



LO DOC LOANS FACT SHEET

What is a Lo Doc Loan?

There are no requirements to provide financials for a Lo Doc or Lite Doc loan – it's a quick and easy mortgage and finance solution. You will be required to complete and sign an income declaration form with the standard home loan application – however no proof of income is required. This saves you the hassle of working through pay slips, tax returns and other documents when applying for a home or investment loan.

Changes in lifestyles and financial trends are adding to the demand for non-conforming products, like Lo Doc Home Loans or No Doc Home Loans. They are called lo docs because you are usually only required to supply the lender with a declaration (which comes in different forms) that you can afford the repayments.

The downside is that most Lo Doc Home Loans are usually slightly more expensive than traditional loans. This is due to the higher risk the lender takes by not requiring evidence of your income. However, several lenders now offer Lo Doc loans at standard home loan rates.

Who can qualify for a Lo Doc Loan?

Lo Doc loans are for clients looking to purchase or refinance residential or investment properties. These types of loans have made it easier to access mortgage loans for people who are self-employed, Independent Contractors, Investors, No-Financials borrowers, CRAA Impaired, Ex-Bankrupt or clients with arrears on current mortgages and borrowers who have been rejected by traditional lenders. You will generally be required to provide your Australian Business Number (ABN) when you apply for a Low Doc Loan.

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