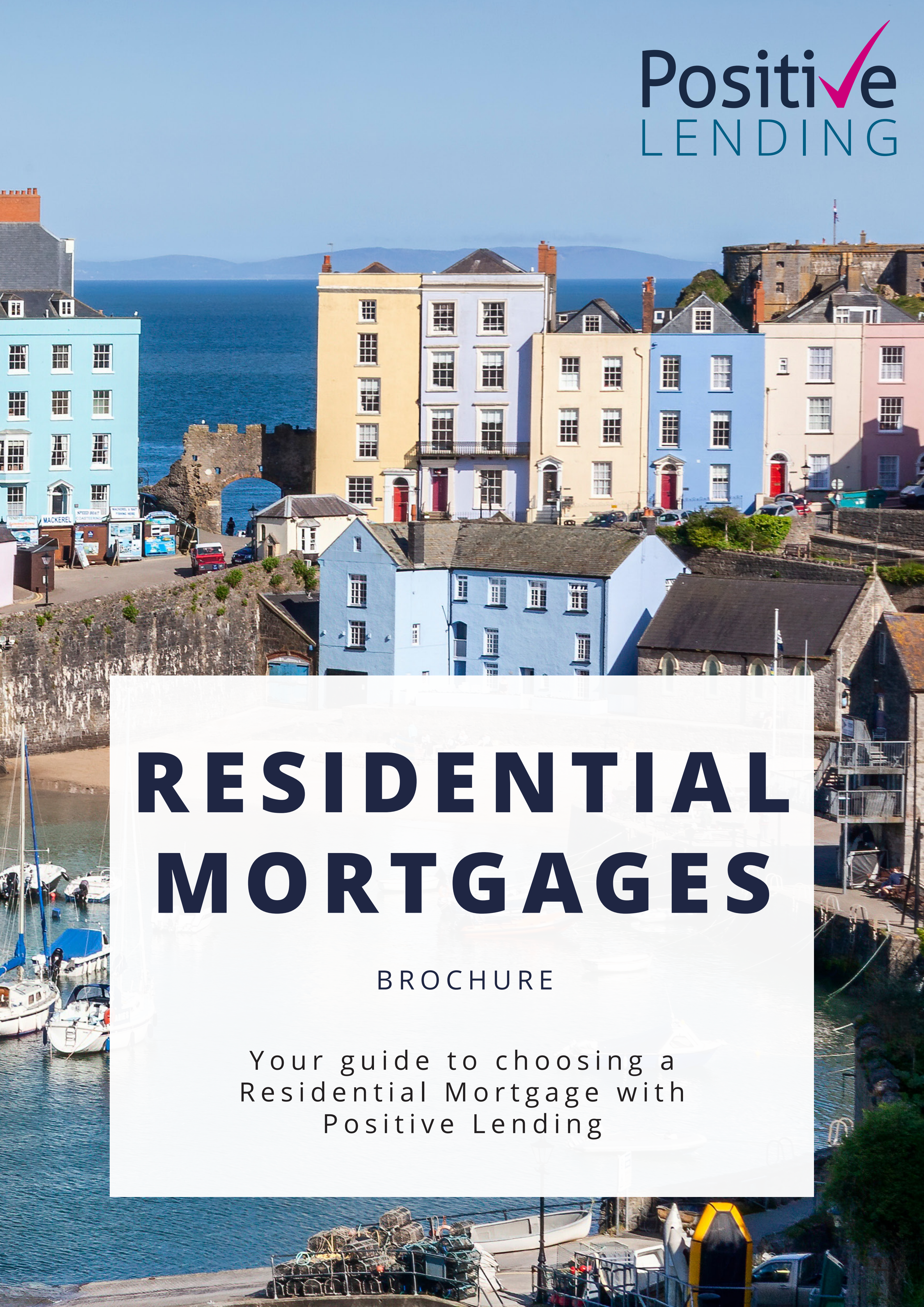


RESIDENTIAL MORTGAGES

BROCHURE

Your guide to choosing a Residential Mortgage with Positive Lending

Welcome to Positive Lending

Founded in 2008, we are a professional mortgage packager and broker based in Ringwood, Hampshire.

We are directly authorised by the Financial Conduct Authority and have won more than 25 industry awards in specialist finance.

Every year we arrange thousands of specialist loans for our customers, either directly or via 9000 mortgage brokers who recommend our services, so rest assured that you are in safe hands.

