

Non-QM Bank Statement Operations Process

STEP 1:

Determine whether you will qualify using personal or business statements

Personal

Borrower maintains a separate business account and transfers profits/draws to their personal account

Business

Qualification based on the deposits to the business account (or they use their personal account as the business account)

STEP 2:

Gather the bank statements

Personal

12 months of their personal statements and 2 months of business statements

Business

12 months of business statements

STEP 3:

Qualify the income (a bank statement income calc is in the Knowledge Coop)

Personal

Add all of the deposits. Deduct any transfers between personal accounts.
Use 100% of the 12 month average to qualify

Business

Add all of the deposits. Deduct any transfers between accounts or refunds.
Use 50% of the 12 month average to qualify

Optional – If you would like an Underwriter with Deephaven to review your income, please upload the documents to the link noted in the attached Website Bank Statement Log In Guide.

Important Note: The income used to qualify will be the lesser of the qualified income or the income shown on the initial 1003.

Other documents that will be required:

CPA letter confirming ownership percentage and length of time business has been in existence (or similar documentation)

Self-Employed Business Narrative (available in the Knowledge Coop)

CPA Expense Statement (Required if you would like to use a smaller business expense ratio to qualify such as 30%)