

# Independent Mortgage Advice Bureau

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## Mortgage Capacity Report



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## Introduction

The purpose of this report is to provide *client* (“Our Client”) and their legal representatives with details of their mortgage borrowing capacity.

We were instructed by “Our Client” who **OR solicitor firm who along with “Our Client”** provided the personal financial information this report is based upon.

The Mortgage Adviser has completed this report for use by “Our Client” and if necessary, the court.

This report was completed on *date* and based on the information provided at that time.

The accompanying Affordability Brain report confirms the information provided upon which this report has been based.

## The Charge for this Report

“Our Client” has paid our standard fee of £249 for producing a Mortgage Capacity report.

If “Our Client” then arranges a new mortgage via Independent Mortgage Advice Bureau within 12 months of the date of this report, the administration fee on that new mortgage (currently £249) will be waived.

## Qualifications

Independent Mortgage Advice Bureau are qualified to provide the information contained within this report. We provide a number of these reports for various clients, through various solicitors and remain active in this service.

iMAB Mortgage Advisers hold the following qualifications:

CeMAP – Certificate in Mortgage Advice & Practice (or equivalent)

**Please note that advising on your borrowing capacity in relation to court proceedings is not regulated by the Financial Conduct Authority.**

## Information Provided

“Our Clients” current financial situation (that this report is based upon) is as follows:

### Income:

£x per annum for his/her role as a

£x per annum for bonus/overtime/commission

£x per annum from child benefit

£x per annum from tax credits

£x per annum from maintenance income

**TOTAL INCOME: £x per annum**

### Liabilities:

None

£x credit card balance held with monthly repayments of £x

£x Loan balance held with x with monthly repayments of £x until

£x Hire Purchase with a monthly repayment of £x until

£x per annum toward **current** OR **anticipated** maintenance expenditure

**TOTAL LIABILITIES: £x per annum (approximately £x per month)**

**EXCESS INCOME (TOTAL INCOME – TOTAL LIABILITIES): £x per annum  
(approximately £x per month)**

### Other Considerations:

x times credit cards and/or loans and/or Hire Purchase totalling £x are to be considered cleared at the time of application.

Monthly utility bills are being taken into account separately in each lender’s affordability calculations.

## Approximate Mortgage Available

The mortgage that could be available to “Our Client” (based on his/her current financial situation) is £x-£x. Should these amounts be borrowed, based on mortgage rates as of today, you could be looking at the following approximate monthly payments:

Loan amount = £  
Capital & Interest = £  
Interest Only =

This mortgage capacity assessment has been based on research from a range of six active mortgage lenders and the data collected has been recorded for compliance purposes.

Included in this report is a list of the mortgage lenders that we currently deal with. I have utilised the affordability calculators from a selection of these lenders (see supporting Affordability Brain report) to prove a balanced view on the level of borrowing.

The borrowing is available subject to passing the necessary credit score and meeting the lenders current lending criteria. Having not seen the credit file, I cannot comment on this at this time. The mortgage lenders request specific information on each of their mortgage affordability calculators, which may vary between different lenders.

Regardless of the size of deposit, any mortgage borrowing must be serviced with the guaranteed income available for the term of the mortgage. Therefore, income is the driving factor here, not the deposit amount. If “Our Client” was to take a mortgage past their retirement age, or all or part of their income was to stop/change before the end of the mortgage term, this will affect the maximum mortgage available.

## Mortgage Capacity

For purposes of clarity, I will detail other considerations taken into account when calculating “Our Client’s” mortgage capacity below:

I have taken into account “Our Client’s” tax credits and all benefits. However, it must be noted that mortgage Lenders vary in their approach and do not necessarily use all this income when assessing affordability.

I have based my calculations on “Our Client’s” having a deposit for any new property purchase. In the first instance I have based my calculations on a minimum deposit of £x (i.e., half the equity in the former marital home). In the second instance I have based my calculations on a deposit of £x as instructed.

I have assumed that “Our Client” will not be party to or be responsible for any other mortgage at the time a new mortgage is applied for.

I have assumed a mortgage term of x years to ensure that any new mortgage will end before “Our Client’s” x birthday, and to reduce “Our Client’s” monthly mortgage payments to a minimum.

I have taken into account “Our Client’s” financial responsibility for his/her x-year-old child.

Based on the above I can confirm that “Our Client’s” likely mortgage borrowing is approximately £x-£x subject to a satisfactory credit score and the lender’s final underwriting. Combining “Our Client’s” deposit of £x in the first instance and capacity to borrow £x, he/she would be able to purchase a property for up to £x. In the second instance, with a deposit of £x he/she would be able to purchase a property for up to £x.

## Important Notes

We have assumed that “Our Client’s” deposit for any new property purchase would derive from the divorce settlement/equity from the former matrimonial home.

## Other scenarios

As part of this report, we have been asked to provide figures based on the following additional scenarios.

### Scenario One:

“Our Client” will have an annual salary of £x as a *job title* – Child benefit and maintenance to remain unchanged, but tax credits to reduce to £x pcm.

The maximum mortgage that could be available to “Our Client” is £x.

