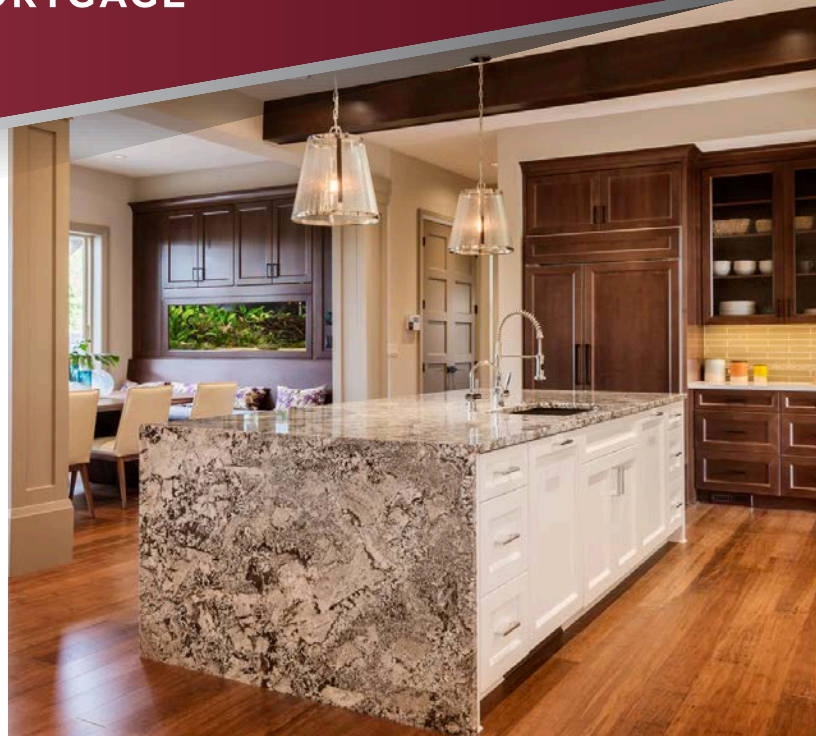
NON-TRADITIONAL INCOME HOMEBUYER GUIDE

Flexible Mortgage Solutions Tailored to Modern Workers

BankSouth MORTGAGE



Welcome to Your Personalized Mortgage Guide

If you're self-employed, you already know how to take control of your future, but the mortgage process may feel like it wasn't built with you in mind. That's where we come in.

At BankSouth Mortgage, we believe in meeting borrowers where they are. We understand that not every income stream fits into a traditional box, and that your financial health can't be fully captured on a W-2.

This guide was created specifically for self-employed homebuyers, freelancers, gig workers, and small-business owners. Inside, you'll find:

Let's turn complexity into clarity and help you move forward with confidence.

Is This You?

Then This Guide Was Made with You In Mind.

Self-employed borrowers are some of the most financially savvy clients we work with. But because your income looks different on paper, getting a mortgage can feel unnecessarily complicated. That's why we offer loan programs designed just for you.

You might benefit from a Non-QM loan if you are:

- A freelancer or independent contractor earning 1099 income
- A small-business owner with strong cash flow but high tax write-offs
- A rideshare or gig-economy worker with fluctuating income
- A real estate investor using rental income to grow your portfolio
- A high-net-worth retiree with low monthly income but strong liquid assets
- A borrower rebuilding after credit events like bankruptcy or foreclosure

Bottom line?

If your income is non-traditional but stable and verifiable, we have flexible mortgage options that can work for you.

ReadyLoan®
Powered by BankSouth Mortgage

Your Mortgage Made Simple

ReadyLoan® is BankSouth Mortgage's easy-to-use digital mortgage platform designed to make home financing faster, smarter, and stress-free. Whether you're a first-time homebuyer, refinancing, or helping a client navigate the process, ReadyLoan puts powerful tools right in your hands—online or through the mobile app.

