

Mortgage Eligibility Rules

Rule 1: Income Requirements

- Minimum annual income must be \$50,000.
- Self-employed applicants must provide at least 2 years of tax returns.

Rule 2: Credit Score

- Applicants must have a credit score of 650 or above.
- A score of 700 or higher may qualify for lower interest rates.

Rule 3: Employment History

- Applicants must have at least 2 years of continuous employment.
- Gaps in employment must be explained and justified.

Rule 4: Debt-to-Income Ratio

- The maximum allowable debt-to-income (DTI) ratio is 43%.
- Exceptions may be made for applicants with significant assets.

Rule 5: Down Payment

- A minimum down payment of 10% is required.
- For loans with less than a 20% down payment, private mortgage insurance (PMI) is mandatory.

Rule 6: Property Requirements

- The property must be used as the applicant's primary residence.
- The property must be located within the country.

Rule 7: Age Requirements

- Applicants must be at least 18 years old.

Rule 8: Residency Status

- Applicants must be legal residents or citizens of the country.
- Non-citizens must provide valid visas and proof of legal residency.

Rule 9: Loan Amount Limits

- The maximum loan amount is determined based on the applicant's income and credit profile.
- Jumbo loans may have different eligibility criteria and require higher down payments.

Rule 10: Co-Signer Requirements

- Co-signers are allowed but must meet the same eligibility criteria as the primary applicant.
- Co-signers are equally responsible for the mortgage repayment.

Rule 11: Previous Foreclosures

- Applicants with a history of foreclosure must wait a minimum of 3 years before applying.
- Exceptions may be considered with substantial compensating factors, such as large cash reserves.

Rule 12: Loan Purpose

- The loan must be used for the purchase or refinancing of a residential property.
- Investment properties or second homes may have different eligibility criteria.

Rule 13: Documentation

- Applicants must provide valid identification, proof of income, and recent bank statements.
- Additional documentation may be required based on the loan type and applicant profile.

Rule 14: Mortgage Pre-Approval

- Pre-approval is recommended before making an offer on a property.
- Pre-approval is based on initial evaluation and is not a guarantee of final approval.

Rule 15: Mortgage Term

- The standard mortgage term is 30 years, but options for 15-year or 20-year terms are available.
- Shorter terms may require higher monthly payments but result in lower total interest.