We have an unrivaled and extensive panel of lenders giving us the power to search the whole of the market and help you find the perfect need for your financial needs.

We have an exceptional team, all of whom are dedicated to supporting you in making your property dreams a reality.

How Does Your Residential Mortgage Work?

A residential mortgage is a loan provided by a lender to finance the purchase of a residential property.

Here's how buy to let mortgages typically work:

Application: The borrower applies for a mortgage by submitting an application to a lender. The application typically includes information about the borrower's financial situation, employment history, credit history, and details about the property they intend to purchase.

Pre-approval: The lender reviews the borrower's application and supporting documents. Based on this information, the lender determines the maximum mortgage amount for which the borrower is pre-approved. Pre-approval provides the borrower with a clearer understanding of their budget and strengthens their position when making an offer on a property.

schedule, interest calculations, prepayment options, and potential penalties.

Property Appraisal: The lender conducts an appraisal to assess the value of the property. This is done to ensure that the property is worth the amount being financed and to determine the loan-to-value ratio (LTV) for the mortgage.

Down Payment: The borrower contributes a down payment towards the purchase price of the property. The down payment is typically expressed as a percentage of the property's value and is made at the time of closing. The down payment reduces the loan amount and affects the LTV ratio.

Mortgage Offer: If the lender approves the mortgage application and is satisfied with the property appraisal, they issue a mortgage offer to the borrower. The offer includes the terms and conditions of the mortgage, such as the interest rate, loan amount, repayment term, and any special requirements or features.

Mortgage Agreement: Once the borrower accepts the mortgage offer, they enter into a legal agreement with the lender. This agreement outlines the rights and obligations of both parties, including details about the repayment schedule, interest calculations, prepayment options, and potential penalties.

Closing: The closing, also known as completion or settlement, is the final stage of the mortgage process. It involves the transfer of ownership from the seller to the buyer and the disbursement of the mortgage funds from the lender to the borrower. At closing, the borrower signs the necessary legal documents and pays any closing costs associated with the transaction.

Repayment: The borrower begins making regular mortgage payments according to the agreed-upon schedule. Each payment typically includes both principal (the amount borrowed) and interest (the cost of borrowing). The payment amount remains constant if the interest rate is fixed, but it can fluctuate if the interest rate is variable.

Amortization: Over the term of the mortgage, the borrower gradually pays off the principal balance through regular mortgage payments. This process is called amortization. Initially, a larger portion of the payment goes towards interest, while the portion allocated to principal increases over time. The mortgage is fully repaid by the end of the term.

It's important to note that the specific terms and conditions of residential mortgages can vary among lenders. Our team will are highly experienced and will be able to support you in finding the most suitable options and navigate the application process effectively.

What happens next?

After you speak with one of our team:

1 After discussing your requirements with you, we will speak to various lenders on your behalf and make an appropriate recommendation to you. We aim to ensure you have written terms from a lender within 48 hours.

2 If you wish to proceed we will pass the application across to our Mortgage Admin Team. We will need some documentation from you whilst this is taking place but the team will let you know more about that at the time.

