



Test 7

- 1 Would geographical location have any sway on a price of a house?
- 2 Will an offer letter hold details of the council tax charges?
- 3 If I have moved address within which period should I need to supply the old address?
- 4 When advising someone who is in arrears to trade down to a cheaper property NOT be a possible solution?
- 5 Would incorrect income stated on the application form be a type of fraud?
- 6 Which insurance may a lender buy to safeguard itself if a property is taken back and sold for less than it was bought for?
- 7 Is lack of capacity a non-valid issue that could render a guarantor invalid?
- 8 What is the other scheme similar to NHBC but it covers 15 years instead?
- 9 I should never discuss the customer's income and outgoings at the first meeting? True or False
- 10 If there were some works to be finished on the property before the mortgage is completed where would this be written on the offer letter?
- 11 Is employment status a useful factor when credit scoring?
- 12 What is the new name of the scheme that was NHBC?
- 13 Would maintenance be used as a second income in light of a mortgage application?
- 14 What forms the basis of the lending decision?
- 15 Would bogus accounts stated on the application form be a type of fraud?
- 16 Which Act enables a lender to initiate prosecution even if the mortgage isn't granted?
- 17 Can I use my trust income towards my income totals for a mortgage application?
- 18 Which Act in 1993 created new provisions for the abuse of the financial markets to conceal crime?
- 19 Is it good to have an interview with the customer before the mortgage application?

20 Is it easier to get an assessment of a sole trader who is self-employed or a PAYE applicant?

21 When looking for the strength of a business which part of the balance sheet will show this?

22 For a self-employed sole trader which figure from their accounts would a lender take for an equivalent for gross income?

23 When advising someone who is in arrears would extending the term be a possible solution?

24 I should always discuss the customers feelings about the term of the mortgage at the first meeting? True or False

25 Can anyone else apart from the applicant fill in an application form?

26 What is the reinstatement value?

27 Do I need planning consent if certain types of trees are to be felled?

28 What value would a prepared account projections by an accountant for a self-employed business owner really be?

29 Can I accept a better offer on my house if someone has made me one already and I have accepted it?

30 Under the Data Protection Act 1998 the information held should be fairly obtained? True or False?

31 Stage payments would probably mean that the house is what?

32 If I plant a new garden is this covered under the Building regulations ?

33 Under the Data Protection Act 1998 the information held should be accurate? True or False?

34 What three tenures are available in England and Wales?

35 Would the up front funds available be a concern of lenders in respect of self-build projects.?

36 Which Act aims to protect customers from terms which are unfair?

37 If a persons liabilities exceed his assets what may this be called?

38 Is an IVA good to see on a credit report?

39 When credit assessing an applicant you should take overdrafts into consideration?
True or False

40 Is the higher lending charge written on the IDD or the Offer letter?

41 For a self-employed person how many years' accounts would the lender ask to see of the balance sheet?

42 After collecting information about a self-employed person what would the lender normally do to get rid of the 'no hope' mortgage applicants?

43 Is energy conservation covered in building regulations?

44 If my company is laying off lots of staff how might this effect my chances of getting a mortgage?

45 When credit assessing an applicant you should take regular payments out into consideration? True or False

46 If I sign the declaration and the information is not correct what are the consequences if I had not told the truth?

47 What two values of the property are written on the offer letter?

48 If a house I am going to buy has been altered in some way what should I ask for?

49 What is the difference between a guarantor and a surety?

50 Would charge cards be identified as outgoings on an application for a mortgage?

Answers

- 1 YES Page 56 Section 3
- 2 Generally no Page 84 Section 4
- 3 3 years Page 14 Section 2
- 4 No it could be a solution Page 10 Section 1
- 5 Yes Page 42 Section 2
- 6 MIG Page 80 Section 4
- 7 No its valid Page 74 Section 4
- 8 Zurich Mutual Insurance Company Page 59 Section 3
- 9 FALSE Page 4 Section 1
- 10 Special conditions. Page 86 Section 4
- 11 Yes Page 37 Section 2
- 12 Buildmark Page 58 Section 3
- 13 Yes Page 21 Section 2
- 14 The Valuation Page 63 Section 3
- 15 Yes Page 43 Section 2
- 16 Theft Act 1968 Page 44 Section 2
- 17 In some cases yes the lender will take these into account Page 21 Section 2
- 18 Criminal Justice Act 1993 Page 45 Section 2
- 19 Yes Page 39 Section 2
- 20 PAYE Applicant Page 22 Section 2
- 21 Capital Account Page 24 Section 2
- 22 Net profit Page 24 Section 2
- 23 Yes Page 10 Section 1
- 24 TRUE Page 4 Section 1
- 25 Yes Page 13 Section 2
- 26 Price to rebuild the house Page 68 Section 3
- 27 Yes Page 69 Section 3
- 28 Very little Page 17 Section 2
- 29 Yes Page 54 Section 3
- 30 TRUE Page 44 Section 2
- 31 Not built yet Page 89 Section 4
- 32 No Page 70 Section 3
- 33 TRUE Page 44 Section 2
- 34 Freehold, leasehold and common hold Page 55 Section 3
- 35 Yes Page 90 Section 4
- 36 Consumer Contracts Regulations 1999 Page 51 Section 3
- 37 Insolvent Page 38 Section 2
- 38 NO Page 39 Section 2
- 39 TRUE Page 34 Section 2
- 40 Offer letter Page 85 Section 4
- 41 3 Years Page 17 Section 2
- 42 Credit score them Page 17 Section 2
- 43 Yes Page 70 Section 3
- 44 It may be a lender is reluctant to lend Page 21 Section 2

45 TRUE Page 34 Section 2
46 Reported to the police and a custodial sentence Page 19 Section 2
47 Insurance rebuild cost and the mortgage cost Page 84 Section 4
48 Documents to support planning consents Page 68 Section 3
49 Surety puts up money Page 73 Section 4
50 Yes Page 31 Section 2