

Hints & Tips: packaging

Perfectly packaged cases mean quicker mortgage offers and a better service for your customers. So to help you package the perfect Shawbrook case we have put together this handy guide.



Two simple steps to submitting a mortgage application with us

1

Complete the required information on our 'online Mortgage Portal' (DJ) for an Agreement in Principle (AIP) and if accepted, proceed to a full application

2

Upload all requested documents, plus any other supporting documentation and submit the case

Once you have followed these steps we will review the application and be in touch on what happens next.

Things to remember

- Where the customer is using the second charge to consolidate debt please:
 - ✓ Provide an explanation of how the unsecured debt built up or why they are over their limit
 - ✓ Provide an explanation of what any remaining funds will be used for (outside of any consolidation)
 - ✓ Provide an explanation of how the loan will be reducing the applicant's future expenditure
- Please correctly input the gross and net income, especially for self-employed applicants. Please include NI contributions, even if they are not stipulated on the SA302
- Please ensure that the income entered on the online Mortgage Portal (DJ) matches the income evidence submitted
- Where the customer is using the second charge for home improvements we require a breakdown of how the funds are to be used. If the improvements include an extension or construction work, then we would like to know whether there is planning consent. If planning consent has already been obtained, please supply at application

A guide to submitting documents Bank Statements

Where any part of the loan is being used for material unsecured debt consolidation (defined as greater than £35,000) and where disposable income is over £1,000 per month, we will require the last 2 months' consecutive bank statements for any sole or joint current accounts used by the applicant(s).

Assessments will be made in respect of the following:

1. Account conduct (large overdraft not aligning with high surplus income, returned items or large cash advances)
2. Evidence of any undeclared credit commitments (credit cards/loans not on credit search, education costs or undisclosed maintenance payments)
3. Evidence of vulnerability (large number of gambling transactions or online entertainment expenses indicating more of a commitment or addiction)

SA302s

Tax overviews will also be required - documents need to be dated within 21 months of the tax year end, being 31st January.

Need help packaging a case?

Pre-submission contact the Broker Support Team on 0345 600 7681

Post submission contact the underwriting team via the messaging facility on our Online Mortgage Portal (DJ)



Documents required to verify income

Employed

Basic income

Last 2 months' (or last 3, if paid weekly) consecutive original or certified payslips and a P60 or an employer's letter detailing the previous 12 months' income

Commission/Overtime

A P60 detailing the previous 12 months' level of additional income above the basic pay will be required to confirm this to ensure that the overtime or commission is not reflecting a false income position

Self-employed

Basic income

Where the customer has been self-employed for less than 2 years but more than 12 months we require:

SA302 dated within 21 months of the tax year end (being 31st January)

and

Tax year overview statement that corresponds with the SA302

and

The latest month's business bank statement dated within 2 months of the Mortgage Offer being issued

Where the customer has been self-employed for 2 or more years we require:

Two years' SA302s dated within 21 months of tax year end (being 31st January)

and

Tax year overview statements that correspond with the SA302s

and

The latest month's business bank statement dated within 2 months of the Mortgage Offer being issued

Limited companies

We actively look on Companies House for information about the company and its accounts. We will pay particular attention to areas that may signal financial distress such as shareholder funds decreasing year-on-year, profits dropping over the years but higher level dividends. These examples would prompt us to find out more about your customer.

Fluctuating income figures

We are fully aware that on occasions you may have self-employed customers whose income fluctuates. To be able to assess this responsibly:

- Where the year-on-year income has increased by no greater than 20% from the previous year, use the income stated on the latest SA302
- Where the year-on-year income has increased by greater than 20% an average of the last 2 years' SA302s will be used to mitigate the high increase to ensure affordability is sustainable
- Where the year-on-year income has increased by greater than 20% and you wish to use the latest SA302, we will allow referrals to be submitted where a reasonable/plausible explanation can be provided
- Where the year-on-year income has decreased by more than 15%, we will require a reasonable explanation that must include the reason for the reduction and sustainability of the current income
- Where the year on year income has increased by more than 20% or decreased by more than 15%, we will require the latest fully signed business accounts (audited, if available) for further assessment. Abbreviated or filtered accounts are unacceptable

Here to support you

If you or your team require further training on our packaging requirements, please contact your dedicated BDM or BDE who will be more than happy to provide this support so that we can work together to offer your customers the best service possible.

For further guidance please refer to our Criteria Guide

THIS DOCUMENT IS FOR **PROFESSIONAL INTERMEDIARIES ONLY** AND SHOULD NOT BE SHOWN OR DISTRIBUTED TO POTENTIAL CUSTOMERS

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