

Frequently Asked Questions regarding Low Doc loans

1. What are low doc loans?

Low doc loans are flexible mortgage and finance solutions for borrowers who are self-employed, contractors, sub-contractors or people who don't receive PAYG payslips, standard financial statements or tax returns in the traditional sense.

Low Doc loans rely on alternate methods to confirm your income which may include verifying your own income and a supporting letter from your accountant, bank statements or even your BAS statements.

Low doc loans still need the other criteria to be met which are required by lenders before they will lend money. This includes proof of savings, good character of the borrowers, to be able to afford the loan and for the loan to be for specific legal purposes.

2. What can Low Doc Loans be used for?

Low Doc loans can be used to:

- ✓ Purchase your first home
- ✓ Purchase an investment property
- ✓ Fund your business
- ✓ Build
- ✓ Refinance your existing mortgage to a more suitable lender and loan
- ✓ Consolidate your debts into one mortgage to increase your cash flow
- ✓ Purchase most things a fully verified, standard bank loan can be used to purchase

3. How will I know if I am eligible?

To find out whether you are eligible for a low doc loan, you merely need to contact Chocolate Money to establish what you are hoping to achieve and an overview of your situation. Your Chocolate Advisor will be able to let you know which loans you are eligible for and their terms. Alternatively, your Chocolate Money Advisor will be able to set out a plan for you to follow so as to be able to borrow the amount of money you are after.

If your bank has declined your application or advised you are not eligible for a home loan, don't believe this is the case with all banks or lenders. Contact Chocolate Money on 1300 137 539 for solutions to your challenge and money to achieve your dreams.

4. How do I improve my chances to secure a loan?

There are various things you can do to increase the likelihood of obtaining a low doc home loan which includes:

- ✓ Having a clear credit report
- ✓ Paying your existing obligations on time
- ✓ Not having defaults, bankruptcies or other credit impairments
- ✓ Saving a higher deposit amount

5. Are Low Doc Loans more expensive than standard home loans?

There are many types of low doc loans available for different borrowers and purposes. The more information provided to certain lenders, the lower the interest rates and fees incurred. This is known as a 'rate for risk' credit policy; the lower the risk, the lower the rates and the reverse is true of course.

6. How can Chocolate Money help me?

Chocolate Money has been helping self employed borrowers since 2003 and therefore specialises in low doc home loans. As the preferred provider of finance to the building industry, Chocolate has the experience, contacts and access to loans at the best terms and rates available.

You merely need to contact the team on 1300 137 539 or email info@chocolatemoney.com.au

www.chocolatemoney.com.au | 1300 137 539