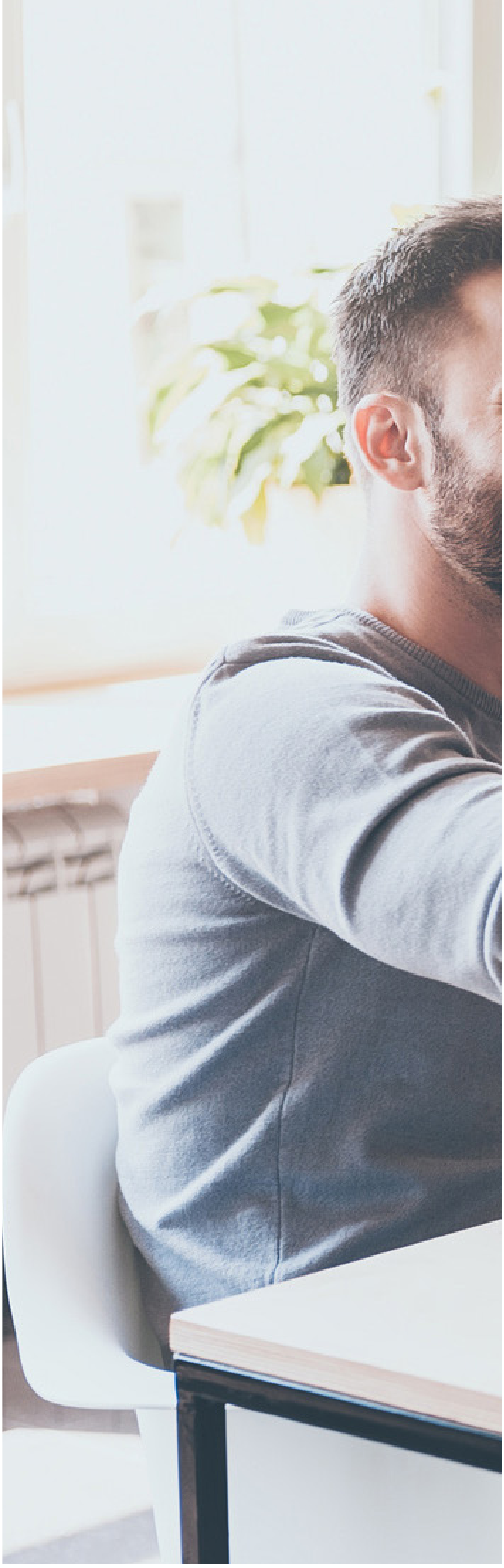
3 Once we have all the required initial documents and these have been checked we will proceed with the application and collect any upfront fees.

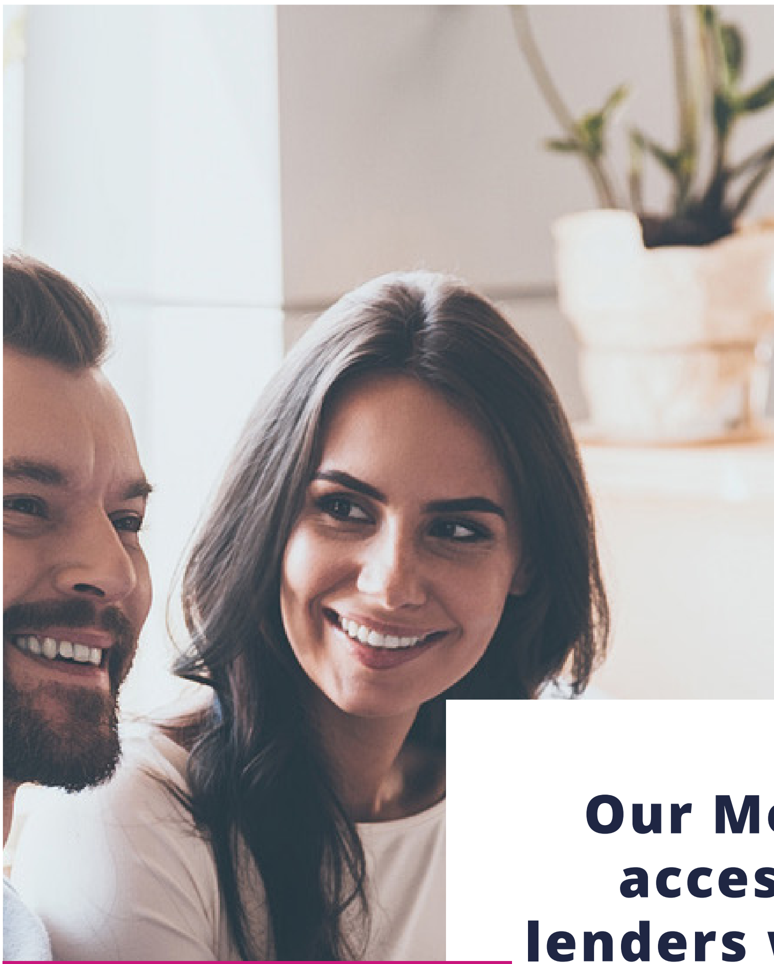
4 The application is submitted to the lender who will review the application and supporting documents. They may instruct a valuation/survey whilst assessing these or will wait until the application has been assessed and underwritten.

5 If the survey is ok and all outstanding items are received for the lender an offer will be provided to you. At this stage you may be using the services of a solicitor to complete the enquiries about the property from the lenders solicitor, but not always. If so, your solicitor would usually receive a copy of the mortgage offer too.

