



FULL CIRCLE
Financial Services Limited

What a Mortgage Provider looks for in a Mortgage Application:-

We have set out below the steps involved in seeking and securing a mortgage but firstly it is worth noting what the lenders are looking for when you submit an application to them:-

- Lenders are keen to see that ***you can manage your mortgage repayments*** and still have enough money left to meet all other commitments and enjoy yourself. They will also want to ensure ***you can handle interest rate increases*** to your mortgage payments if interest rates do increase along the way. The following are some of the areas they will look at to see if your mortgage application stacks up:-
- ***Your Income;*** including any bonuses / overtime or other sources of income. If you have a good consistent income and / or you have two incomes this will strengthen your application.
- ***Your Savings;*** It is really important to demonstrate a good strong savings record over 9 / 12 months – it helps to demonstrate your commitment to making regular payments every month. If you are paying rent (and this is evidenced via a bank account) this combined with savings shows the level of commitments you currently have and how this may be 'repeated' if you have a mortgage. In addition a good level of savings helps to show the lender that you can meet additional associated costs including deposit, legal fees, stamp duty, furniture and kit out costs etc.
- ***Your day to day bank activities;*** Good banking records is always a plus. This means that you should be able to demonstrate that you have managed your monthly commitments in a satisfactory manner.
- ***Other borrowings;*** If you have other commitments (e.g. credit cards / personal loans) the repayment history should be fully satisfactory and ideally you should pay down these commitments – or as much as you can afford – as additional borrowing is likely to effect the amount you can borrow for your mortgage.

Your Lender doesn't expect you to be perfect but they do expect you to have a good understanding of the level of commitment involved and welcome your efforts to show them that you are fully aware of the responsibilities that come with a mortgage.

www.fcfinancial.ie / michael@fcfinancial.ie / nigel@fcfinancial.ie / 01 253 00 60