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QUALIFIED CONSULTANCY MORTGAGE TRAINING BOOKLET

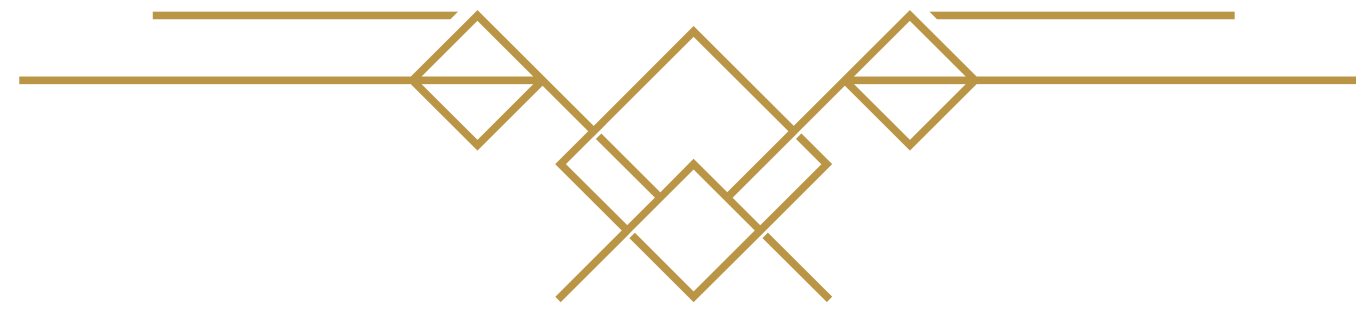
GET STARTED



INTRODUCTION:

Welcome to our Mortgage Training Booklet! In this booklet, you will find valuable information and resources to help you understand the mortgage process, regulations, and best practices. Whether you are a new mortgage professional or looking to enhance your knowledge, this booklet will serve as a comprehensive guide to the mortgage industry.





1. Chapter 1: Understanding Mortgages

- What is a mortgage?
- What is the collateral ?
- Types of mortgages
- Mode of financing
- Key terms and concepts (loan-to-value ratio, down payment, closing costs, etc.)

2. Chapter 2: Mortgage terms

1- LTV/FTV 2- Down payment 3- Collateral 4- Property appraisal 5- DBR/DSR 6- ROI
7- TCR 8- PDCR 9- Title deed 10- Site plan/affection plan 11- Search certificate / verification : official document contain 12- Floor plan / layout 13- AECB

3. Chapter 3: Required documents

4. Chapter 4: Marketing and Sales Techniques

- Strategies for generating mortgage leads
- Effective communication with borrowers

5. Chapter 5: Best Practices in Mortgage Lending

- Ethical considerations for mortgage professionals
- Risk management and fraud prevention
- Continuing education and professional development opportunities



CHAPTER 1

➤ **WHAT IS THE MORTGAGE ?**

A loan that is collateralized against property , granted for the purpose of construction , purchasing or refinancing .

➤ **WHAT IS THE COLLATERAL ?**

property upon which the real estate loan is secured

➤ **TYPES OF MORTGAGES :**

1 residential (against salary only)

2 investment (against salary + rental) this type may include rental only on residential use property

3 commercial real estate financing (rental based only)

4 commercial contraction real estate (based on future rent depending on the fusibility study

CHAPTER 1

➤ **MODE OF FINANCING :**

1- New purchase (secondary market)

2-Developer purchase (primary market , direct from the developer , final payment

3-Refinance (buy out , transferring the client existing mortgage to other bank with better conditions)

4-Refinancing (buy out + equity release , increase the value of the property allowing extra financing the mode is to transfer the existing mortgage to other bank and to grant extra fund for the purpose of renovation or purchasing another property

Note: option NO 4 could work in same bank as a top up loan

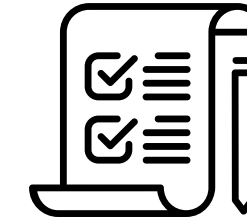


5-Equity release (stand alone , granting cash out to the client for the purpose of renovation or purchasing another property in residential and investment properties , hence cash to customer account in commercial properties

6- construction loan (when the customer has vacant land and he wants to build residential or commercial property over the land

Note : customer contribution is the land value in case if it is not gifted land .