6 You will need to sign the legal documentation with a solicitor.

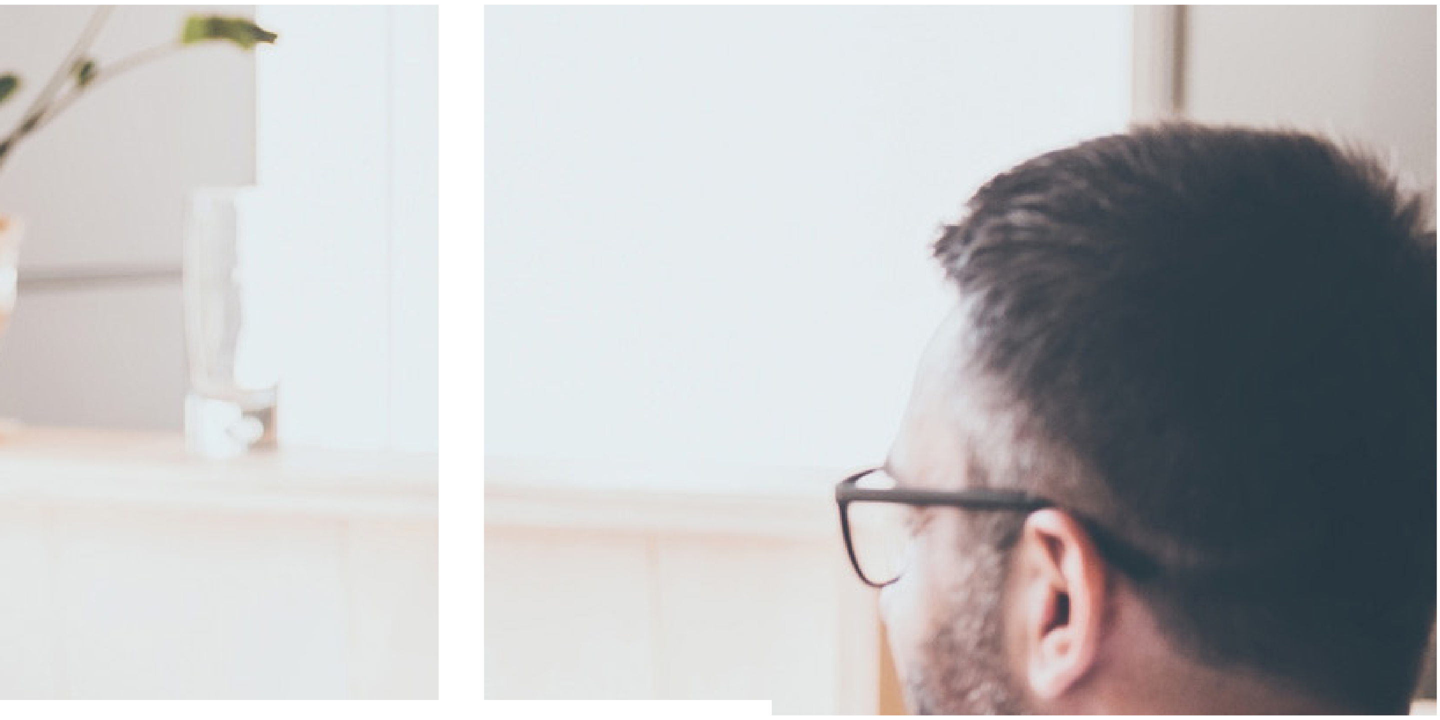
7 If all enquiries are satisfied including legal works the funds are released to the solicitors upon the Completion Date

