

Answered: *Your most burning questions about.....Penny!* And a killer new Refi rate

Louise: Welcome everyone to this week's Flash Friday Finance Update. I am here with the delightful Penny Morton. Welcome Penny!!!

Penny: Hi Thank you

Louise: Penny has been working with us for a long time now at The Property Education Company and she is actually now fully qualified as a broker so I am delighted to welcome her on board as a broker as well. So she will be able to interview and work with clients individually as well as me, so that gives us an extra bonus.

Penny would you like to give us a bit of a background on your work history? Where did you start in the banking industry and what can you tell us about that?

Penny: I have been working with you, doing the loan admin and loan preparation side for almost a year believe it or not, aren't you lucky?

Louise: Yes! Indeed we are.

Penny: But before that I was at one of the Big 4s as a Business Development Manager working with a portfolio of mortgage brokers. So it was great to get the bank's perspective on what a mortgage broker needs to do which I think will be very helpful now as a mortgage broker. And before that I was predominantly in credit as a credit manager. So again, I know what a bank is looking for and I am able to work with the clients accordingly.

Louise: So you have actually been in the role of accessing applications for the lender, which is hugely helpful. And what great vast experience you've had so that's perfect and that's why we love working with you too cause you are so knowledgeable.

So you and I were talking about some of the issues that are coming up with COVID and lending. Anything that comes to your mind that the banks are asking for particularly now that you can warn people about?

Penny: What aren't they asking for? There really is a lot. It's just like they come up with a new thing everyday - it feels like anyway. Especially for our Victorian clients. I think they have really been put under a microscope, when it comes to how they have been impacted by Covid. I mean many people thankfully have not been impacted in any way. Sadly, a lot have and we guess the banks are just trying to cover their butts when it comes to that sort of thing. Like we might need to have a conversation with an employer or a letter from an employer confirming that there has been no impact on your income. They may ask for more bank statements or even payslips to confirm that as well. But again every lender is different and, well, we let you know.

Louise: Exactly, I think the thing I am noticing is a bit more variation in living expenses that they are expecting. The different lenders are now raising their living expenses base so we really have to do a very thorough review of your last 3 months of spending which includes credit cards and savings accounts to show if really this a realistic interpretation of what you've done and I've only have one client, all this years that I've been doing this, getting it right. Good on you Danny. But no one else ... so it's very rare for anyone to estimate the correct living expenses. So it's something worth people knowing about and to look at it for the future . Any final tips for people Penny?

Penny: On those living expenses, we have a great system that we can use for that, so reviewing client's expenses, which is really helpful as well, to determine the applications, because if we submit an application well under what the actual figures are, that sometimes raises more questions with the bank, so we can sort of nip it in the bud straight away which is been actually good.

Louise: They are particularly looking for those after pays and methods of payments for things via credit which means you are probably not managing that well. So watch out for that people. Okay well have a great week and please call Penny or me if you need any assistance. We are here to help. Thank you.