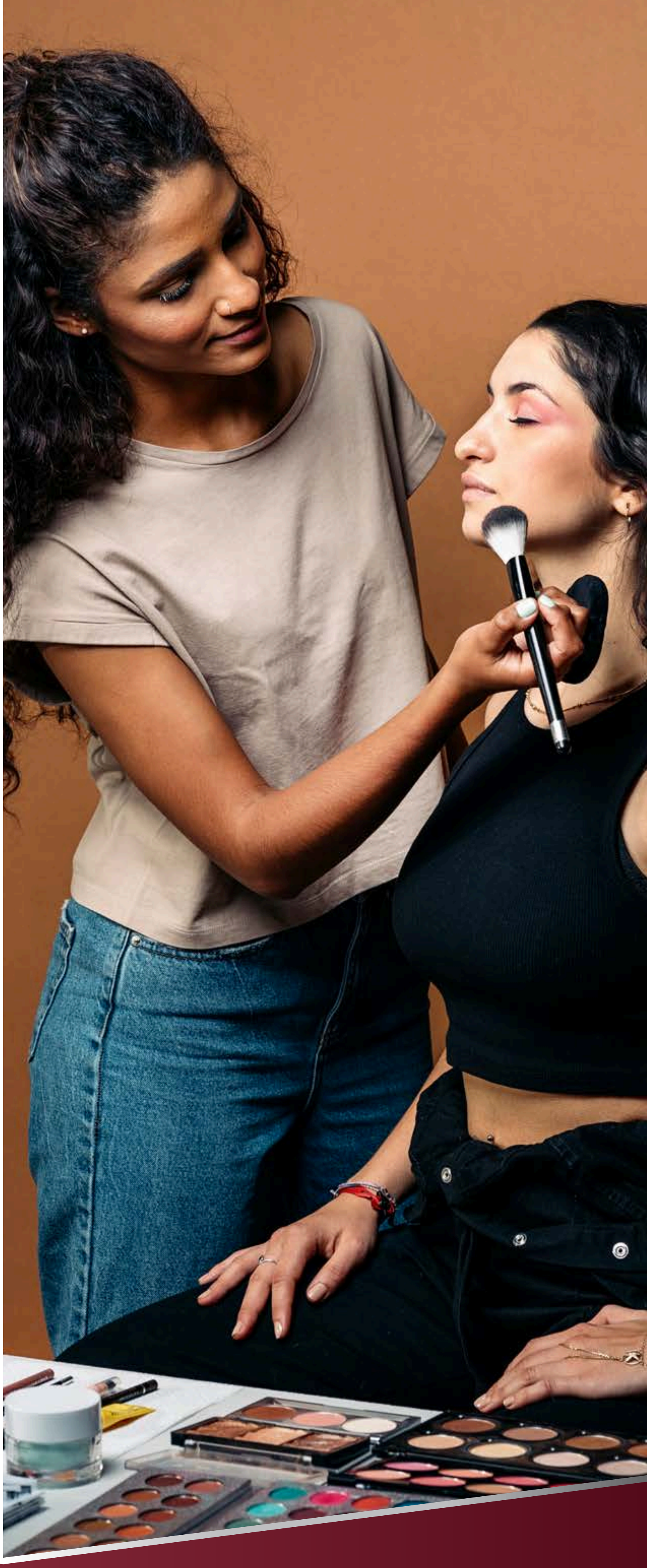
With ReadyLoan, you can:

- Apply anytime, anywhere—start your application in minutes
- Track your loan progress in real time
- Securely upload and e-sign documents
- Stay connected with your loan officer every step of the way

Need to move fast? ReadyApprove™, a feature within ReadyLoan, helps qualified borrowers get conditionally approved within hours—so you can shop with confidence and close with ease.

Get Pre-Approved now!

Scan here and start today.



Understanding Non-QM

Built for Borrowers Like You

Non-QM (Non-Qualified Mortgage) loans are fully regulated mortgage programs designed for borrowers who don't fit conventional loan criteria. These loans allow alternative documentation, like bank statements, 1099s, or asset records, instead of relying solely on W-2s and tax returns.

Non-QM loans are NOT subprime. Most of our Non-QM borrowers have solid credit, verifiable income, and strong financial profiles. They simply need underwriting that reflects how they actually earn and manage money.

Why Non-QM loans make sense:

- Flexible income documentation
- Competitive interest rates
- Loan options for high-credit and high-asset borrowers
- Short-term bridge to conventional refinancing if desired
- Designed to accommodate entrepreneurial income structures

This is about **smart** lending, not **risky** lending.