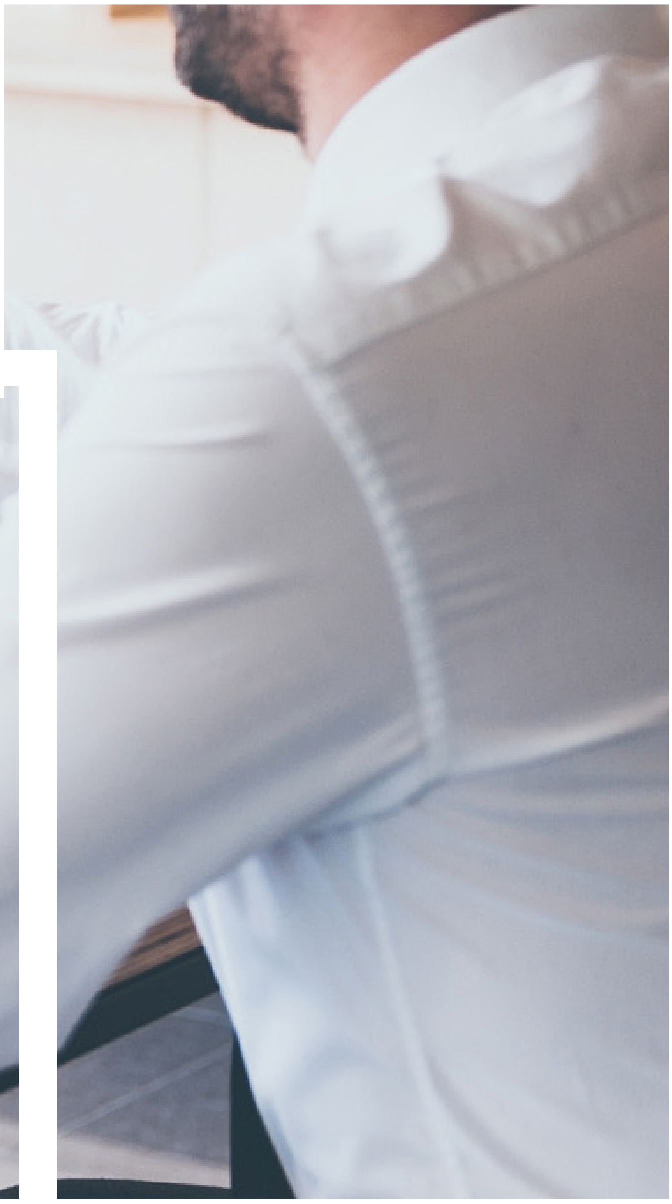




Our M
acces
lenders
types o

- ✓ Unusual/non-standard properties
- ✓ Unusual property types: annex, catteries, stables, etc.
- ✓ Flats above commercial
- ✓ Ex-local authority including deck/balcony access
- ✓ High rise blocks
- ✓ Second home or holiday home
- ✓ Help to Buy
- ✓ Right to Buy (up to 100% of DPP)
- ✓ Shared ownership
- ✓ New builds
- ✓ Self-build
- ✓ Older borrowers





ortgage experts have ss to a wide range of who could help with all of scenarios including:

Home Buying Highlights

- ✓ Loans can be arranged from £30,000 to £50million or more
- ✓ Products up to 95% Loan to value
- ✓ Early redemption charge free products – fixed and trackers mortgages
- ✓ Terms from 3 to 40 years
- ✓ Some lenders offer no valuation or no legal fees
- ✓ Interest only
- ✓ Repayment
- ✓ Exclusive products
- ✓ Adverse credit considered
- ✓ No minimum time in employment
- ✓ Applicants in probation periods
- ✓ Agency/zero-hours contract workers
- ✓ Contractors
- ✓ Self-employed with 1 years' accounts

Did you know...

We are a multi-award winning packager, regularly recognised for providing first class service to intermediaries and borrowers.

Our team have over 400 years' combined experience, working for financial services and blue chip companies.

We also offer:

- ✓ Second charge mortgages (Residential and BTL)
- ✓ Commercial lending
- ✓ Development Finance
- ✓ Bridging finance
- ✓ Buy to Let mortgages
- ✓ Equity release

"Positive Lending are one of the most long-standing Brokers in the Specialist Lending market, with a pedigree that dates back over two decades. During that time they have built a reputation as a customer-focussed firm, who really takes the time to understand every individual scenario and supply a lending solution that maximises the opportunity for positive outcomes. They are well respected in the Business to Business market, underlined by a broad number of relationships with Networks and Clubs alike. The desire to exceed expectations, driven by a strong program of staff development, puts them as one of the leading specialist distributors in the industry. It's for these reasons that we have enjoyed such a productive partnership together for many years. "

Buster Tolfree
Director of Mortgages
United Trust Bank

Top Tips

1 All lenders will require evidence of your income(s). Make sure you have your latest 3 months payslips ready if you are employed or the last 3 years self employed figures (SA302's and Tax Year Overviews) ready.