## Disclaimer

This report has been compiled by researching current affordability criteria from a range of mortgage lenders across the market. These lenders may review their mortgage criteria over time and

Independent Mortgage Advice Bureau therefore cannot be held responsible if the client is not able to obtain a mortgage in future.

Any information and figures given here are based on the information supplied by the client and are subject to the usual credit scoring and underwriting procedures applied by lenders.

The figures quoted are not guaranteed and are for illustration purposes only.

**Your property may be repossessed if you do not keep up repayments on your mortgage.**

## Statement of Truth

I confirm that I have made clear which facts and matters referred to in this report are within my own knowledge and which are not. Those that are within my own knowledge I confirm to be true. The opinions I have expressed represent my true and complete professional opinions on the matters to which they refer.

\_\_\_\_\_  
Sign Here

Name

Date

## Other Services

We offer a full advice and recommendation service in the following areas:

**Residential Mortgages:**

- First-time buyer
- Next-time buyer
- Remortgage
- Right-to-buy

**Buy-to-let Mortgages** (The FCA does not regulate some forms of buy to let mortgages):

- Purchase
- Remortgage

**Equity Release**

**Insurance:**

- Life insurance
- Critical Illness Cover
- Income Protection
- Family Income Benefit
- Whole-of-life
- Trusts (The FCA does not regulate Trusts and we act as introducers for it)

## Panel of mortgage lenders

There are 73 lenders on the panel for Residential, Shared Equity and Shared Ownership mortgages.

Lenders - Residential, Shared Equity and Shared Ownership mortgages



Accord Mortgages	Earl Shilton Building Society	MBSL	Scottish Building Society
AIB	Family Building Society	Melton Building Society	Scottish Widows Bank
Aldermore Mortgages	Foundation Home Loans	Metro Bank	Skipton Building Society
Barclays	Furness Building Society	Monmouthshire BS	Stafford Railway Building Society
Bank of China	Halifax Intermediaries	MPowered Mortgages	Suffolk Building Society
Bank of Ireland for Intermediaries	Hanley Economic Building Society	Nationwide for Intermediaries	Swansea Building Society
Bath Building Society	Harpenden Building Society	NatWest Intermediary Solution	Teachers Building Society
Beverley Building Society	Hinckley & Rugby Building Society	Newbury Building Society	Tipton and Coseley BS
Bluestone Mortgages	HSBC	Newcastle Building Society	The Mortgage Lender
Buckinghamshire Building Society	Investec	Nottingham Building Society	The West Brom
Cambridge Building Society	Kensington Mortgages	Penrith Building Society	TSB
Chorley Building Society	Kent Reliance for Intermediaries	Pepper Money	United Trust Bank
Clydesdale Bank	Leeds Building Society	Platform Homeloans	Vernon Building Society
Coutts	Leek United Building Society	Precise Mortgages	Vida Homeloans
Coventry for Intermediaries	LiveMore	Principality Building Society	Virgin Money
Danske Bank	Mansfield Building Society	Progressive Building Society	West One
Darlington Building Society	Market Harborough BS	Reliance Bank	
Digital Mortgages by Atom Bank	Marsden Building Society	Saffron for Intermediaries	
Dudley Building Society	Masthaven	Santander for Intermediaries	

There are 75 lenders on the panel for Buy-to-Let mortgages.

Lenders - Buy-to-Let mortgages			
Accord Mortgages	Fleet Mortgages	Market Harborough BS	Reliance Bank
Aldermore Mortgages	Foundation Home Loans	Marsden Building Society	Saffron for Intermediaries
Barclays	Furness Building Society	Melton Building Society	Santander for Intermediaries
Bank of China	Gatehouse Bank	Metro Bank	Skipton Building Society
Bank of Ireland for Intermediaries	Hampshire Trust Bank	Monmouthshire Building Society	Stafford Railway BS
Bath Building Society	Hanley Building Society	MPowered Mortgages	State Bank of India (SBI)
Beverley Building Society	Harpenden Building Society	NatWest Intermediary Solutions	Suffolk Building Society
Bluestone Mortgages	Hinckley & Rugby Building Society	Newbury Building Society	Swansea Building Society
BM Solutions	Hodge	Newcastle Building Society	Teachers Building Society
Buckinghamshire Building Society	Interbay Commercial	Nottingham Building Society	Tipton and Coseley Building Society
Cambridge Building Society	Investec	Octopus Real Estate	The Mortgage Lender
Castle Trust	Kensington Mortgages	Paragon Mortgages	The Mortgage Works
Chorley Building Society	Kent Reliance for Intermediaries	Penrith Building Society	TSB
Clydesdale Bank	Keystone Property Finance	Pepper Money	Vernon Building Society
Coventry and Godiva Mortgages	Landbay	Platform Homeloans	Vida Homeloans
Danske Bank	Leeds Building Society	Precise Mortgages	Virgin Money
Darlington Building Society	Leek United Building Society	Principality Building Society	West One
Dudley Building Society	Lend Invest	Progressive Building Society	Zephyr Homeloans
Family Building Society	Mansfield Building Society	Quantum Mortgages	