



10 Documents Needed For A Mortgage Application

Unlike the prequalification process, there are some standard documents you'll need to submit for a mortgage pre-approval. Most of these are standard for all borrowers. However, other documents may be required depending on the type of loan you want to get, the type of residence you wish to buy and the kind of work you do.

1. Personal Identification

The mortgage lender will want to make sure they're lending to the right person – and not someone pretending to be you – so a valid form of identification will be required. It must be government-issued and have a photo. Acceptable forms of ID include a state-issued driver's license or ID card, passport or U.S. alien registration card.

2. Social Security Card

Your Social Security card is another form of identification that may be requested by your lender. It adds another verification of your identity and helps match your Social Security number with your picture ID to further confirm it's you who's getting the loan. You'll also need to supply your Social Security number to run a credit check.

3. Pay Stubs

Your most recent pay stubs help verify your monthly [income](#) and show proof of employment. If you're paid with a physical check, you should have the actual stub, which can be copied and sent to the lender. If you're paid through direct deposit, your company should have electronic copies of your stubs. You may also be able to request electronic copies from your bank.

4. Bank Statement

Bank Statements are required for obtaining preapproval because they help verify your income and show that you can afford your down payment. These statements may also uncover any red flags, like bounced checks, insufficient funds, unstable income, payments to other bank accounts and large deposits from unknown sources. You'll likely be asked for checking and saving account numbers and statements for each bank you have used for the last 2 to 3 months.

5. Tax Documents

Certain tax documents, including your two most recent W-2 forms, are also among the documents needed for mortgage preapproval. These documents are another way to verify your income and show how much was taken out for tax purposes. You'll likely be asked to provide W-2s for the last 2 years from current and past employers within that time frame.

While you should keep a copy of your tax returns and W-2s, if you are currently missing some, you may be able to [request tax transcripts and tax returns from the IRS](#). If you used a tax preparer or tax software to file your taxes, they might also have copies.

6. Investment Account Statements

Savings and checking accounts aren't the only places people keep their money – and your job may not be your only source of income. Lenders want to see all of your income and [assets](#) and, therefore, will also need to review your investment account statements. These types of accounts include your 401(k), 403(b), IRAs, stocks, bonds and mutual funds.

7. List Of Monthly Debts

Your debt-to-income (DTI) helps lenders decide whether or not you're able to take on more debt. It shows how much money you have going out versus what you have coming in. There are maximum DTIs for mortgage approval, depending on the type of loan. If your DTI is above that maximum, you may not qualify for a mortgage loan. Your lender will ask for a list of your fixed debts, which are those that are regular, recurring and have a minimum required payment. These debts may include:

- Rent or mortgage
- Car loans
- Student Loans
- Credit cards
- Personal loans
- Home insurance
- Home owner Association fees (HOA)
- Medical bills

Monthly, variable expenses aren't included in your DTI. These may include expenses that change monthly, like utilities, groceries, entertainment and transportation.

When providing your list of debts, include your creditor's name and contact information, your total balance due and the required minimum monthly payment.

8. Rental Information And Landlord References

Lenders want to be assured you'll make your monthly mortgage payments on time. If you're a renter, you'll likely be required to show that you've made on-time rent payments in the past.

You may also be required to include the names and contact information of the landlords you've had previously. This will help the lender verify that you've upheld your financial responsibilities as a tenant. How far back you'll need to show payments or landlord information may depend on your lender.

9. Gift Letters

If a loved one gives you money to use as a down payment, a gift letter will be required to prove the money is not a personal loan that needs to be paid back. If it was a personal loan, it would add to your DTI and possibly make it more difficult for you to pay back your loan.

Certain loans have rules on who you can receive gift money from. For example, conventional loans only allow gifts from family members, with the exception of Fannie Mae also allowing godparents, domestic partner relatives, and former relatives to give gifts. FHA loans also allow gifts from employers, labor unions and [first-time home buyer programs](#), in addition to gifts from most family members.

A typical gift letter will include:

- The donor's name, contact information and relation to the recipient
- The recipient's name and contact information
- The gift amount and date the gift was or will be received
- How the recipient will use the gift money
- Confirmation that the gift doesn't need to be repaid
- Signatures of the donor and recipient

10. Credit Report

A credit report is one of the only documents on this mortgage preapproval checklist that you won't need to provide your lender. They will pull the report themselves once they have your permission to do so.

Your credit report can provide insight into the type of borrower you are and how well you handle different types of debt. It will reveal any red flags, like late or missed payments, significant debts and past bankruptcy. Lenders will also use your report for determining what [mortgage rate](#) your loan will have and the amount they'll approve you for.

While the lender pulls the report on their own, it's wise to review your [credit score](#) beforehand to make sure you're in a good position to qualify for a loan and to spot and fix any errors, if necessary.