

## How much can I borrow?

The first question you generally ask when seeking a mortgage is, how much can I borrow? Our belief is to think differently, how about reverse engineering what you want?

### What do I mean by that?

Start to think differently, what is the value of the property you want to buy or the money you want to raise against your current home and go work the hours or get the job or set the business targets to reach the income you need to achieve.

### Don't wait for it to happen, Make It Happen.

A. Current or Purchasing Property Value	£		
B. Equity or Deposit amount (Ideally 10%+ of the above)	£		
C. A minus B = Required Mortgage Amount	£		
1. Divided by 4.25 (*range from 3.5 - 4.5)		When amending the above figures please delete this box for recalculation	→ £
2. Total of all Monthly Car payments	£	x 12 =	£
3. Total of all monthly Loan payments	£	x 12 =	£
4. **All other committed monthly payments	£	x 12 =	£
5. All Current Credit card balances	£	3% x 12 =	£
● Right-hand column 1 + 2 + 3 + 4 + 5 =			
● This is the basic total Income required for your Mortgage			£

### The basic income above could be a combination of:

- Your Salary
- Your Dividends
- Your Net profit If Self-Employed / Sole trader
- Your Bonus and Overtime (usually only 50% will be considered)
- Plus include any or all of the above for your partner or second applicant.

This does not guarantee a mortgage and is a basic calculation for guideline purposes only. The figure could be more or less and you should seek advice for a clearer indication of affordability.

\* This is an income multiple and is determined by the length of the mortgage, 4.25 is using the average 25-year mortgage term. As a rough guide divide by 4 if choosing a mortgage term between 15 - 25 years and 3.5 if under 15 years.

\*\* Student loans, pensions, travel costs, maintenance etc. All other committed monthly expenditure