Your Income is Unique. Your Loan Should Be Too.

We offer a wide range of Non-QM programs, each designed to meet different financial needs. Here are some of our most popular options:

Bank Statement Loans

- Use 12–24 months of personal or business bank statements
- No tax returns required
- Ideal for borrowers with strong cash flow and high deductions

1099 Income Loans

- Qualify based on your 1099 forms and bank deposits
- Perfect for independent contractors, consultants, and creatives
- Less restrictive than traditional self-employment income guidelines

Investor Cash Flow Loans (DSCR)

- Qualify based on rental income, not personal income
- Available for single-family, multifamily, or short-term rental properties
- Great for building long-term wealth through real estate

Asset-Qualifier Loans

- Use liquid assets (savings, retirement, brokerage accounts) to qualify
- Designed for retirees, high-net-worth individuals, or semi-retired professionals
- No employment or income verification required

Interest-Only Loan Options

- Pay interest only for the initial period (usually 5–10 years)
- Helps maintain lower monthly payments while cash flow stabilizes or grows
- Available across several Non-QM programs

What You'll Need to Apply

While each program has its own requirements, most Non-QM loans for self-employed borrowers require:

Credit History
- Minimum FICO: Typically 660–680+
- Many borrowers in the 700+ range
- Credit history is reviewed holistically

Income Documentation
Depending on the program, you may provide:
- 12–24 months of bank statements
- 1099 income documentation
- Profit & loss statements (in some cases)
- Rental income statements for investment properties
- Asset statements for asset-based loans

Down Payment
- Typically 10–20%, depending on credit and program
- Higher down payments may result in better terms

Assets & Reserves
- Proof of cash reserves or liquid assets is often required
- Common reserve requirement: 3–12 months of housing expenses

Our team will guide you in selecting the right documentation for your unique situation, no guesswork required.

FAQ

Smart questions deserve straightforward answers.

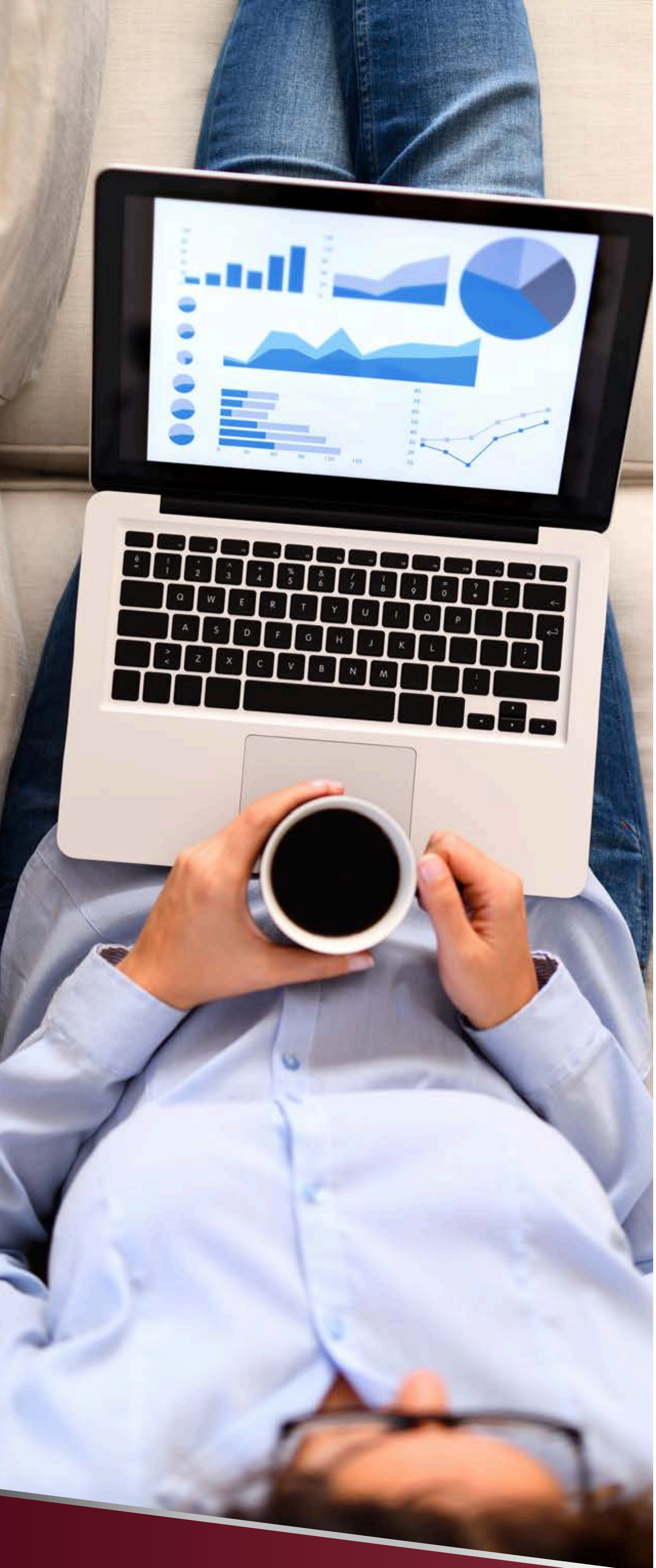
Q: Are Non-QM loans risky or subprime?
A: No. These are fully regulated loans for creditworthy borrowers with non-traditional documentation. **They are not subprime and not high-risk**.

