

GETTING TO KNOW YOUR SELF-EMPLOYED CLIENTS



Every client and every business are unique. Let us help you get to know your client so you're confident their application will move smoothly through the approval process.

Run through this checklist of questions before sending in your self-employed client's application.

- What is the business they own?
 - a. What industry is it in?
 - b. Is it business-to-business (B2B) or business-to-consumer (B2C)?
- Are they sole proprietor, incorporated or limited?
- Is there a non-reporting cash component to their business?
 - a. Is this reasonable based on the type of business?
- How many years has the business been operating?
 - a. Does the client have previous tenure in the same industry?
 - b. If so, for how long?
- How does your client pay themselves?
 - a. T4, dividend or a combination?
- Are there any partners or shareholders?
- What is the borrower's percentage of ownership?
- Do they have any employees?
- Are their year-to-date revenues on track to support their previous financials?
- Where is this business operating?
- Will shelter costs be changing any time soon?
- Does your client have any outstanding personal income taxes?

Questions to ask yourself after you've gotten to know your client's business.

- Does it make sense for such a business to operate in this location?
- Is it reasonable to think the client has the capacity to maintain the same earnings and pay in the future?
- What is the equity position of the client?
- What is the LTV?
- What is their credit history?

Assessing the answers to these questions with the help of your expert alternative lender BDM will put you and your client in a position to succeed. The more you understand your self-employed clients and their business, the better you will serve a rapidly growing market. [Give your BDM a call](#) and go over these questions together.