



Reps Guide for Clients Looking for Funding

1. Must be earning 40K net or more
2. Credit Score of 680 or higher
3. Must be US citizen or Green Card Holder
4. Income effects loan value

**See below for detailed criteria and examples*

Income Requirement Criteria

1. W2 Income, requires 2 recent pay stubs
 - a. Adjusted Gross Income (AGI) of 40K or more
2. Self Employed applicants must have at least 2 years of tax returns with their 1099 income and 40K or more.
 - a. These returns should be consistent and not showing any losses.
 - b. Adjusted Gross Income (AGI) of 40K or more
3. Secondary income sources (i.e. rental properties or 2nd job)
 - a. Must have two years' worth of rental income on tax returns and two years' worth of W2s from 2nd job.
 - b. Bonus & Commission based income
4. Some lenders only require 6 months in commission history before considered verifiable
 - a. Bonus income is verified using the prior year's paystub so it must be at least 1 year old.

Credit Requirement Criteria

1. Minimum credit score needed
 - a. Must be 680 or higher with no derogatory or negative items in the last 6-12 months.
 - b. If scores are below 680 due to high credit utilization, the applicant must be willing to pay down credit cards to 50% or lower.
2. Credit strength and how it differs from score
 - a. A strong credit profile typically has at least 3-4 revolving lines of credit, an average age of at least 3 years or more, as well as less than 2-3 inquiries in the last 6 months on each bureau.
 - b. Files with a lack of open credit or history are often declined or subject to higher rates.
3. Bankruptcy
 - a. Files with a bankruptcy can still qualify but the bankruptcy must be at least 5-6 years old. Their scores must also have rebounded to be 700 or higher.

Co-applicant Criteria

1. Cosigner vs Credit Partner
 - a. In order to **cosign** with someone on an unsecured loan, you must be living together.
 - b. A **credit partner** will not be cosigning. They will be loans of their own that will be used towards the business. They essentially applying for funding in another applicant's stead.

Citizenship Requirement Criteria

2. Green Card or Visa?
 - a. US Citizens or Green Card holders are eligible for unsecured funding. Applicants with a visa, regardless of the type, are not currently accepted by lenders.
 - b. The loan terms on green card applicants are dictated by the number of remaining years on their green card. Ex: An applicant with 6 years until their green card expires will only be eligible for terms up to 6 years.

Examples

Can your client qualify for their loan request?

Typically, the borrowing power of an applicant is based on their current verifiable income. This does not include assets or recent streams of revenue that do not meet the *verifiable* criteria in the above section.

The minimum income required for these loans typically sits between \$35,000 - \$40,000. Applicants making less than that are not eligible.

Example 1: \$50,000 in income client may acquire \$50,000 - \$100,000

Example 2: \$100,000 in income client may acquire \$50,000 - \$250,000

Example 3: \$200,000 in income client may acquire \$50,000 - \$350,000

Example 4: \$300,000 in income client may acquire \$50,000 - \$500,000

**These are rough examples that are affected by debt-to-income ratios, length of terms and rates.*

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