



Property
Finance.

Packaging Guide

Broker Submission Checklist

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 checklist of key things our underwriters will be looking for.



Applicant 1 name:

Applicant 2 name:

Application form (Fully completed & signed)



- Provided all contactable numbers & email addresses for each applicant
- Employment name & address provided for **all** applicants
- If applicable, provide a feasible lending into retirement explanation
- Accurate DOBs for **all** children provided & noted on DJ Broker Hub
- If applicable provided childcare costs (are both applicants working)
- Accurate DOBs for **all** occupants provided & noted on DJ Broker Hub
- Provided an accurate household composition?
- Provided fully completed waivers, including the correct DOBs
- Property details fully completed on the application form
- Provided proof the mortgage payment is repayment
- If mortgage is I/O & finishes before the new Shawbrook loan, provided a viable exit strategy
- Evidenced current mortgage has more than 5 years remaining on term (whole years)
- Application form signed by **all** applicants

Direct debit mandate (Fully completed & signed)



- The details on the DDM form match those input into the DJ Broker Hub
- If applicable, the sole bank account/multi-declaration form & direct debit details **all** match

Land registry (System generated)

As part of the application process, you will be required to carry out a Land Registry search via the DJ Broker Hub. This will be done automatically as you step through the case.

- Checked names match as per application
- Checked address matches as per application
- Is the property leasehold – checked any ground rent/service charges and factor into expenditure
- Checked any restrictions

In addition, the underwriter will be checking the mortgage start date matches with the credit search.

Shawbrook credit search (System generated)

As part of the application process, you will be required to carry out an Equifax credit search via the DJ Broker Hub. This will be done automatically as you step through the case.

- If AML failed or not on voters roll, certified ID & POR has been provided as per criteria
- Provided explanation of credit build up – is it plausible with the profile?
- Provided viable explanation of any adverse – is it plausible with the profile?

BTLs been identified?

- Used and provided the correct online calculator
- Provided assets & liabilities form

If the BTL properties are let and using rental income see requirements under “Income” below.

Income (Full breakdown of acceptable income shown on pages 6 – 12 in our Criteria Guide)

Employed

- Latest pay slips provided as per criteria
- Any furlough/sick pay noted – refer to criteria guide for further guidance
- Have you included any commission or overtime? If so, we now consider 100%
- Are you using a bonus? If so, remember we only accept 50% of bonus payments
- Are there pension deductions on pay slips? If not, have you taken 3% as per criteria into account?
- Bank statements to support pay slips provided

Self – Employed

- Last 2 years' SA302s provided (if trading less than 2 years, then the latest to be supplied)
- Last 2 years' corresponding tax overviews provided
- Provided latest signed accounts
- Provided latest 3 months' business bank statements
- Checked for Bounce Back Loans and Gov grants and factored into affordability (see criteria guide)

Has there been an increase/decrease in income?

- Used an average of the last 2 years where increase is more than 20%?
- Provided explanation for the increase where increase is more than 20%?
- Used the latest SA302 figure where decrease is more than 15%?
- Provided explanation for the decrease where decrease is more than 15%?
- Checked any Covid-19 impact on income/business

Other income

Refer to criteria guide regarding other acceptable income types.

If foster care income, this must be referred before submission

Valuations (Instructed through DJ Broker Hub)

AVM, drive by or full internal valuation is required for each loan application (unless the case qualifies for a valuation bypass). You must instruct the valuation on DJ Broker hub, which will automatically upload to the case. **AVM criteria is shown on page 18 of our criteria guide.**

- Investigated and provided supporting information for any AVM warning messages?
- Checked LTV accuracy and DJ Broker Hub is reflective of valuation figure
- If down valued, checked if LTV is affected. Does this still qualify for an AVM?

Loan purpose & consolidation

- Consolidation – Provided a form fully completed, signed and with acc numbers and refs
- Consolidation – Provided a consolidation form that matches the DJ Broker Hub
- Consolidation – Provided statements for all consolidation
- Consolidation – Explained debt accumulation exceeding 35% of gross income (credit card/overdraft)
- Home Improvements – Provided breakdown of works up to £50k. Where £50k+ provided monetary breakdown
- Home Improvements – Ensured the loan will cover the expected costs/quote
- Home Improvements – Provided contingency (of 10%) if over £50k
- BTL Purchase – Ensured if there is an additional mortgage it been included as expenditure?
- Provided an explanation for any cash out (over 10%)

Anything else to note

Important to note: Whilst the DJ Broker Hub will provide a generic requirements list based on the information that has been entered, it is imperative to understand that the case is subject to a full underwrite and there could be further requirements following review.

Two simple steps to submitting a second charge mortgage application with us



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



Upload all requested documents, plus any other supporting documentation and submit the case, for underwriter assessment.

Once you have followed these steps your case will be reviewed by a dedicated underwriter.

Hints and tips

Things to remember

- Where the customer is using the second charge for debt consolidation 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 for the debt where there is an accumulation of credit card and /or overdraft debt more than 35% of the individual's gross income
- Ensure you correctly input the gross and net income and for self-employed applicants include NI contributions, even if they are not stipulated on the SA302
- Home Improvements **under £50k** – we will require a breakdown of works only, however if structural works are being carried out, we will require an itemised monetary breakdown. E.g. if borrowing £30k for a new kitchen, we will not require an itemised monetary breakdown, however if borrowing £40k for an extension, a monetary breakdown is required
- Home Improvements **over £50k** – we require an itemised monetary breakdown of works and evidence of 10% contingency costs
- We will consider 100% of overtime and commission
- We will accept 50% of bonus income regardless of frequency

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)
4. Any regular payments to family members / others which support the payments of commitments

SA302s

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



Documents required to verify income

Employed

Basic income

Last 2 months' (or last 3, if paid weekly) consecutive original or certified payslips

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

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 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
- 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

Here to support you

If you or your team require further training on our packaging requirements, please contact our Broker Support Team so together we can offer your customers the best service possible.

For further guidance please refer to our Criteria Guide which can be found at property.shawbrook.co.uk



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 the DJ Broker Hub