

# Residential keying and expenditure guide

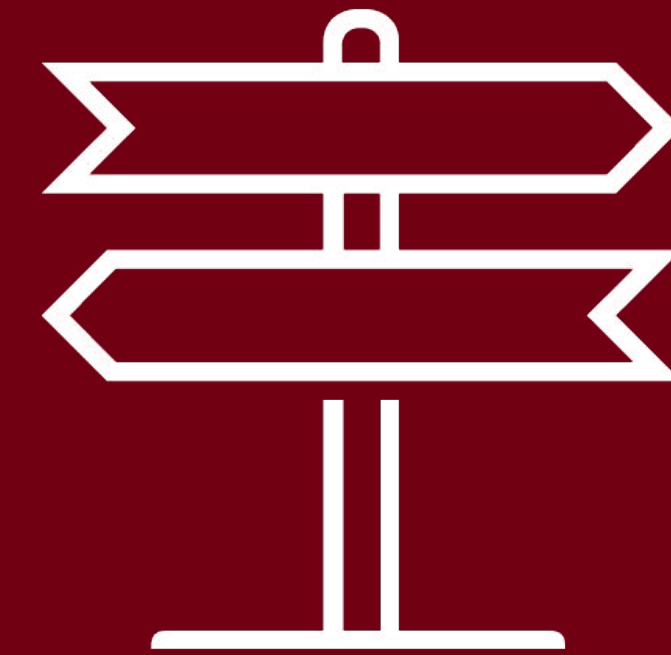
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# Introduction

The HSBC UK Intermediaries mortgage journey includes the following stages:

- Mortgage illustration summary quote
- Decision In Principle (DIP) and illustration (soft credit footprint)
- AVM valuation
- Full submission (hard credit footprint)
- Post underwriting and Physical Valuation (PV) (if required)
- Offer



This guide will support you on your mortgage journey with HSBC UK, offering hints and tips on keying an application, along with most common queries and keying errors.

The application platform is designed to identify the evidential documents that are required based on how the case is keyed, it is therefore essential that details input into the application are accurate.

There is help available throughout the application which can be accessed by clicking on the ? symbol next to the input field.

# Dashboard

- It is essential the correct application type is chosen at the start
- For all new to bank customers, or any application not linked to an existing HSBC UK mortgage, please select 'New customer'
- For Product switching, standalone Additional borrowing and Porting applications, please select 'Existing customer'
- Details must be input and exactly match those already on HSBC UK systems. If a Porting application is keyed as a Purchase application, or incorrect customer details are input, the system doesn't pull through their existing HSBC UK mortgage details, and the customers will not be able to transfer their existing HSBC UK mortgage to their new property
- If keyed incorrectly, a Purchase application cannot be amended to a Porting application, and a new application may need to be submitted
- For validation support, please contact our Broker Support Helpdesk on 0345 600 5847 Monday - Friday, 9am - 5pm.

Dashboard

New customer Existing customer Search by application ref or name

Filter cases +

Application number Primary applicant Application type Submitted date Amount Stage Status Unread message Copy DIP

Validate account

Please note fields marked \* require an entry

Customer details

Forename(s) and any middle name(s)\*

Surname/family name\*

Date of birth (dd/mm/yyyy)\*

Property postcode\*

Mortgage details

Mortgage sort code and account number (without spaces)\*

Direct debit sort code and account number (without spaces)\*

# Applicant Details

- Once an application is submitted, you cannot add or remove parties. This would require a full rekey of the application
- To receive an accurate decision, please ensure applicant details are keyed correctly in the mortgage illustration section
- The customer's full names, including middle names, should match the customer's identification documents and evidential documents. Variances could lead to further documents being requested, leading to delays
- During the DIP section of the application, you will have the opportunity to double check these details. Please take the time to ensure these are captured accurately
- Any amendments to applicants' details upon submission could lead to a change in the system decision
- To avoid delays to the application, the residential address for both applicants must correspond with those on the customers payslips and other evidential documents.

## Mortgage Illustration

Please note fields marked \* require an entry

### Applicant details

Is this a joint application?\*

Yes

No

Title\*

- Select -

Forename(s)/given name(s)\* ?

Middle name(s) ?

Surname/family name\* ?

Does the applicant have an existing relationship with HSBC?\* ?

Yes

No



# Energy Efficient Homes and Energy Performance Certificate

- The Energy Efficient Home Cashback (EEHC) mortgage product rewards customers who purchase a more energy efficient home. Cashback is received for Residential customers Purchasing or Remortgaging to HSBC UK with a home that has an Energy Performance Certificate (EPC) rating of A or B
- If no EPC has been carried out, or the customer has not yet found a property, 'Expired / Unknown' needs to be selected
- If the property is under construction, the broker must provide a Predicted Energy Assessment (PEA) certificate. The PEA certificate will be provided by the developer (and should contain the address or proposed address of the property, if the PEA certificate does not cover the above, a Plot Reservation form will also be required)
- Only properties with EPC / PEA rating of A or B are eligible for EEHC rates (Purchase / Remortgage applications up to £2,000,000)
- Unencumbered properties, Additional borrowing, Product switches and Buy to let properties are not eligible for EEH rates.

