



Loan Applications & Creditworthiness Worksheet

Guided Practice Activity

Part 1: Understanding Creditworthiness

1. What are the "5 Cs of Credit" that lenders evaluate?

List and briefly explain each...

2. Explain how your credit score affects loan approval and interest rates:

Part 2: Required Documentation

3. Create a checklist of documents needed for a loan application:

Document Type	Purpose	Do You Have It?
Document...	Why needed...	<input type="checkbox"/>
		<input type="checkbox"/>

Document Type	Purpose	Do You Have It?
<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="checkbox"/>

Part 3: Debt-to-Income Ratio

4. Calculate your debt-to-income ratio:

Monthly gross income: \$

Monthly debt payments: \$

DTI Ratio: ____%

What does this ratio mean for your loan eligibility?

Part 4: Application Strategy

5. What steps can you take to improve your creditworthiness before applying for a loan?

List specific actions...

6. Why is it important to shop around for loan offers from multiple lenders?

