

The value of self-employed borrowers.

The size of the self-employed opportunity

There are more than **2.5 million**¹ small businesses in Australia, and over **\$140 billion**² in outstanding loans to small businesses.

Self-employed people are almost **50% more likely**³ to have investment properties than those who aren't self-employed, and more than **40% of them**⁴ approach non-bank lenders for finance.

There is significant opportunity for brokers to expand their client base into self-employed lending, to help make their portfolio more robust and their customer base more versatile.



How Resimac's Alt Doc loan products support self-employed borrowers

Sometimes full financials aren't available or they don't tell the whole story of your customer's income and serviceability. Or perhaps their business structure is complex, and documentation is difficult to collate.

The Resimac Prime Alt Doc product allows self-employed applicants to use alternative methods to verify their income.

The Resimac Specialist Alt Doc product is also available to self-employed borrowers, as well as those who fall outside standard lending guidelines, such as credit impaired borrowers, contract workers and other applicants who do not fit into mainstream products, or borrowers who have reached their exposure with mortgage insurers.

Learn more about Resimac's Alt Doc products:

- > [Prime Alt Doc product specs](#)
- > [Specialist Alt Doc product specs](#)

1. ABS Counts of Australian Businesses, including Entries and Exits as at June 30 2023.
2. Australian Banking Association SME Lending Report November 2022.
3. RBA Household Distribution of Debt Report June 2020.
4. Australian Small Business and Family Enterprise Ombudsman Report December 2020.

Demonstrating the income of self-employed borrowers

Self-employed borrowers may not have standard financial documentation, but they could have viable business models and sufficient income to service loan repayments. Resimac's Alt Doc loan products allow the following alternative income verification methods:



Accountant's verification

Alex is a graphic designer and content creator who has built a new income stream by selling online courses and running masterclasses. His income has increased significantly in the last six months and will continue growing. Most lenders would look at Alex's income from the past two financial years and not see a true reflection of his current financial position, but Alex's accountant can verify his actual income, and he can secure the loan to buy his first home.

Business Activity Statements (BAS)

With more people wanting to grow their own produce at home, Linda has found that her online sales of grow-at-home organic veggies have quadrupled. She plans to increase her production and intends to use the equity in her home to do so. By providing BAS that reflect the increase of her income, Linda was able to get a loan with Resimac and use the cash out to expand her business.



Business bank statements

Layla is an independent fashion designer whose income has increased dramatically over the last five months. She plans to open her own boutique, but with no BAS most lenders would not approve the loan. Resimac's Specialist Alt Doc product allows Layla to use her business bank statements from the past three months to verify her income.

Getting started with self-employed borrowers

Who are your self-employed friends? Do you hire independent contractors? You know their story, you can get to know their business and then all you need to know is how to help them apply for the right finance product.

You don't need to be an expert in Alt Doc lending; that's our job! At Resimac, we'll help you understand your customer's situation, find the right loan product, avoid errors in the application, and speed up the process.

Get in touch

If you're new to non-Prime lending, we recommend being proactive and reaching out to a Resimac BDM.

[Find your BDM >](#)

You can find your loan BDMs details on BrokerZone, our broker resource page that is available to all brokers who recognised that there's no 'one-size-fits-all' approach to lending.

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