

# Schedule C Borrower Documentation Intake Checklist

Borrower Name: \_\_\_\_\_ Date: \_\_\_\_\_ Loan Officer: \_\_\_\_\_

**Key Rule:** 2+ years of self-employment history required by all agencies. Collect all documents at pre-approval — not at closing.

## TAX DOCUMENTS

- 2 years signed 1040 — ALL schedules (not just Sch C)**  
*Most recent 2 years. If extension filed, include extension for both years.*
- Schedule C for each year**  
*Part of 1040 — confirm it is included and legible.*
- Schedule SE (Self-Employment Tax) for each year**  
*Confirms SE tax paid; required for all Schedule C borrowers.*
- Form 4562 — Depreciation & Amortization Schedule**  
*Required to support and verify the Line 13 depreciation add-back.*
- Business tax returns — if borrower owns ≥25% of any entity**  
*Fannie/Freddie: 2 years required. FHA/VA/USDA: if entity type warrants.*
- IRS Form 4506-C — Transcript Authorization (signed)**  
*Required by FHA; best practice for all loans. Must match filed returns exactly.*

## AGENCY-SPECIFIC REQUIREMENTS

- FHA: IRS transcript (4506-C) must match returns exactly**  
*Any discrepancy between transcript and submitted returns will stall or kill the file.*
- VA: Residual income analysis worksheet completed**  
*Required in addition to DTI. Family size + region determine minimum residual income.*
- USDA: Household income eligibility verified**  
*ALL household members' income counts toward USDA limits—not just the borrower's.*
- USDA: Property confirmed in USDA-eligible area**  
*Verify at [eligibility.sc.egov.usda.gov](http://eligibility.sc.egov.usda.gov) before pre-approving.*
- Freddie Mac: Form 91 (Income Analysis Worksheet) completed**  
*Required for all conventional Freddie SE files. Do not calculate manually without it.*
- Fannie Mae: Form 1084 (Cash Flow Analysis) completed**  
*Required for all conventional Fannie SE files. Must reconcile line-by-line with Sch C.*

## FINANCIAL DOCUMENTS

- YTD Profit & Loss Statement (current year, signed)**  
*FHA: >3 mo. VA: >120 days. USDA: >12 mo. Must be signed by borrower.*
- YTD Balance Sheet (recommended for all files)**  
*Supports business liquidity analysis required by Fannie & Freddie.*
- 12 months business bank statements**  
*Corroborates income on returns and P&L; documents deposit activity.*
- 12 months personal bank statements**  
*Shows how business income flows to personal accounts; sources large deposits.*
- Documentation for large or irregular deposits**  
*Any deposit not traceable to business income must be sourced and explained.*
- Evidence of business liquidity / cash reserves**  
*Fannie/Freddie require confirmation business can sustain ongoing operations.*

## BUSINESS VERIFICATION

- Current business license (active)**  
*Must be current. Confirms business is legally operating at time of application.*
- DBA filing — if operating under a trade name**  
*Required when legal name differs from business name on statements or contracts.*
- CPA / accountant letter confirming self-employment status**  
*Should confirm SE status, length of history, and opinion on business viability.*
- Business website, LinkedIn, or Google Business profile**  
*Establishes business as legitimate and ongoing. Used by underwriters to verify existence.*
- Evidence of ongoing operations (invoices, contracts, receipts)**  
*Shows active operation. Recent invoices or contracts showing current revenue activity.*
- Client contracts or letters of engagement (optional/recommended)**  
*Powerful for complex files — demonstrates ongoing revenue pipeline.*

## NOTES & ADDITIONAL DOCUMENTATION NEEDED