

## Are you home loan healthy?

There has been significant changes to the way lenders assess home loan applications, our experts have compiled some tips for you to ensure you can gain approval come settlement time.

### 1. Getting Prepared

Begin your home loan enquiries 6 months out to ensure you are across the boxes you will need to tick to apply for your home loan.

### 2. Watch your spending

Lenders are now analysing your bank accounts to ensure your expenses are in line with your income. Luxuries such as Uber Eats, after pay and betting accounts are hindering people's ability to borrow. Your broker can help you come up with a budget that will place you in the best position to have your loan approved. It is important you develop and implement this budget at least 6 months out from applying for your loan.

### 3. Paying on time

Lenders are now looking at your bank accounts to confirm you are meeting your commitments on time, this includes both existing loans and ongoing bills

### 4. Direct Debits

Do you still require all of the services you are paying for? Netflix, gym memberships, Foxtel etc. These services increase your ongoing living expenses and can have a negative impact on your loan application.

### 5. Stay within your Limits

Lenders are now reviewing credit card and bank statements, overdrawing on your account or going beyond your credit card limit will have a negative impact on your home loan application.

### 6. Increasing your savings

As you reduce your living expenses, it is the best practice to redirect that money into your savings account. The highlights good financial behaviour for the lender.

### 7. Savings History

Ensure you have all of your savings in the one account, this will make it simple to demonstrate your savings pattern to a lender, don't forget to ensure your account is earning you the highest possible interest rate.