PACKAGING GUIDE

We have created this useful guide to make the packaging process as smooth as possible. Our aim is to help you, help your clients get a mortgage as soon as they can. You can speed up the process by providing all necessary documents in one go! This guide will help you identify the documents you need.

Here we've provided **"hints and tips"** to help you understand what loan criteria we'll accept and what we'll ask you to provide with each mortgage application.

Complete fs
Your specialist packager distributor
023 8045 6999
enquiries@complete-fs.co.uk
www.complete-fs.co.uk

EMPLOYED | SELF EMPLOYED | COMPLEX CREDIT | CONTRACTORS | BUY TO LET | HELP TO BUY

Bluestone. mortgages

CONTENTS

How does the document work 3
Mandatory checklist 4
Employment types checklist 5
Impaired credit checklist 6
Top tips & FAQs 7

HOW DOES THE PROCESS WORK?

STEP 1

Complete Mandatory Checklist

This checklist must be completed for ALL applications.

STEP 2

Complete Employment Type Checklist

Identify how your client is employed. Use the correlating table to determine the documents we require to underwrite your application.

STEP 3

Complete Impaired Credit Checklist

If your client has impaired credit, identify the type(s) (i.e bankruptcy) and supply the correlating documents we require to underwrite your application.

MANDATORY CHECKLIST

FOR ALL CASES

APPLICATION/IDENTITY

Signed Application Declaration
(Signed and dated by customer)

Valid proof of identity/address
(Identification verification documentation is not mandatory, However, we may request additional information when necessary) See Top Tips for more information.

EXPENDITURE

Last 3 months personal income & expenditure bank statements
(Must be dated within last 3 months at offer - consecutive months)

Proof of 24 months mortgage or rent payments required
If not showing on credit search (This can be in form of mortgage statements/rental payments/landlords reference and/or bank statements)

OTHER

Explanation for any adverse credit
(The event (divorce, unemployment, etc.) that caused the credit issues)

Proof of deposit – own resources (purchases only)
(Build up of savings or evidence of equity)

Proof of deposit – gifted (purchases only)
(We will require identification, proof of funds and the Bluestone Gifted Deposit declaration from the donor)

EMPLOYMENT TYPE CHECKLIST

SELF EMPLOYED

INCOME

Accountants certificate - only applicable <24 months of trading
(Accountant qualified with: AAPA, ATT, ACCA, CA ireland, CIMA, CIOT, CIPFA, CPA Ireland, ICAEW, ICAS, ICSA or IFA)

Sa302s with tax overviews - covering 2 years if applicable
Valid for 18 months from end of tax year

OR

Accounts
Valid for 18 months end of the company financial year (Accountant qualified with: AAPA, ATT, ACCA, CA ireland, CIMA, CIOT, CIPFA, CPA Ireland, ICAEW, ICAS, ICSA or IFA)

EXPENDITURE

Proof of last 3 months business statements

EMPLOYED

INCOME

Last 3 months payslips and p60
(Must have at least 3 months remaining at offer and have been in the same industry for last 12 months)

CONTRACTOR

INCOME

Copy of current contract

Evidence of renewal/new contract if <3 months to run
(Must have at least 3 months remaining at offer, and have been in the same industry for the last 12 months)

IMPAIRED CREDIT CHECKLIST

IMPAIRED CREDIT

	YES/NO?
BANKRUPTCY/IVA/DRO (DISCHARGED OVER 3 YEARS) Discharge certificate required - if not showing on credit search	○
CCJS/DEFAULTS Maximum - 4 defaults and 3 ccjs per customer	○
Any ccjs registered over 3 years ignored 0 Allowed in last 6 months, unless; • Under £300 • Registered against telecom accounts	○
MISSED MORTGAGE/RENT PAYMENTS None allowed in last 12 months	○
Maximum of 4 allowed between months 12 & 24	○
DMP Acceptable if still in place & no minimum term	○
Dmp provider to confirm Satisfactory 12 months bank payments	○
Can remain in place after completion Das - Needs to be repaid upon completion	○
PAYDAY LOANS/SHORT TERM FINANCE 0 Taken out in last 12 months	○
LIFE EVENT Written explanation of the life event that caused the credit issue(s) is required We'll need a written explanation of any adverse credit. A core part of our responsible lending philosophy is to understand what life event caused the credit issues and to make sure the new mortgage payments are affordable	○

TOP TIPS

Accounts & SA302s

Valid for 18 months from the end of the tax year. We can use the last year's income but please provide an explanation for any material fluctuations from the previous year.

Statements

- We need the most recent and consecutive months
- Ensure statements show all income and key expenditure items (council tax, utilities, communications, etc.). If not, supply statements for relevant accounts. Please ensure the bank statements support the level of expenditure declared in the application.

Gifted Deposit

Refer to website (Our forms > Gifted Deposit Confirmation form) for Gifted Deposit Declaration form.

Application

Give us as much information as you can to ensure we understand the customers circumstances. This will substantially decrease the time it takes to underwrite your application.

Identity/Address

Our identification checks are now being carried out electronically, which means there is no longer a mandatory requirement to send in proof of identity and proof of address documentation for each application you submit via bluelink.

Credit Report

It's helpful to review the customers credit report - we use Experian for both DIP and Applications. This will aid you in selecting the correct product and matching up dates with life events.

FREQUENTLY ASKED QUESTIONS

We have collated two of the most commonly asked questions on this topic and answered them here;

Why do you decline an application on affordability after it has passed DIP?

In some cases declared expenditure is underestimated in the DIP/Application data compared to the recent evidence from the bank statements. An easy way to avoid this is to make sure outgoings declared reflect the family structure and past expenditure from bank statements. According to ONS data the monthly average basic essential and quality of living costs are £700 for a single adult, £1400 for a couple and £1700 for a couple with 2 children and if the stated expenses are materially (e.g. 30% lower) below these numbers it is often assessed that these numbers are unrealistic post a detailed review of bank statements.

Why do you ask for more information?

Occasionally the information sent to us is either incorrect or insufficient to clarify the financial position of the applicant. For example, we ask for 3 months payslips but we only receive 2 or the bank statements provided do not show income and expenditure flows detailed on the application.

For more information to help you understand what loan criteria we'll accept and what we'll ask you to provide with each mortgage application, please give us a call on **0800 368 1833**.