2 In order to ensure that any new mortgage repayment is affordable, lenders will run affordability assessments as part of an application process. Please be aware of your monthly household expenditure including essentials such as utility bills, food, petrol/travel and "luxury" such as holidays and entertainment so that we can be as accurate as possible when running affordability calculations. It is also advisable to have enough funds available as a contingency for fees and moving costs etc.

3 Lenders will typically request and review latest 3 months of Bank Statements to ensure that stated expenditure is consistent with what goes through the bank account. Please have these ready so that when requested we can provide them to the lender.

4 Proof of Deposit is another item lenders will want to see, so please have statements showing deposit funds and how they have been accumulated.

5 Proof of ID and address is also required. Please ensure that all documents such as passports, drivers licenses are in date and have the correct details on them (including current addresses). Utility bills would need to be dated within last 3 months.

6 Protect your investment with the right insurance. Insurance will protect your property against risks, provide financial security for both you and your family, meet lender requirements, ensure compliance with legal obligations, and offer peace of mind and stability in the face of unforeseen events.

7 When starting to consider getting onto the property ladder, review your credit report regularly so there are no surprises and keep track of your credit score.

8 Have a chat with a mortgage broker to assess affordability before making any offers on properties.

Understanding Terminology

Here are some common jargon terms related to residential mortgages and their meanings

Mortgage: A mortgage is a loan provided by a lender (typically a bank or financial institution) to finance the purchase of a residential property. The property acts as collateral for the loan, and the borrower makes regular mortgage payments to repay the loan over a specified term.

Principal: The principal refers to the original amount borrowed in a mortgage. It is the initial loan amount that the borrower needs to repay over time.

Interest Rate: The interest rate is the percentage charged by the lender on the outstanding balance of the mortgage. It represents the cost of borrowing and determines the amount of interest paid by the borrower over the life of the loan. The interest rate can be fixed (remains constant throughout the mortgage term) or variable (can change based on market conditions).

Term: The term refers to the length of time over which the borrower agrees to repay the mortgage. It is typically stated in years. Common mortgage terms are 15, 20, or 30 years, although other options may be available. At the end of the term, the mortgage is fully repaid.

Amortization: **Amortization** is the process of gradually paying off the mortgage debt through regular payments over the term of the loan. Each payment consists of both principal and interest, with the proportion of interest gradually decreasing over time as the principal balance is reduced.

Down Payment: The down payment is the initial payment made by the borrower towards the purchase price of the property. It is typically expressed as a percentage of the property's value. The down payment amount affects the loan-to-value ratio and can impact the interest rate and mortgage insurance requirements.

Loan-to-Value (LTV) Ratio: The LTV ratio represents the percentage of the property's value that is being borrowed. It is calculated by dividing the loan amount by the appraised value of the property. For example, if a property is valued at £200,000 and the loan amount is £150,000, the LTV ratio would be 75% (£150,000 / £200,000 x 100).

Closing Costs: Closing costs are the fees and expenses incurred by the borrower during the mortgage application and closing process. They can include appraisal fees, title search and insurance, attorney fees, loan origination fees, and other costs associated with the transaction.

Escrow: Escrow refers to a separate account held by the lender to collect and manage funds for property taxes and insurance. The borrower makes monthly contributions to the escrow account, and the lender pays these expenses on the borrower's behalf when they become due.

Pre-approval: Pre-approval is a process where a lender assesses a borrower's financial situation and creditworthiness to determine the maximum mortgage amount they are eligible to borrow. Pre-approval provides borrowers with a clearer understanding of their budget and strengthens their position when making an offer on a property.

Remember - It's important to ensure that you fully understand the terms and conditions of any financial obligations you may take on, so please don't hesitate to ask if you have any questions.

Further info

Positivelending.co.uk

You will have a dedicated advisor and support staff to assist you with your residential mortgage application.
You can always call us directly on 01202 850 830 (Option 2) or email us on Mortgages@positivelending.co.uk and one of our team of experts will be happy to help you.

RESIDENTIAL MORTGAGE BROCHURE

THINK CAREFULLY BEFORE SECURING ANY DEBTS AGAINST YOUR HOME OR PROPERTY. YOUR HOME OR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Positive Lending (UK) Limited, trading as 'Positive Lending', is Authorised and Regulated by the Financial Conduct Authority FRN 607682

Registered Office: Positive House, GP Centre, Yeoman Road, Ringwood, Hampshire BH24 3FF. Registered in England and Wales No. 6700848

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