What is the EPC Rating of the property?\*

- Select -

What is the Predicted Energy Assessment (PEA) rating of the property?\*

- Select -

To check an EPC rating, refer to the Government website:

[Find an energy certificate - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

# Buyer Types and Rates - Hints and Tips

To ensure applications are keyed correctly and the appropriate rate is chosen, please review the below hints & tips. If the application is incorrectly keyed, or the wrong rate selected, this can result in case delays or rekeying of cases.

## **Additional borrowing**

For Additional borrowing applications, please select 'Existing Customer Borrowing More' rates

## **Porting**

For Porting customers who are also increasing their borrowing amount, please select 'Home Mover' rates

## **First time buyers**

First time buyers are defined as: 'At least one applicant has never previously owned a property in the UK or abroad'. If the applicant doesn't meet this criteria, an alternative rate should be chosen

## **Premier rates**

Only applicants who hold a HSBC Premier account are eligible for these rates. Once the case is at submission, the underwriter will check whether the applicants are eligible against HSBC internal systems

## **Energy Efficient Homes Cashback (EEHC) rates**

Only available for Purchase and Remortgage cases only where an EPC rating of A or B held. Unencumbered properties, Product switches and Buy to let properties are not eligible for EEHC rates

## **International rates**

A non-UK resident (in an approved country – see HSBC Intermediaries website) must select an International rate

## **Premier / Tracker rates**

When keying the application, if only Premier / Tracker rates are showing, please review the selected incentives (e.g. Cashback / Fee Assisted). If the issue is not resolved, please contact the Broker Support Helpdesk on 0345 600 5847 Monday - Friday, 9am - 5pm.

- **All customers are entitled to a free standard valuation**
- **A Completion fee of £17 is subject to application type**
- **We do not have any dual pricing. Brokers have access to the same rates as HSBC Direct.**

# Remortgage Applications - Rate Incentives

- **Products including cashback**

This will be instructed as General Panel Managed (the customer will need to select their own Solicitors firm from our panel and will pay the fees)

- **Products including Fee Assisted Legals**

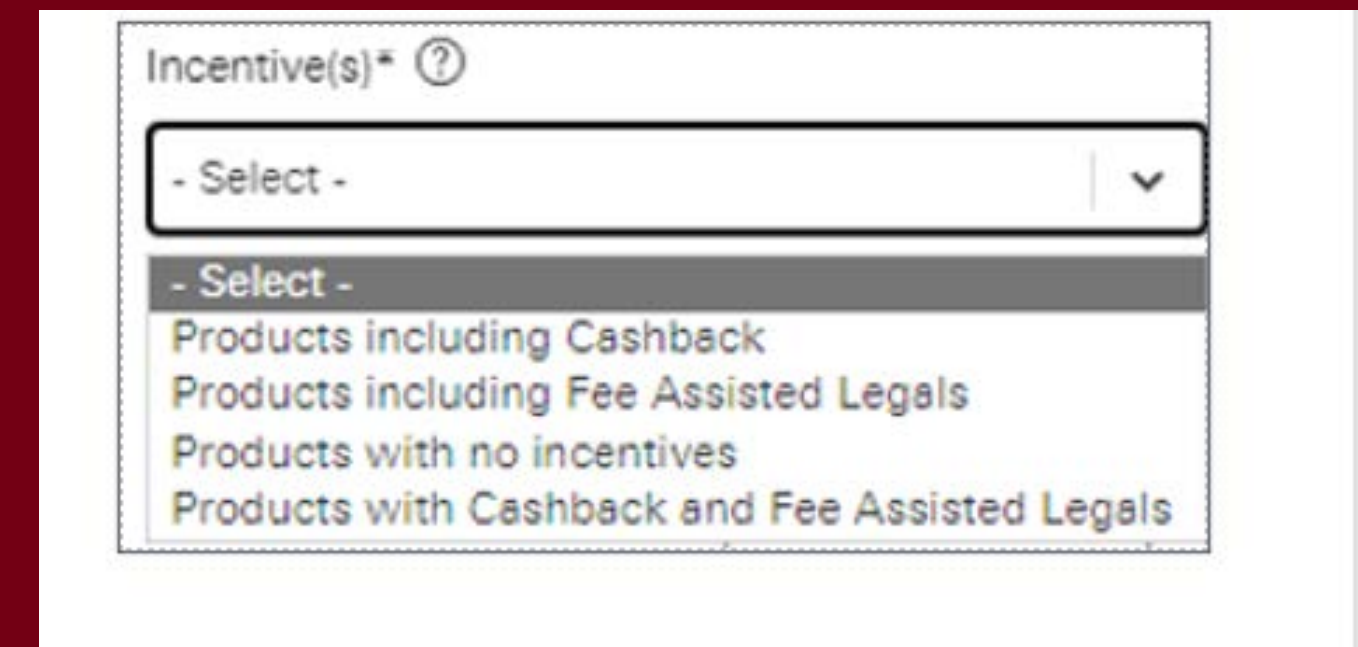
This will be instructed as Fees Assisted and a firm will be allocated from our panel to act (the customer does not choose the Solicitors firm here)

- **Products with no incentives**

This will be instructed as General Panel Managed (so the customer will need to select their own Solicitors firm from our panel and will pay the fees)

- **Products with cashback and Fee Assisted Legals**

This would only apply to EEHC rates (so the property would need to fit the guidelines for an Energy Efficient rate) – this would be instructed as Fees Assisted and the Solicitors firm will be panelled out to act (the customer does not choose the Solicitors firm here).