➤ **KEY TERMS AND CONCEPTS (LOAN-TO-VALUE RATIO, DOWN PAYMENT, CLOSING COSTS, ETC.)**



LTV / FTV : loan to value

1-For UAE nationals, the first property is eligible for 85% financing if the property price is below 5 million, and 75% if it is above 5 million, based on the property value.

2-For UAE nationals, the second or investment properties are eligible for 65% financing based on the property value.

3-For expats, the first property is eligible for 80% financing if the property price is below, and 70% if it is above, based on the property value.

4-For UAE nationals, the second or investment properties are eligible for 60% financing based on the property value.

5-For commercial properties, there is no difference between nationalities in Loan-to-Value (LTV) ratio. The LTV ratio is decided by the bank, taking into consideration other factors.

Fees

6-Down payment : it is an advance payment from the customer own sources and it is the different between the bank finance amount and the property value

7-processing fees : one time payment for the bank as application fees

8-Valuation fees : this fees to find out the property market value in order to specify the finance amount

9-Early settlement fees : partial or full exit fees

10-transfer fees : this fees include external fees for the real estate agent , mortgage fees , land department fees .

11-mortgage brokerage fees : the fees which pay to the mortgage broker to facilitate the mortgage proses , including provide best financing options .

CHAPTER 2

➤ Mortgage terms

- 1- LTV/FTV: loan to value / finance to value
- 2- Down payment : customer contributions
- 3- Collateral: the property
- 4- Property appraisal : property value as per valuation report
- 5- DBR/DSR: ratio of debit burden income / direct standard ratio
- 6- ROI : return of investment
- 7- TCR : tenancy contracts registry
- 8- PDCR : post dated cheques registry
- 9- Title deed : official ownership certificate
- 10- Site plan/affection plan : official site location map
- 11- Search certificate / verification : official document contain the mortgage status
- 12- Floor plan / layout : architecture drawing
- 13- AECB : Al Etihad credit bureau



CHAPTER 3

➤ Required documents

- 1-Identification documents** : passport copy , EID , marriage certificate , trade license, moa .
- 2- Property documents** : title deed , search certificate , floor plan , MOU , seller EID , TCR, PDCR, finance contracts , PDC copy , SOA , Hand over notice , SPA, completion certificate .,
- 3- Income documents** : salary letter, pays lip , personal bank statement , rental bank statement , audit financial report .company bank statement .
- 4- AECB report .**
- 5- Bank application .**
- 6- Mortgage Broker agreement .**



CHAPTER 4

➤ Strategies for generating mortgage leads.

To have mortgage knowledge.

- 1-Include mortgage services in MOU .
- 2-Approach the client for the mortgage services availability
- 3-Building client relationships and referrals, Effective communication with borrowers.

Who need the mortgae services :

- Any real estae clinet is potential for mortgaaeservices .
- Clinet who is looking for VIP services with best financeing conditions .
- Complicated cases .
- Urgent cases .
- Pricing sensitive client

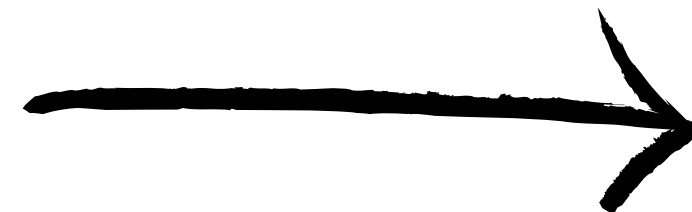


CHAPTER 5

➤ Best Practices in Mortgage Lending

Ethical considerations are essential for mortgage professionals to ensure they maintain integrity, trust, and transparency in their interactions with clients. Some key ethical considerations for mortgage professionals include:

- 1. Confidentiality:** Mortgage professionals must maintain the confidentiality of client information and ensure that sensitive personal and financial details are kept secure and not disclosed without proper authorization.
- 2. Truthful and Transparent Communication:** Mortgage professionals should provide accurate and clear information to clients regarding mortgage products, terms, fees, and potential risks involved. They should avoid misleading or deceptive communication.
- 3. Avoiding Conflicts of Interest:** Mortgage professionals should act in the best interests of their clients and avoid any conflicts of interest that may compromise their ability to provide unbiased advice. They should disclose any potential conflicts of interest to clients.



