JONES & YOUNG

Ten things to avoid before applying for a mortgage

Don't jeopardise your chances of getting the loan you need

RACKING UP DEBT

Taking on additional debt before applying for a mortgage doesn't make much sense. Your debt-to-income ratio, the amount of debt you're paying each month compared to the money you're making, is one of several factors lenders will consider when reviewing your application

FORGETTING TO CHECK YOUR CREDIT

Check your credit score, on apps such as Experian, to assess thelikelihood of getting a mortgage. If your credit score is low, thechances of getting a loan are low.

FALLING BEHIND ON BILLS

Credit scores matter to lenders. So, work on keeping yourpayments up-to-date and on time to increase your chances ofbeing accepted for a loan to buy your home.

MAXING OUT YOUR CREDIT CARDS

Being a big spender on credit can reduce your chances of getting a mortgage.

Exceedingyour limit or tapping too often can hurt your credit score. The more money you spend, thehigher your debt-to-credit ratio will be. Not good for the lenders to see!

CLOSING A CREDIT CARD ACCOUNT

Do you have credit card debt? You may think that closing an account will improve your credit score, but that'snot necessarily true.

There are certain situations where shutting down a credit card account might be a smartmove. If you need a mortgage, however, it won't do you any good. Ask us for further details.

MAKING BIG DEPOSITS

Lenders like to see a large amount of money in your account andsee the build-up of you saving it. If your relatives wish to supportyou with any down payment gifts, let's chat!

MAKING A MAJOR PURCHASE

Purchasing something big - such as new appliances or a car -could lead a lender to reject your mortgage application. Youwill need plenty of money to pay for your deposit.

MARRYING SOMEONE WITH BAD CREDIT

Many couples plan to buy their first home once they've tied the knot. Bemindful if your partner has bad credit, even though you have a goodcredit score, it could affect your chances of getting a loan. .

CO-SIGNING (GUARANTOR) ON A LOAN

Whoever becomes a guarantor of a loan is agreeing to bepartially responsible for payments which do not get paid.

If the borrower cannot keep up with repayments,your credit score will drop. .

SWITCHING JOBS

Changing jobs weeks before meeting with a lender mayhurt your chances of qualifying for a mortgage. A lender will want to see a stable source of income.

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YOUR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR ANY DEBT SECURED ON IT.

Equity release reduces your estate's value and may affect any means-tested benefits you're eligible for. A lifetime mortgage, which is a loan secured against your home, is the most popular form of equity release and you will still own your home. Think carefully before releasing equity and make sure it's right for you.

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