Incentive(s)\* ?

- Select -

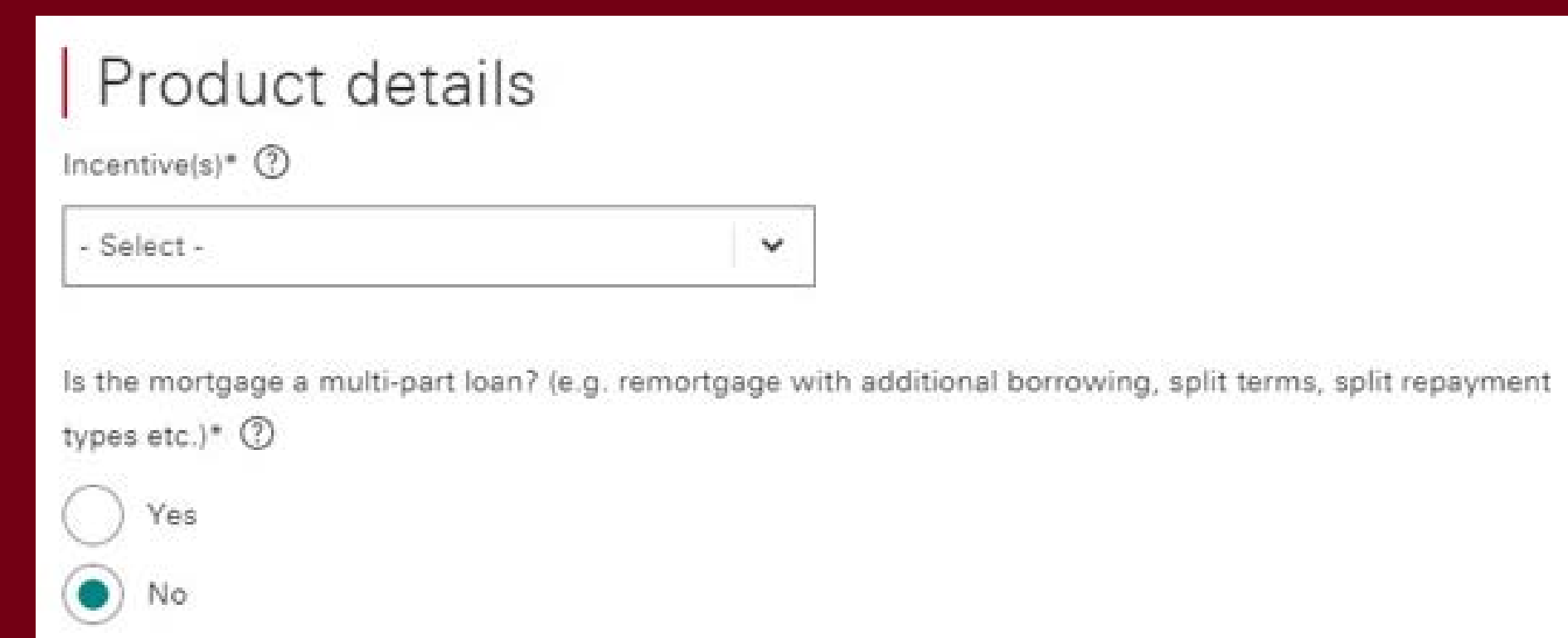
- Select -

Products including Cashback

Products including Fee Assisted Legals

Products with no incentives

Products with Cashback and Fee Assisted Legals



Product details

Incentive(s)\* ?

- Select -

Is the mortgage a multi-part loan? (e.g. remortgage with additional borrowing, split terms, split repayment types etc.)\* ?

Yes

No



# Discounted Properties

- If a discount has been applied to the property by family members, relatives or any other individuals / firm, please select 'Yes' to this question
- Loan to value, for policy, is linked to the 'actual' purchase price being paid to purchase the property. The customer's minimum deposit must be in line with criteria linked to this LTV
- The correct way to key these type of application is the following:
  - Submit the case based on the actual market value of the property. This way, the valuation is instructed on the correct value and the correct rate can be selected
  - Upload an Application Amendment Form to change the purchase price to reflect the discounted amount that the property is being purchased for. Please note, this needs to remain within policy limits for loan to value (LTV) etc.

Is the applicant purchasing the property at a discount from a family member, relative or other individual/firm?\*

Yes

No

# Contact Details

- Please enter the correct details for both applicants
- Do not enter your own details
- It is not possible to input duplicate mobile telephone numbers or email addresses for joint applications. If the second applicant does not have their own mobile number or email address, please leave the second applicants contact information blank
- It is important that the correct details are entered, as we send a password to the customer's mobile number when the offer is issued
- The Solicitors will also use this information to send their legal pack
- Not completing the contact details correctly could lead to a data protection breach of the customer's personal information.

The screenshot shows a web form titled 'Contact details'. At the top, there is a blue information banner with a white background and a blue icon, containing the following text: 'The contact details provided will be used to communicate with customers about their mortgage, plus any other HSBC products they already hold. Please check these details are accurate as they will replace any existing contact details held. In order to comply with our due diligence checks, please ensure that you do not duplicate any contact information (e.g. telephone number/email address) where there are multiple applicants.' Below the banner, the form contains several input fields: 'Home telephone number' with a blue help icon, a dropdown for country code (currently '+44'), and two text boxes for area and number; 'Work telephone number' with a similar dropdown and two text boxes; 'Mobile telephone number' with a blue help icon, a dropdown for country code (currently '+44'), and one text box; 'Confirm Mobile telephone number' with a dropdown for country code (currently '+44') and one text box; 'Preferred telephone number' with a dropdown menu currently showing '- Select -'; 'Email address' with a blue help icon and one text box; and 'Confirm Email address' with one text box.

# EU Sharecode - Step-by-Step

Where the customer has applied via the EU Settlement Scheme, we will require them to provide a copy of their 'share code' so we can check their status on the GOV.UK website. Please provide the sharecode upon submission which will also form part of the case packaging requests.

To obtain the share code, the customer will need to go onto [www.gov.uk](http://www.gov.uk) -> [View and prove your immigration status: get a share code](#). The customer will need the following information to hand:

- Details of the identity document they used when they applied to the scheme (i.e. passport, national identity card, or biometric residence card or permit)
- Their date of birth
- Access to the mobile number or email address they used when they applied.

Applicant 2 - Proof of Residency	Evidence of Residency	Current
	valid passport with visa stamp or work visa evidencing minimum 12 months living in the UK and evidence of minimum 12 months employment in the UK, for example, your contract of employment and work permit/visa showing entitlement to live and work in the UK for a further 12 months or if you are an EU national with pre-settled status please provide us with the sharecode generated from the GOV.UK website.	

## Step 1

When the customer has provided the relevant information from the above list, they should follow the steps to 'Get a share code to prove your status' and click on the 'Get share code' function.

## Step 2

This page asks the customer 'What do you need the share code for?'. The customer MUST select 'something else' for us to evidence their immigration status.

If they select to prove right to work or right to rent, we will only be able to confirm those rights and will not be able to see their settled or pre-settled status.

## Step 3

If the customer is happy to proceed, they can click on the 'Create share code' function shown at the bottom of the page.

## Step 4

This page confirms the share code which lasts for 30 days.

The code should be shared with us on the notes section of the application upon submission.

# Current Employment Details

- Please select the employment status as accurately as possible
- If the applicants start date is less than six months ago, a copy of the contract of employment may be required.

## 'Are you on a Zero Hours contract or Fixed Term contract?'

- For Agency or Short / Fixed term contract workers, please select 'Yes' to this question.

## 'Is the applicant aware of any future changes to their income and expenditure?'

- Please tick 'Yes' to this question if there are any expected changes to the customers income including redundancies, change of roles and maternity leave.
- For maternity leave, please also include future childcare costs and any changes to the applicants' income / terms of work
- Please input employers name as displayed on payslip. Incorrect details can lead to further questions and delays in the application journey.

The screenshot shows a form titled 'Current employment details' with the following fields and options:

- Employment status\***: A dropdown menu with 'Employed - full time' selected.
- Date started (dd/mm/yyyy)\***: A date picker field.
- Is this the main employment?\***: Radio buttons for 'Yes' and 'No'.
- Are you on a Zero Hours Contract or Fixed Term Contract?\***: Radio buttons for 'Yes' and 'No'.
- Is the applicant aware of any future changes to their income and expenditure that are likely to affect their ability to meet their mortgage payments?\***: Radio buttons for 'Yes' and 'No', with 'No' selected.
- Occupation\***: A dropdown menu with '- Select -' selected.
- Job description\***: A dropdown menu with '- Select -' selected.
- Employer / Business name\***: A text input field.

**Zero Hours Contract** - Employer is not guaranteed to provide minimum working hours or a set pattern

**Fixed Term Contract** – Employed for a certain length of time rather than indefinitely

# Employers Address

- Please key the customer's employer / business address as accurately as possible
- As part of our underwriting checks, we undertake a sensibility check on all travel costs, and compare these to the employer's address
- If you are inputting an address which is head office or a site where the customer does not work from, please detail this at the end of the application in the notes section. This includes, working from home, hybrid working etc.

### Employer / Business Address

If a UK, Channel Islands or BFPO address, please enter the "Postcode" and some search criteria in the "Building number", "Building name" or "Flat name or number" fields and use the "Search" button to search for the address. If a Non UK Address, please enter one of the "Building number", "Building name" or "Flat name or number" fields.

Is the address in the UK or Channel Islands?\*

Yes

No

Postcode (UK/Channel Islands Only)

Building number

Building name

Flat name or number

What is the nature of your business?\*



# Self-Employed - Limited Company Director / Shareholder

- When completing employer details for Self-employed Limited Company Director / shareholder:
  - Please ensure the Directors salary is included in the highlighted field
  - If there is no Directors salary, please input £0 for both the latest and previous years, as this can cause a false DIP decline if left blank
  - Please be aware, if the company is a trading company and there is a holding company involved, please provide their latest year's finalised financial accounts along with the trading companies latest year's finalised financial accounts.

Annual earnings (before tax)  
We require 2 years' business accounts or self-assessment tax returns (SA302s).

Current year

Current year\*

2024

Net profit for last full financial year\* [?](#)

£

Salary for last full financial year\*

£

When is the income paid?\*

- Select -

How is the income paid?\*

- Select -

# Other Income

## Benefit income:

- Benefit income can only be used where these are evidenced to be assured and regular and will be received over the full term of the mortgage.

## Rental income:

- The monthly rental income keyed should be the gross rental income as evidenced by the SA100. Please note, even if you are not using Buy to let income, all associated costs still need to be included in the application
- If the applicant is considered a [Portfolio Landlord](#) (including BTLs in holding companies), rental income cannot be used and must be excluded from affordability.

## Retirement age:

- Please complete both applicants anticipated retirement age
- Where retirement age is declared as above 70, the system will automatically base affordability up to the age of 70 as a prepopulated retirement age.

Other monthly income (before tax)

Monthly rental income ⓘ

Monthly court approved maintenance

Monthly disability living allowance

Monthly working / family tax credits

Monthly child benefit / child support allowance

Monthly investment income

Net monthly income

Typical monthly other income (after tax and deductions)\*

Retirement age

Anticipated retirement age\* ⓘ

# Financial Commitments

## Debts to be Repaid upon Completion

Although the system allows you to record any debts which will be repaid upon completion, these still need to be included and on the affordability calculator to provide an indicative maximum lend.

This also includes inputting any credit cards which are repaid in full each month.

Always include the lenders name as accurate as possible to prevent delays in the application journey.

Debts that will expire in less than six months can be excluded from the affordability calculation.

Will any of this credit / store card balance be repaid before the mortgage completes?\*

Yes

No

Will any of this loan or hire purchase agreement balance be repaid on or before completion?\*

Yes

No

How will you be repaying this?\*

- Select -



Balance at completion?\*

£

# Existing Residential Mortgages - How to Key

For Purchase and Porting applications, if 'Yes' is answered to the question 'Does the applicants have any existing Residential mortgages?', the application will continue to ask, 'What are they going to do with this mortgage?'.

If the applicants are repaying their existing mortgage and completing their HSBC UK mortgage simultaneously, the broker needs to select 'To Be Repaid This Advance'. Any other selection will result in the mortgage payment amount being retained as a commitment.

A common scenario we see applications declining is where the external residential mortgage is being repaid upon completion and has been keyed as 'To be Repaid Other Sources'. This should be keyed as 'To Be Repaid This Advance'.

For Remortgage applications, this section is automatically completed as 'To Be Repaid This Advance'.

Does the applicant(s) have any existing Residential mortgages? For Remortgages, please include their current mortgage details.\*

Yes

No

What are they going to do with this mortgage?\*

- Select -

- Select -

- To Be Repaid This Advance
- To Be Repaid Partially This Advance
- To Be Repaid Other Sources
- To Be Repaid Partially Other sources
- Continuing - Not Being Redeemed
- Continuing - To be Ported
- Continuing - Buy To Let

- Select -

# Second Residential Incorrectly Keyed

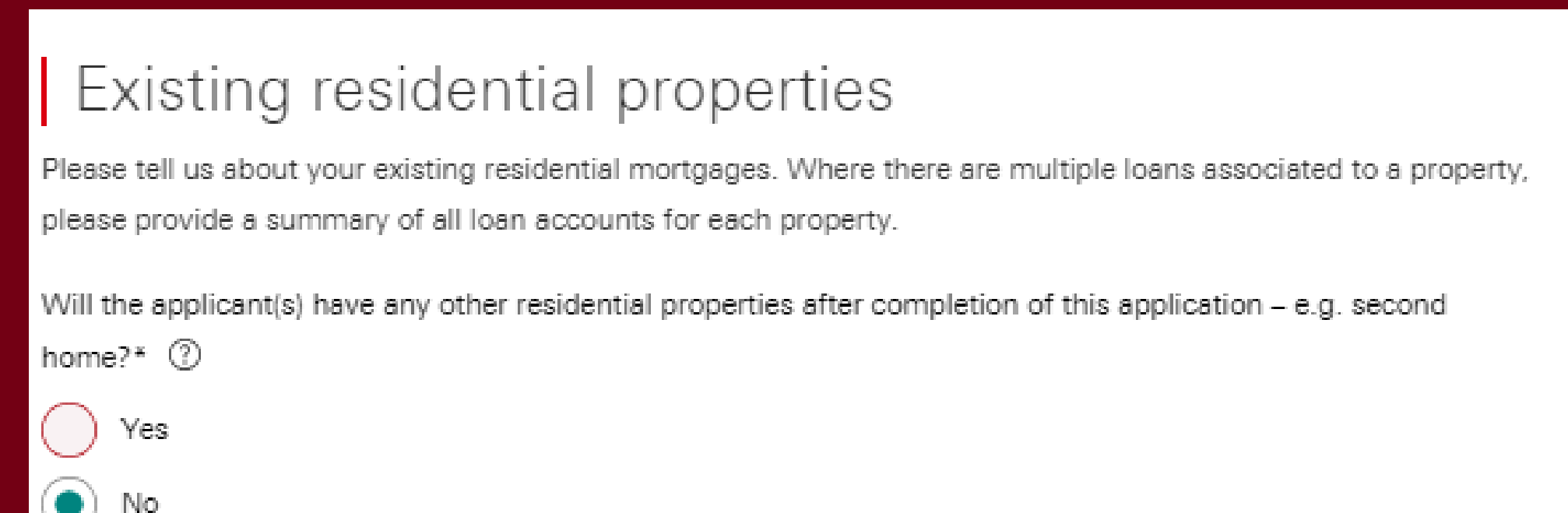
This only relates to second properties - retained / additional properties, not a remortgage.

If an application is incorrectly keyed as a second residential which will remain upon completion, the system will restrict to the maximum LTV for the second property at 80%.


On the Existing Residential Properties section of the application the system asks 'Does the applicant own any other residential properties?' This question relates to how many residential properties the applicants will own upon completion.

For applications with properties in the background such as second homes, we need to include any background running costs for the second home within expenditure, even where the property will be occupied by other family members. These running costs include council tax, utilities, insurance.

Mortgages should be included if they appear on the customer's credit report, this includes where they are held jointly with siblings, children etc.



The screenshot shows a web form with the following content:

- Existing residential properties**
- Please tell us about your existing residential mortgages. Where there are multiple loans associated to a property, please provide a summary of all loan accounts for each property.
- Will the applicant(s) have any other residential properties after completion of this application – e.g. second home?\* 
- Yes
- No



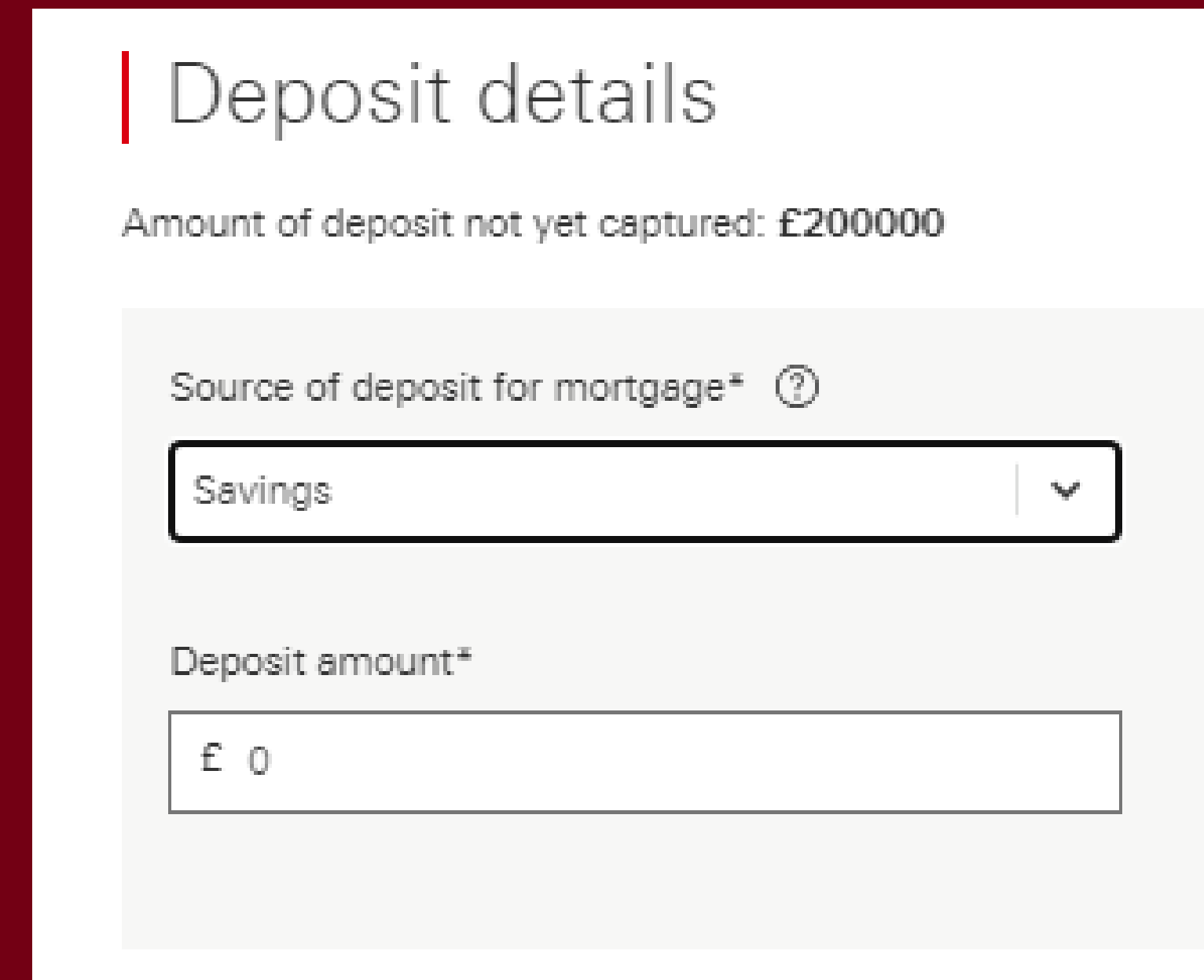
# Deposit

## Standard applications:

- When completing a Home Mover application, where the deposit is 'Equity', please select 'Other'.

## Foreign national / Overseas applications:

- For Foreign national / Overseas applicants, if the deposit is coming from sale of property, it should be keyed as 'Savings'
- A common error is the deposit being keyed as 'Other' with a description of 'sale of property'. This causes the DIP to decline for not meeting our Foreign national / Overseas deposit criteria
- In the above scenario, please add notes to the case to confirm exactly where the source of deposit originates from.



Deposit details

Amount of deposit not yet captured: £200000

Source of deposit for mortgage\* ?

Savings

Deposit amount\*

£ 0

# Household Expenditure

We use modelled expenditure based on the property to be mortgaged for many essential expenditure items, so these do not need to be separately input into the application. The following however need to be included:

- For all leasehold properties – ground rent / service charge
- Travel:
  - Essential travel including any costs associated with the commute to work (e.g. fuel, parking, public transport fares)
  - Costs associated with running a vehicle (e.g. insurance / tax / service / maintenance costs)
- Payslip deductions e.g. season ticket loan / Cycle to Work / car lease / car parking
- Childcare – as well as including any regular costs, please include any childcare vouchers
- School / Further or Higher Education fees need to be included, even where savings or family members will cover the cost.

## Monthly costs

Payment to fund repayment strategy for interest only mortgage

Ground rent / service charge [?](#)

Travel costs including commuting to work

Child maintenance [?](#)

Spouse / partner maintenance

Childcare [?](#)

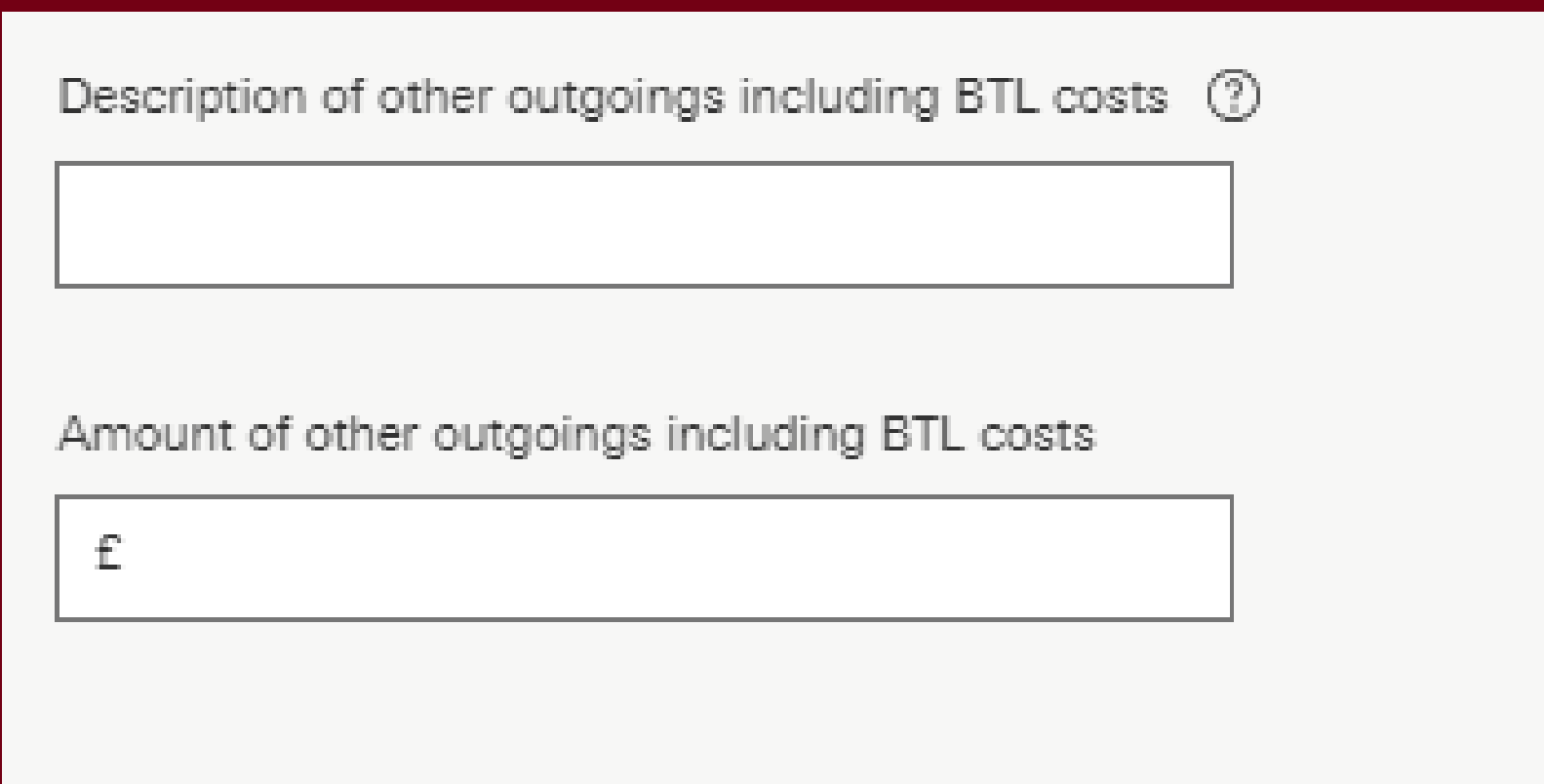
School / further or higher education fees [?](#)

# Household Expenditure - 'Other'


All other non-credit commitment costs which aren't captured within the DIP need to be included in 'Other outgoings'.

The below list is not exhaustive, but does give an example of what may need to be included in the affordability assessment:

- Student loan (if multiple payslips are required as per [Evidential Documents Matrix](#), please input the average student loan payment over the required number of payslips). Please do not include this under loans and liabilities as this can affect the application decision
- Buy to let costs
- Second home costs
- Overseas property expenditure (including mortgages and running costs)
- Payslip deductions including employer loan, armed forces accommodation, Credit Union etc.
- Guarantor mortgages. If the customer is guarantor for a mortgage they are not named on, they may still be liable for this cost.



The screenshot shows a form with two input fields. The first field is labeled 'Description of other outgoings including BTL costs' with a help icon. The second field is labeled 'Amount of other outgoings including BTL costs' and has a pound sign (£) in the input area.

Description of other outgoings including BTL costs 

Amount of other outgoings including BTL costs

£



# Dependants

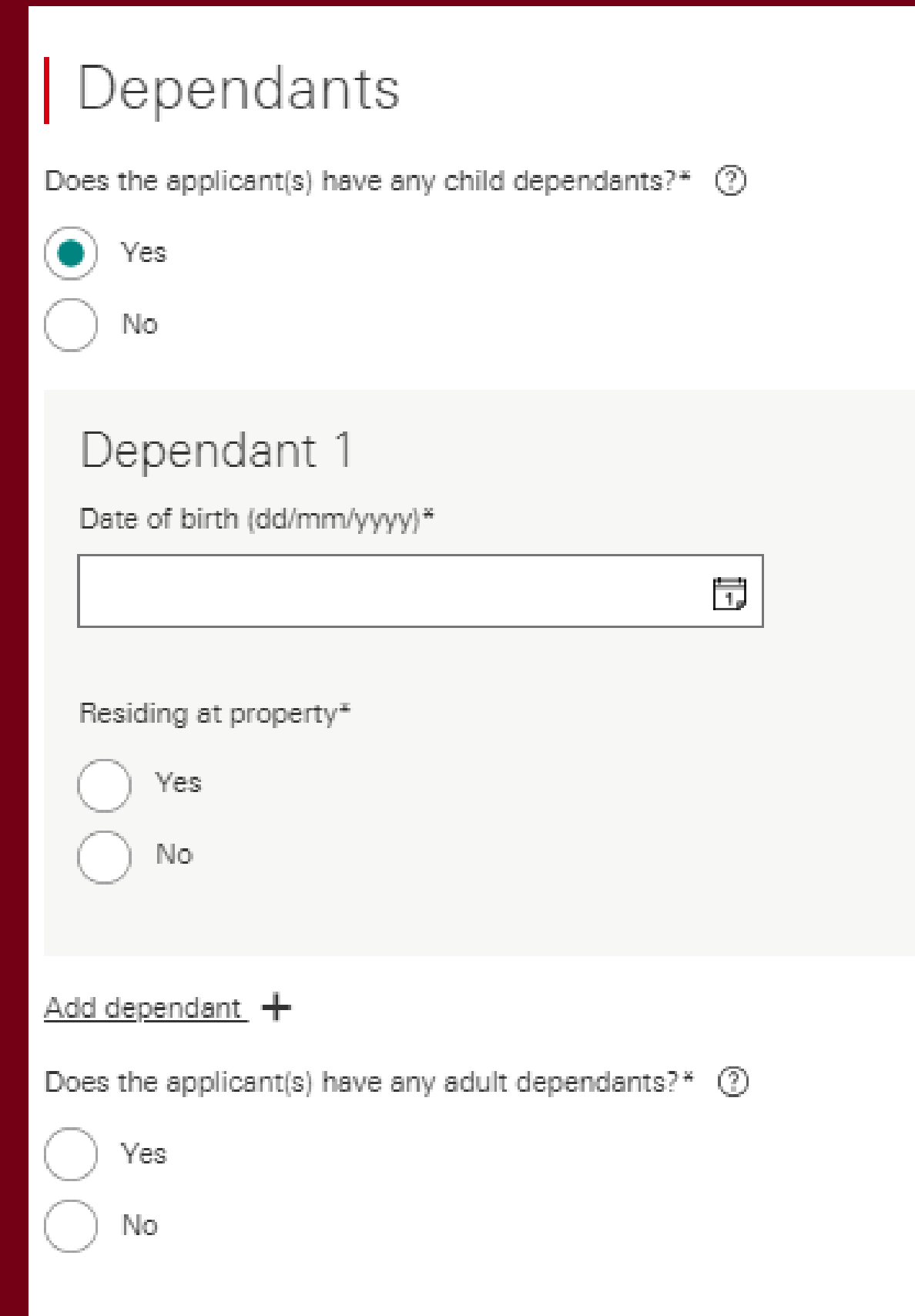
Please key the dependants date of birth as accurately as possible as this can cause delays to the application.

- Incorrectly keying the date of birth can lead to further questions by the underwriter regarding childcare costs
- Anyone aged 17 or older at the time of the application submission, who lives in the property but is not on the mortgage application (excluding full time students), will be required to sign a Letter of Consent.

## Adult Dependants:

An adult dependant is defined as any member of the applicant's immediate family who is:

- Financially dependent on the applicant
- Over the age of 18
- Not included on the mortgage, but living with the applicant full time.



The screenshot shows a digital form titled "Dependants". It contains the following elements:

- A question: "Does the applicant(s) have any child dependants?\*" with a help icon (question mark in a circle).
- Two radio button options: "Yes" (selected) and "No".
- A section header: "Dependant 1".
- A label: "Date of birth (dd/mm/yyyy)\*".
- A date input field with a calendar icon on the right.
- A label: "Residing at property\*".
- Two radio button options: "Yes" and "No".
- A link: "Add dependant +" with a plus sign icon.
- A second question: "Does the applicant(s) have any adult dependants?\*" with a help icon.
- Two radio button options: "Yes" and "No".