4. Compliance with Laws and Regulations: Mortgage professionals must adhere to all relevant laws, regulations, and industry standards governing the mortgage industry. This includes ethical conduct, fair lending practices, and anti-discrimination laws.

5. Professional Competence: Mortgage professionals should maintain a high level of professional competence and continually update their knowledge and skills in the field of mortgage lending to provide clients with accurate and informed advice.

6. Fair Treatment of Clients: Mortgage professionals should treat all clients fairly and without discrimination based on factors such as race, gender, age, or socioeconomic status. They should provide equal access to mortgage products and services for all qualified individuals.

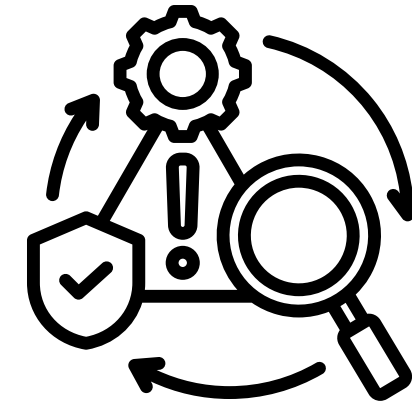
7. Protection of Client Assets: Mortgage professionals should safeguard client funds and assets entrusted to them and handle them with care and prudence. They should avoid commingling client funds with their own accounts.

8. Accountability and Responsibility: Mortgage professionals should take responsibility for their actions and decisions, acknowledge and rectify any errors or mistakes, and maintain accountability for the advice and services provided to clients.

By adhering to these ethical considerations, mortgage professionals can build trust with clients, maintain a positive reputation in the industry, and demonstrate their commitment to upholding ethical standards in their professional practice.

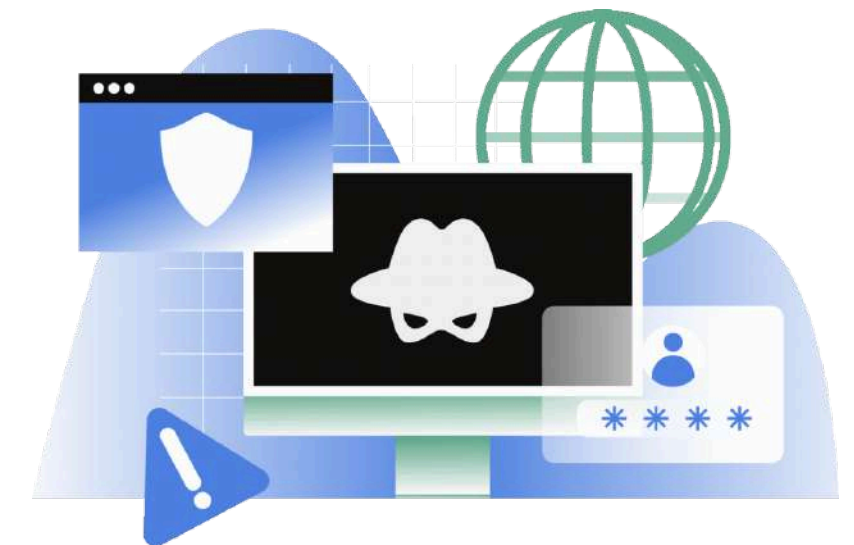
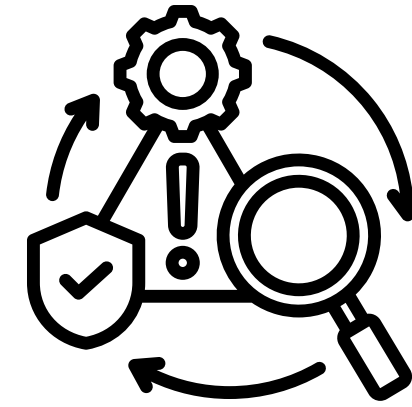
➤ Risk management and fraud prevention :

- **Risk management and fraud prevention** are critical components of the mortgage industry to protect lenders, borrowers, and other stakeholders from potential financial losses and unethical practices. Here are some strategies for effective risk management and fraud prevention in the mortgage sector:
- **1. Implement Robust Verification Processes:** Verify the identity, income, employment history, credit history, and other relevant information of borrowers through thorough documentation and verification procedures to ensure their financial stability and creditworthiness.
- **2. Conduct Due Diligence on Borrowers:** Perform comprehensive background checks on borrowers to assess their financial stability, credit history, and eligibility for mortgage financing. This helps identify any red flags or inconsistencies that may indicate potential fraud.
- **3. Monitor Industry Trends and Regulations:** Stay informed about evolving industry trends, best practices, and regulatory requirements related to mortgage lending to ensure compliance with relevant laws and standards for risk management and fraud prevention.

