

GETTING MORTGAGE READY

A First-Time Buyer's Guide

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Buying your first home is exciting - but getting mortgage-ready can feel overwhelming.

This guide explains exactly what lenders look for and how you can strengthen your application before applying.



**Eolas
Money**

Helping You on Life's
Financial Journey

What Lenders Actually Look For

As mortgage advisors, Eolas Money review applications from a lender's perspective before they ever reach the bank.

Income Stability

- Steady employment for typically 6–12 months in your current role.
- Ideally past probation.
- Consistent payslips and a valid employment contract.

Bank Account Behaviour

- No missed loan repayments.
- No unauthorised overdrafts.
- Avoid large one off debits or unusual transactions.

Credit & Repayments

- No recent arrears.
- Keeping credit card balances low and repaying monthly.

Genuine Savings

Even if your deposit is gifted, having evidence of genuine savings significantly strengthens your application.

Tip: If you're unsure how your bank statements or income look from a lender's perspective, get them reviewed early - small adjustments now can prevent delays later.

Understanding Affordability

Lenders assess how comfortably you can meet mortgage repayments.

They look at

- Income vs. monthly commitments.
- Whether you could still afford the mortgage if interest rates rise (stress testing).
- Your current rent + savings pattern as proof of repayment ability.

Rule of Thumb

For every €100,000 you plan to borrow, you should demonstrate an ability to save or pay €500 per month. Example: Borrowing **€300,000** → approx. **€1,500 per month**.

Why This Matters

It shows the bank that you can comfortably manage the repayment amount you are applying for.

Tip: Review your direct debits and reduce unnecessary expenses 6–12 months before applying.



Balance of Funds

Deposit Requirements

Typically **10%** of the purchase or build cost. Made up of:

- Savings.
- Gift.
- Help to Buy (if eligible, apply via MyAccount on Revenue).

Additional Costs (budget ~5%)

This covers:

- Solicitor fees.
- Valuation.
- Survey.
- Initial furnishing / setup costs.

Tip: Lenders want full clarity. Make sure your deposit sources are clearly documented and easy to trace and remember it is not just a 10% deposit that you will need.

Consistency is Key

Consistent Savings Pattern

A steady monthly amount is stronger than irregular lump sums.

Consistent Income

If your income includes bonuses or commission, it may still be used - but lenders typically require 3 years of consistent evidence.

Consistent Financial Behaviour

Keep your accounts clean for at least 6 months before applying:

- Avoid new loans.
- Avoid large purchases.
- Keep credit cards low.

Tip: If saving into a separate account, label the transfer as "Savings" so the lender can easily identify it.

Common Mistakes to Avoid

- Taking out a new loan before approval.
- Letting credit card balances creep up.
- Large unexplained transfers between accounts.
- Missing or late direct debits.
- Sending screenshots instead of proper PDF statements.
- Delaying putting in place your Mortgage Protection.

Tip: Before making any big financial decision, ask an expert whether it could impact your mortgage approval – more often than not it can.



Final Mortgage-Readiness Checklist

You are in a strong position if you have:

- 6–12 months clean bank statements.
- A clear ability to repay for the full duration of the mortgage.
- Well documented deposit.
- All loans up to date.
- No new credit taken out.
- Credit card cleared monthly.
- Consistent savings pattern.
- Reliable and verifiable salary.
- