

OFFER & COMPLETION GUIDANCE

Mortgage Offer, Valuation & Completion Process

1 PURPOSE OF THE OFFER & COMPLETION STAGE

The Offer & Completion stage begins once the lender has completed the underwriting process and is satisfied with the mortgage application.

At this stage the lender confirms:

- the client meets lending criteria
- the property is acceptable as mortgage security
- the mortgage can proceed towards completion

This stage involves coordination between:

- the lender
- the client
- the mortgage adviser
- the solicitor or conveyancer

2 PROPERTY VALUATION PROCESS

As part of the underwriting process, the lender will normally arrange a property valuation. The purpose is to confirm:

- the property's market value
- the property's condition
- that the property is suitable mortgage security

The valuation may be conducted using:

- Automated Valuation Model (AVM)
- Desktop valuation
- Physical valuation inspection

3 POSSIBLE VALUATION OUTCOMES

Following the valuation, the lender will confirm one of the following outcomes:

Valuation Accepted

The property value supports the purchase price or loan amount. The mortgage application can proceed to the offer stage.

Down Valuation

The lender values the property below the agreed purchase price. Options include: increasing the deposit, renegotiating the price, or considering a different lender.

Valuation = £0 (Unacceptable Security)

The lender declines the property regardless of the client's financial circumstances.

4 COMMON REASONS FOR £0 VALUATION

- significant structural issues
- serious property condition concerns
- non-standard construction
- short lease issues
- title or legal concerns
- properties above commercial premises
- high-rise building restrictions
- fire safety or cladding concerns

5 ADVISER ACTIONS IF VALUATION IS £0

If a property is valued at £0 or declined as mortgage security, the adviser must:

- 1 Inform the client immediately
- 2 Review the valuation comments carefully
- 3 Discuss available options with the client

Possible options may include:

- seeking a second opinion from another lender
- obtaining an independent structural survey
- renegotiating the purchase price
- withdrawing from the transaction

The adviser must ensure the client fully understands the implications.

6 CONSIDERING ALTERNATIVE LENDERS

Different lenders have different property criteria. In some cases, another lender may accept the property.

Before submitting a new application the adviser must:

- review lender criteria carefully
- confirm the property type is acceptable
- ensure the recommendation remains suitable

Multiple applications should be avoided unless necessary.

7 MORTGAGE OFFER ISSUED

If the lender is satisfied with the valuation and underwriting checks, a formal mortgage offer will be issued. The offer is normally sent to:

- the client
- the mortgage adviser
- the client's solicitor

The offer will confirm:

- mortgage amount
- interest rate and product type
- mortgage term
- monthly repayment amount
- any special lender conditions

8 ADVISER RESPONSIBILITIES AFTER OFFER

When the mortgage offer is received, the adviser should review the document carefully and confirm:

- the loan amount is correct
- the interest rate matches the recommendation
- the mortgage term is correct
- any lender conditions are understood

If discrepancies are identified, the adviser must **contact the lender promptly**.

9 RECORDING THE OFFER IN PRO SYSTEM

All mortgage offers must be recorded in **Pro System CRM**. Advisers must:

- update the case status to Mortgage Offer Issued
- upload the mortgage offer document
- record any special conditions listed by the lender

10 COMMUNICATION WITH THE CLIENT

After receiving the mortgage offer the adviser should contact the client and explain the key details, including:

- mortgage amount
- interest rate
- mortgage term
- monthly payment
- any lender conditions

Clients should be encouraged to read the offer carefully and raise any questions.

11 ROLE OF THE SOLICITOR

Once the mortgage offer has been issued, the conveyancing solicitor will handle the legal process. The solicitor is responsible for:

- conducting property searches
- reviewing legal title
- preparing contracts
- arranging exchange of contracts
- requesting mortgage funds from the lender

The adviser should maintain communication with the client during this stage.

12 EXCHANGE OF CONTRACTS

For purchase transactions, the next major step is exchange of contracts. At exchange:

- the buyer and seller become legally committed to the transaction
- the completion date is agreed

The solicitor will coordinate this process.

13 COMPLETION

Completion is the final stage of the mortgage process. On completion:

- the lender releases mortgage funds
- the solicitor transfers funds to the seller
- ownership of the property transfers to the buyer

For remortgages, completion involves repaying the existing mortgage and transferring the loan to the new lender.

14 RECORDING COMPLETION IN PRO SYSTEM

After completion advisers must update the case record in Pro System. The following information should be recorded:

- completion date
- lender name
- mortgage product
- loan amount

Completion documentation should be uploaded where appropriate.

15 CLIENT AFTERCARE

Providing ongoing support after completion is part of the Impact Financial Services service standard. Advisers should:

- confirm completion with the client
- remain available for client questions
- remind clients about mortgage payment dates
- review mortgage arrangements when products approach expiry

Maintaining long-term client relationships supports better financial outcomes.

16 COMPLIANCE REMINDER

Advisers must ensure that:

- the mortgage recommendation was suitable
- the advice process was properly documented
- all records are stored in Pro System

All mortgage advice must comply with:

- FCA Mortgage Conduct of Business (MCOB) rules
- Impact Financial Services internal procedures

17 IMPACT ADVICE STANDARD

At Impact Financial Services, the adviser's responsibility does not end when the mortgage offer is issued. Advisers are expected to:

- support the client through to completion
- explain mortgage obligations clearly
- maintain professional communication with all parties

A successful mortgage case is the result of clear advice, proper preparation and strong client support.

DOCUMENT CONTROL

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