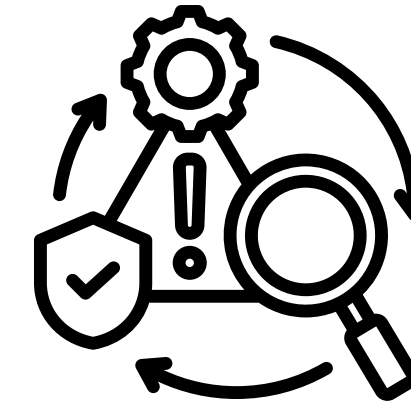


➤ Risk management and fraud prevention :

- **4. Implement Internal Controls and Procedures:** Establish internal controls, policies, and procedures to prevent fraud, mitigate risks, and detect suspicious activities within the mortgage lending process. This may include segregating duties, conducting regular audits, and enforcing security measures.
- **5. Educate Employees and Clients:** Provide training and awareness programs for employees, clients, and other stakeholders to educate them about common fraud schemes, warning signs of potential fraud, and best practices for fraud prevention in mortgage transactions.
- **6. Use Technology and Data Analytics:** Leverage advanced technology solutions, such as fraud detection software, data analytics tools, and AI-powered algorithms, to analyze data, detect anomalies, and identify potential fraud risks in mortgage applications and transactions.
- **7. Establish Risk Mitigation Strategies:** Develop risk mitigation strategies and contingency plans to address potential risks and vulnerabilities in the mortgage lending process, including credit risk, interest rate risk, market risk, and operational risk



➤ Continuing education and professional development



are essential for mortgage professionals to stay current with industry trends, regulations, best practices, and technological advancements. Here are some key opportunities for mortgage professionals to enhance their knowledge and skills through continued education:

- 1. Industry Conferences and Seminars:** Attend mortgage industry conferences, seminars, workshops, and networking events to learn about the latest trends, best practices, and regulatory updates in the mortgage sector. These events provide valuable opportunities to connect with industry experts, peers, and stakeholders.
- 2. Certification Programs:** Pursue professional certifications, such as the Certified Mortgage Banker (CMB), Certified Mortgage Consultant (CMC), or Certified Mortgage Planning Specialist (CMPS) designation, to demonstrate expertise and credibility in the mortgage lending field. These certifications require ongoing education and training to maintain.
- 3. Online Courses and Webinars:** Take advantage of online courses, webinars, and virtual training programs offered by industry associations, educational institutions, and professional development providers. These resources cover a wide range of topics, from mortgage lending fundamentals to specialized areas of expertise.



➤ Continuing education and professional development

4. Regulatory Compliance Training: Stay informed about regulatory compliance requirements and changes in lending laws by participating in compliance training programs offered by industry organizations, legal firms, and regulatory agencies. Compliance training helps mortgage professionals adhere to legal standards and avoid violations.

5. Professional Associations and Networking Groups: Join mortgage industry associations, trade organizations, and networking groups to access educational resources, training opportunities, industry publications, and professional development events. These groups facilitate networking, knowledge sharing, and collaboration within the industry.

6. Mentorship and Coaching Programs: Engage in mentorship and coaching programs with experienced mortgage professionals, industry mentors, or business coaches to receive personalized guidance, feedback, and support in advancing your career, improving performance, and achieving professional goals.

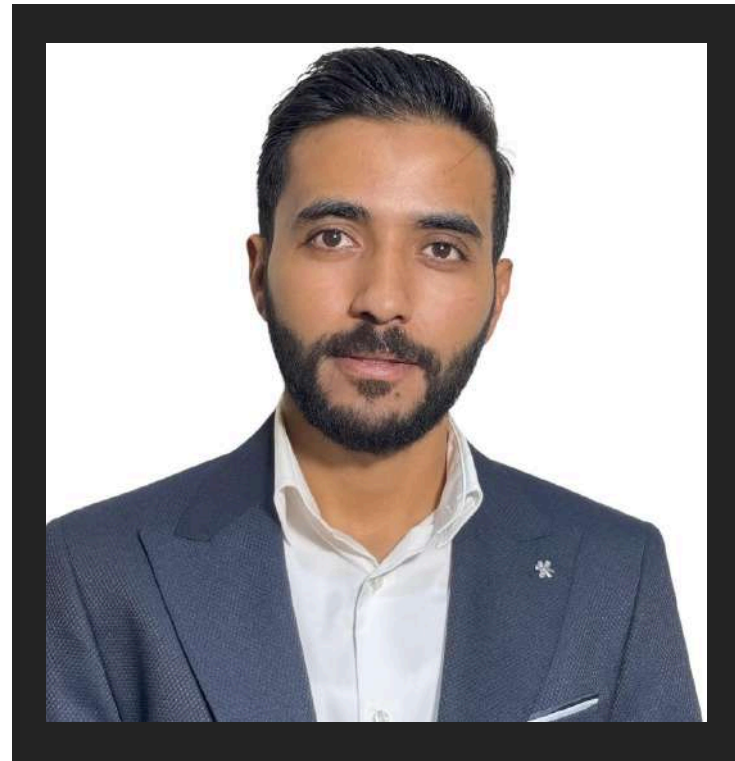
7. Technology Training and Skills Development: Enhance your technical skills and proficiency in mortgage software, data analytics tools, customer relationship management (CRM) systems, and other technology solutions by participating in training programs and workshops tailored to the mortgage industry.



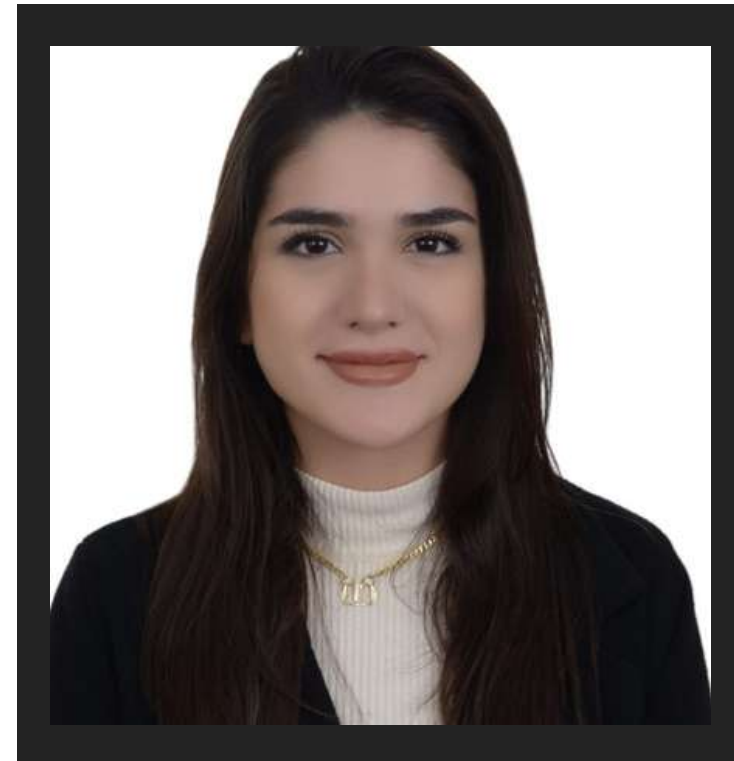
MEET OUR TEAM



Muhannad Abuatwan
Founder & CEO



Anas Al Khdir
Sales Director
Multi products

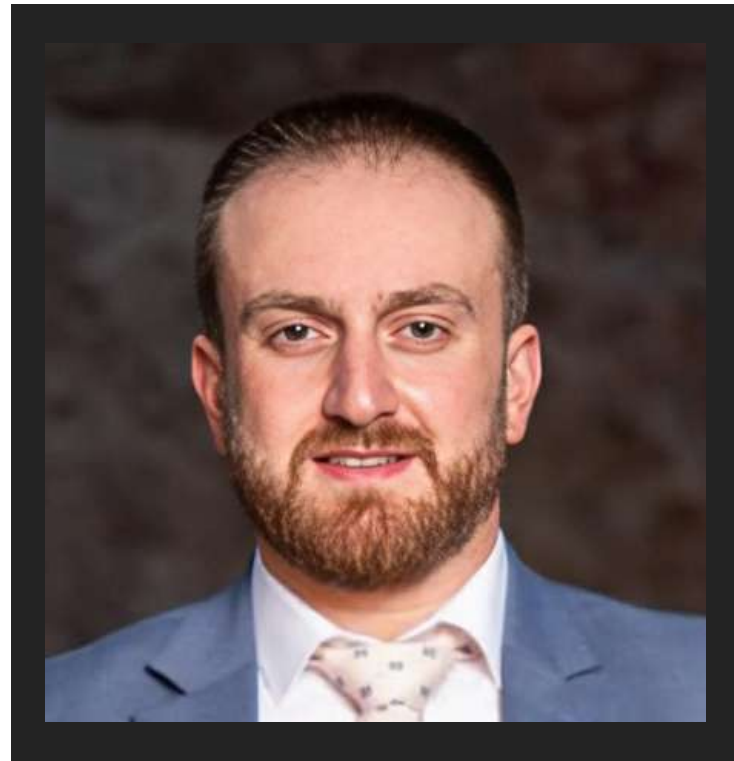


Karoline Daas
HR manager



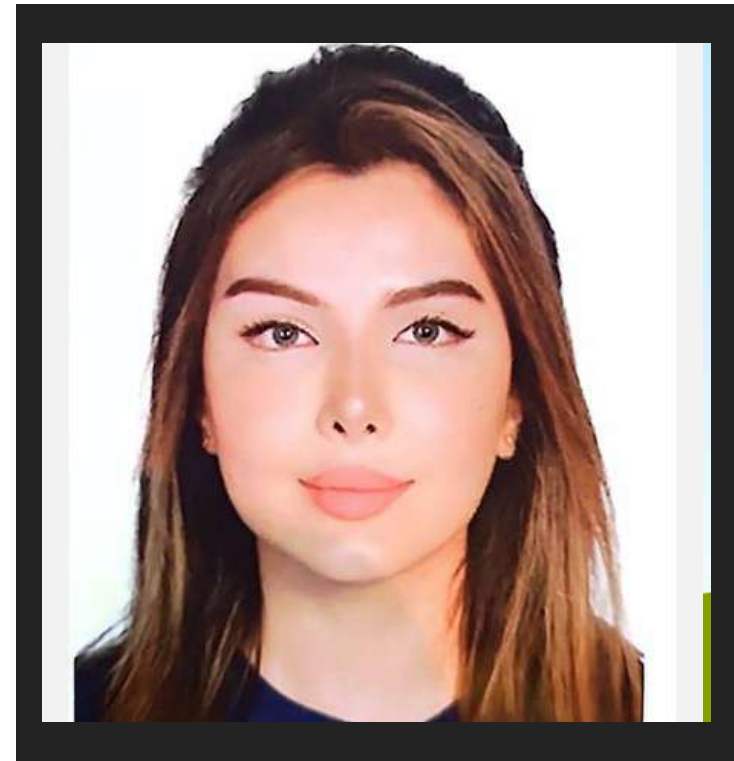
Farah Al Shayeb
Marketing manager

MEET OUR TEAM



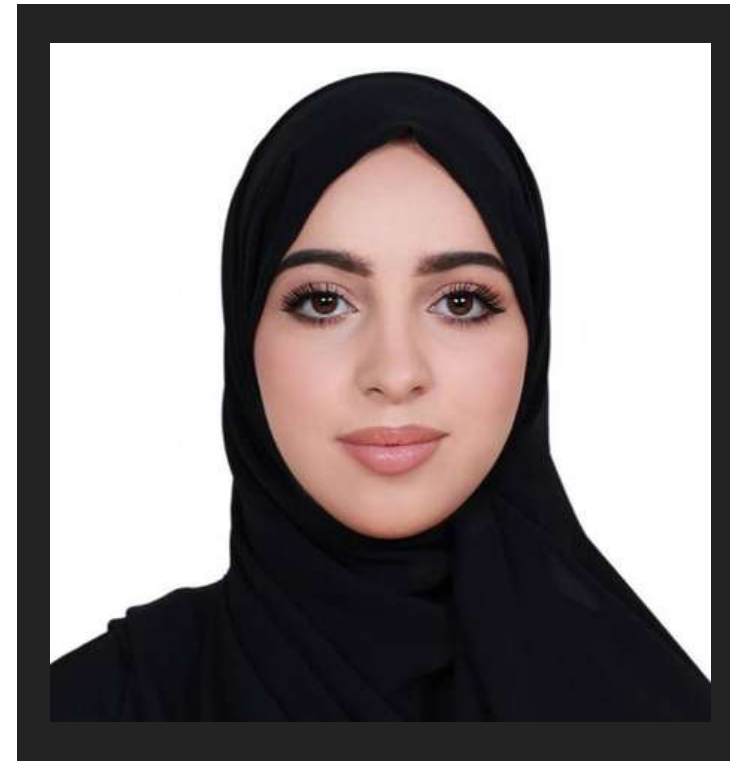
Waddah Abdallah

Team leader



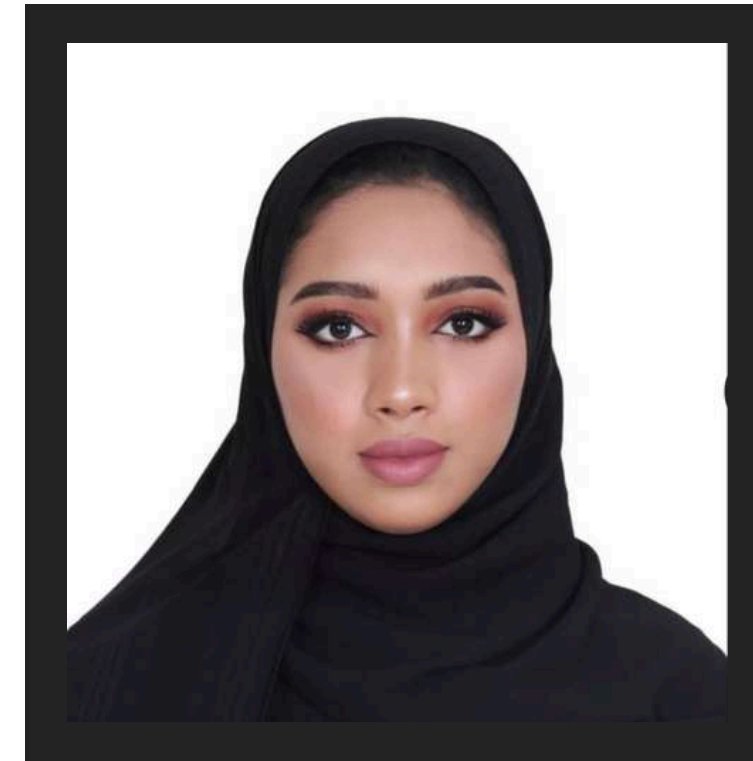
Hiba Milam

Senior mortgage advisor



Mariam Moudioui

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Safa Hemdouli

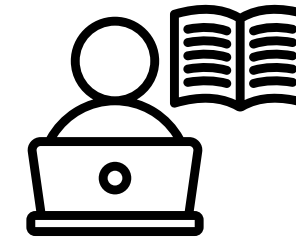
Senior mortgage advisor

➤ **Self-Study and Reading:** Stay up-to-date with industry publications, research reports, whitepapers, books, and online resources related to mortgage lending, real estate market trends, economic indicators, and regulatory developments. Continuous self-study broadens your knowledge and expertise in the industry.

By actively pursuing continuing education and professional development opportunities, mortgage professionals can expand their knowledge base, improve their skills, stay competitive in the market, and position themselves for long-term success in the dynamic and evolving mortgage industry.


Conclusion:

Congratulations on completing our Mortgage Training Booklet! We hope you have gained valuable insights and skills to excel in the mortgage industry. Remember to stay informed about changes in regulations, market trends, and best practices to stay ahead in this dynamic field. Thank you for your dedication to helping clients achieve their homeownership dreams!



THANK YOU

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