



The Three Rules of Lending

As a general, when approving a loan Lenders will look at Three Criteria. Can you afford it, Have you got enough security and have you a good history.

1. SERVICING - Can you afford the loan?

EACH LENDER WILL HAVE THEIR OWN CRITERIA FOR HOW MUCH YOU CAN BORROW.

EQUITIMAX CAN HELP YOU IF YOU ADVISE HOW MUCH YOU EARN AND YOUR CURRENT COMMITMENTS

TO OBTAIN AN APPROVAL WE WILL NEED TO CONFIRM THIS BY WAY OF PAYSLIPS, FINANCIALS, LOAN STATEMENTS, CREDIT CARD STATEMENTS ETC.

BUT I CAN'T PROVIDE INCOME?

OTHER LOANS SUCH AS LOW DOCS & NO DOCS ARE AVAILABLE FOR PEOPLE WHO CAN NOT CONFIRM THEIR INCOMES. IF YOU CANT AFFORD THE LOAN YOU SHOULD NOT GET THE LOAN.



2. SECURITY - Have you got enough deposit?

FOR RESIDENTIAL LOANS THE LENDERS WILL NORMALLY LEND YOU **80%**
THIS IS THE SAME AS SAYING YOU NEED AT LEAST 20% DEPOSIT

FOR COMMERCIAL LOANS THIS FIGURE CHANGES AND IS USUALLY BETWEEN 65% AND 75%

BUT I HAVEN'T GOT ENOUGH DEPOSIT?

MOST RESIDENTIAL LENDERS WILL LEND UPTO 95% OR 100% OF THE PROPERTY IF TAKE OUT MORTGAGE INSURANCE - THIS IS A ONE OFF FEE (ASK EQUITIMAX TO EXPLAIN THIS)

SOME LENDERS ALLOW FAMILY MEMBERS TO ASSIST BY USING THEIR PROPERTIES AS SECURITY. THIS IS KNOWN AS FAMILY EQUITY OR FAMILY PLEDGE.



3. HISTORY - Have you a good history ?

EACH LENDER WILL NORMALLY GET PERMISSIN TO COMPLETE A CREDIT REPORT ON YOU. THEY WILL ALSO CHECK YOU EXISTING LOAN STATEMENTS FOR ACCOUNT CONDUCT. THEY WILL ALSO LOOK FOR STABILITY IN ACCOMODATION AND EMPLOYMENT
NOTE - HAVING NO CREDIT RATING IS CONSIDERED SATISFACTORY

BUT I HAVE A BAD HISTORY?

THE BEST THING TO DO IS TO TELL US ABOUT IT
THERE MAY BE CIRCUMSTANCES WHERE THIS WILL NOT EFFECT YOUR LOAN OR
THERE ARE SOME LENDERS WHO SPECIALISE IN BAD CREDIT



Each lender is different - so don't be concerned if you do no meet all the criteria. Equitimax can help with all sorts of loans and situations.