Q: Are the interest rates much higher?
A: Rates may be slightly higher than conventional loans, but often far lower than private or hard-money alternatives. They're competitive and based on your profile.

Q: Will I have to refinance later?
A: Not necessarily. But many borrowers use Non-QM as a short-term bridge, then refinance into a conventional loan when eligible.

Q: What's the biggest benefit of Non-QM?
A: Flexibility. You can qualify based on how you actually earn and manage money, not just how it appears on your tax return.

Q: Is the process harder than a conventional loan?
A: It's just ***different***. With the right team, it can be just as smooth. We walk you through every step.



What Happens Next?

Let's Build a Plan That Works for You.

Self-employed borrowers often face more questions and complexities, but the right lender can turn uncertainty into opportunity.

Here's how to get started:

1. **Gather the Right Documentation**
   Start collecting your most recent:
   - 12–24 months of bank statements (personal or business)
   - Most recent 1099s (if applicable)
   - Asset statements if you're considering asset-based options
   - Any documents showing rental income (for investor loans)
2. **Connect with a Loan Officer**
   Talk to someone who understands non-traditional income. A Non-QM loan isn't one-size-fits-all. The right mortgage advisor will review your entire financial picture and build a custom plan.
3. **Download the ReadyLoan® App**
   Apply securely, upload documents, and track your mortgage progress, all in one place. It's designed to make the home loan process easier for everyone, including self-employed borrowers.
4. **Explore Your Buying Power**
   Want to know what you may qualify for? Let's run a custom pre-approval based on your actual cash flow, not just what your tax return shows.
5. **Ask Questions. We're Listening.**
   We know this process may feel unfamiliar, but you're not doing it alone. We're ready to help you ask the right questions, compare your options, and move forward with clarity.

You've built your career on independence. Now let's build a mortgage strategy that reflects it.

You Deserve a Mortgage Experience That Reflects You

You've worked hard to build something of your own: your income, your business, your lifestyle. Now it's time to take that same ownership and apply it to your next chapter: homeownership.

At BankSouth Mortgage, we understand that your financial picture is more than just numbers on a form. It's a story of independence, strategy, and long-term thinking.

We're here to listen to that story and help you write the next chapter with confidence.

Why Borrowers Like You Choose BankSouth Mortgage

- We specialize in solutions for self-employed, gig-economy, and investor borrowers
- Our loan officers take the time to understand your full financial picture
- We offer tools and technology to make your process simple and secure
- You'll always get clear communication, responsive service, and respect

No matter how unique your situation may be, we're ready to help you move forward with confidence.

BankSouth
MORTGAGE
ReadyLoan
Calculator
You have 4 tasks
Get Pre-Approved now!
Scan here and start today.
Equal Housing Lender. NMLS #690971. BankSouth Mortgage Company, LLC. BankSouth Mortgage is a wholly owned subsidiary of BankSouth. Subject to credit and property approval. Terms subject to change and may vary. This is not a commitment to lend. Property insurance, and if applicable, flood insurance required. For more details contact your Loan Officer today.