Value assessment

Name of product / service	**Mortgage advice**
Assessment reason	**Review**
Reviewer name	**James Slater**

Service description

We offer an advised mortgage advice service on predominantly on a telephone-based basis, but occasionally on a face-to-face basis to both new and existing clients.

We undertake an initial call/discussion is free of charge.

We gather information to demonstrate the 'know Your Client' requirements using a relevant Factfind and this information saved within the electronic software system. This allows us to undertake a thorough analysis of the clients' needs and provide a suitable solution.

We offer to undertake a fair analysis of the 1st charge mortgage market.

We make recommendations based on the clients lending requirements established during the telephone call or meeting with the client. To do this we ascertain the clients' needs through a series of questions relevant to the loan required and taking account of the clients personal and financial situation.

We undertake research of the relevant market using Twenty7Tech sourcing system.

We support the client with assisting to complete the mortgage application and submitting this to the lender.

We liaise with the provider and the client to ensure any questions or further information is provided in a timely manner.

Target market

We deal with homeowners or potential homeowners over the age of 18 and those looking for funding up to retirement age.

We deal with new enquiries as well as existing/repeat clients.

Limitations

Clients who do not meet typical mainstream lending and affordability criteria, which includes:

- Clients who are severely credit-impaired borrowers
  want to purchase a property outside of the UK
- Are borrowing beyond their retirement age (we signpost these to other providers)
- Those looking to place a second charge on their property (these clients are referred to a second charge broker)

Remuneration

We receive Procuration fee / commission from lender.

In certain circumstances we will charge of up to £399.

All fees are discussed and agreed with client before chargeable work is undertaken.

We offer an option of a Lifetime Fee to cover all mortgage advise throughout the business relationship with the client.

Market research when designing service

Our service is not significantly higher or lower in price than other services offered in our market locally.

The cost of our service is comparative with other brokers offering similar services within our trading area.

Value/Benefits

We offer a fair analysis of the 1st charge mortgage market.

Access to sourcing systems allowing comparison of wide number of deals.

Research into the cheapest suitable mortgage and explanation given when not recommending the cheapest solution.

Knowledge experience of mortgage market

Access to mortgage club – assistance with criteria and research, access to training and events to enhance and keep up knowledge on market developments.

Access to lender support.

Ensuring quality applications, and therefore avoiding issues with fraud checks and other delays

Access to advice and support around ancillary services, GI, protection to support mortgage obligation (signposting)

Crisis assistance through relevant signposting – bereavement, divorce, debt, tax bill

Explain the effect and impact of adding mortgage fees to the loan.

Explain the effect and impact of when is best or not to pay a product fee.

For re-mortgages we will consider whether a product transfer is right for a customer or not.

Access to third party professional support, e.g. surveyor, solicitor (e.g. re-mortgage – transfer of equity assisting with appropriate legal representation).

Ability to assess and apply lender target market considerations.

Behavioral biases present

We do not recommend customer asks to add our fee to their mortgage, we will check first that this is in their best interests and explain the disadvantages including additional costs associated.

Characteristics of vulnerability

We will adapt our service according to the needs of our customers. Situations where a vulnerability may compromise the value of the service we offer may be: language barriers; first time buyer with less financial experience and resilience when compared to other mortgage borrowers; low level of financial sophistication or mental capacity issues. We will give additional advice and support to ensure they understand the information being presented to them and the implications of the arrangement they are entering into to reduce the risk of harm occurring.

Total cost a client might pay

We expect the total cost associated with recommending a mortgage product for our target clients will be in the region of £399 of the loan.

Our firm will assess lender value assessment to understand how the products we recommend deliver value.

Additional Evidence

We have had no mortgage-related complaints within the last 5 years.

We have over 80% of our annual mortgages are returning clients.

30 to 40% of our new clients are clients who have been referred by existing clients.

Conclusion: Our broker service does provide fair value.
Actions required: NO
Next review date: 31/07/2026