

Financial Report for Housing Loan

Applicant Information:

- **Name:** John Alexander Doe
 - **Date of Birth:** May 14, 1985
 - **Address:** 1234 Elm Street, Springfield, IL 62704
 - **Phone Number:** (312) 555-7890
 - **Email:** johndoe@email.com
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Employment Details:

- **Current Employer:** Springfield Technologies, Inc.
 - **Job Title:** Senior Software Engineer
 - **Employment Start Date:** March 1, 2015
 - **Annual Salary:** \$108,000
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Income Summary:

- **Total Annual Income:** \$140,100 (including rental and freelance income)
 - **Monthly Income (Gross):** \$11,675
 - **Monthly Income (Net):** \$8,750 (after estimated taxes and deductions)
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Assets:

- **Cash and Savings Accounts:** \$14,950
 - **Retirement Accounts (Roth IRA):** \$75,500
 - **Real Estate (Rental Property Value):** \$200,000
 - **Total Assets:** \$305,450
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Liabilities:

- **Mortgage Balance:** \$256,000 (for the new property)
 - **Car Loan Balance:** \$18,750
 - **Credit Card Debt:** \$4,350
 - **Student Loans:** \$32,000
 - **Total Liabilities:** \$311,650
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Monthly Expenses:

- **Mortgage Payment:** \$1,200
- **Car Payment:** \$450
- **Credit Card Payments:** \$150
- **Student Loan Payments:** \$280
- **Utilities:** \$300
- **Groceries:** \$600
- **Insurance (Health, Auto, Home):** \$400
- **Miscellaneous Expenses:** \$300

- **Total Monthly Expenses:** \$3,630
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Financial Ratios:

1. Debt-to-Income Ratio (DTI):

- $DTI = (\text{Monthly Debt Payments} / \text{Monthly Gross Income}) * 100$
- $DTI = (\$2,080 / \$11,675) * 100 = 17.83\%$

4. Savings Rate:

- $\text{Monthly Savings} = \text{Monthly Net Income} - \text{Monthly Expenses}$
- $\text{Savings Rate} = (\text{Monthly Savings} / \text{Monthly Net Income}) * 100$
- $\text{Savings Rate} = (\$5,120 / \$8,750) * 100 = 58.5\%$

8. Housing Expense Ratio (HER):

- $HER = (\text{Mortgage Payment} / \text{Monthly Gross Income}) * 100$
- $HER = (\$1,200 / \$11,675) * 100 = 10.27\%$

11. Total Assets to Liabilities Ratio:

- $\text{Total Assets to Liabilities} = \text{Total Assets} / \text{Total Liabilities}$
 - $\text{Total Assets to Liabilities} = \$305,450 / \$311,650 = 0.98$
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Credit Information:

- **Credit Score:** 720 (Good)
 - **Total Credit Accounts:** 2
 - **Average Account Age:** 3 years
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Final Verdict on Eligibility for Housing Loan: Based on the financial history report, John Alexander Doe demonstrates a strong financial position with a solid income, manageable debt levels, and a good credit score. His debt-to-income ratio of 17.83% is well below the typical threshold of 43%, indicating that he has sufficient income to cover his debts. Additionally, his savings rate of 58.5% shows a strong ability to save, which is favorable for loan approval.

Given these factors, John is likely to be eligible for a housing loan, provided he meets other lender-specific criteria and the loan amount requested aligns with his financial profile. It is recommended that he consult with a mortgage advisor to explore suitable loan options.