a roadmap toward homeownership

Key Takeaway

Homeownership isn't about having perfect finances—it's about understanding your options and preparing for success.

Smart Entrepreneur Tip

Meet with your mortgage professional before making major financial decisions that could affect your qualifying income.

✨ Magic Tip

Successful entrepreneurs don't leave important decisions to chance. They prepare, adapt, and move forward with confidence.

Myth vs. Fact

Myth

Self-employed borrowers must work harder than everyone else to buy a home.

Fact

Self-employed borrowers simply document income differently. With proper preparation, they purchase homes every day.

Today's Action

- ☐ Review your mortgage goals.
- ☐ Update your financial records.
- ☐ Complete any remaining preparation steps.
- ☐ Schedule your mortgage planning consultation.



THANK YOU

Thank You for Trusting the Utah Homeownership Authority

Owning a business requires planning, discipline, and persistence. Qualifying for a mortgage as a self-employed borrower follows many of those same principles.

We hope this guide has helped you better understand how lenders evaluate self-employed income, what documentation is required, and how preparation can improve your financing options.

Whether you're purchasing your first home, upgrading, refinancing, or investing in real estate, the right planning can help you move forward with confidence.

You don't have to navigate the mortgage process alone. Working with experienced professionals who understand self-employed borrowers can help simplify the process and identify financing options that fit your goals.

Your Professional Support Team

Your CPA or Tax Professional

Helps explain business income, tax returns, deductions, and financial planning.

Your Mortgage Professional

Calculates qualifying income, recommends loan programs, and guides you through the financing process.

Your Realtor

Helps you find the right property and negotiate a successful purchase.

Your Financial Advisor

Assists with long-term financial planning, budgeting, and wealth-building strategies.



Understand your options. Organize your finances. Build a strategy that supports your business and your homeownership goals.



Schedule Your Self-Employed Mortgage Consultation

Contact Information

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Residential Mortgage Loan Officer
U.S. Army Veteran
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