



Mortgages Factsheet

How to improve your chance of acceptance

With a shortage of mortgage funds particularly for those with smaller deposits at their disposal, lenders will use any excuse to delay or in some cases decline your mortgage application.

So, if you have a large deposit, a perfect credit history, can prove your income and don't need to borrow a massive multiple of your income then you're likely to find it relatively easy to get funding.

However, if you are one of the millions of borrowers who need to borrow a large percentage of the property value or have a less than perfect credit history you're still going to find it harder to get a mortgage than it was a year or so ago.

Fortunately there are some things you can do to give yourself the best chance of success and to increase your chance of being accepted by a lender where others in a similar position are being turned down.

One thing to remember is that most lenders are currently in the position where they can be 'picky' and selective in who they lend to.

This means that you need to make it easy for them to say yes and difficult to decline your application. This doesn't mean that you are guaranteed a mortgage no matter what your circumstances, but you can certainly improve your chances by presenting your application in the right way.

Here is our ten point guide;

1. Present your application **fully** completed with **all** relevant information.
2. Provide supporting correspondence to explain any unusual circumstances.
3. Get a copy of your credit report and make sure the information contained in the report matches that in your application - if not provide reason for any discrepancies.
4. Be realistic with your expectations - any unusual aspects to your application may mean paying a premium on the rate.
5. If your income is irregular or from multiple sources provide evidence going back as far as possible and reassurance that it will continue in the future.
6. If applying for a high income multiple provide a realistic budget planner with as much detail as possible.
7. If you have other assets then provide details in a full assets and liabilities statement.
8. If there is any history of adverse credit or missed payments provide a full explanation of circumstances and reasons why it will not be repeated in the future.
9. If re-mortgaging to a high level of the property value then make sure the property is presented in the best possible light when the surveyor visits. This will maximise your chances of getting the highest possible valuation.
10. If problems are severe consider using a mortgage broker, even if this means paying a fee. A good broker will be experienced at presenting your case in a good light and will have contacts with lenders who may be more sympathetic. In addition, they will have leverage with lenders who may be keen to retain other business from the broker.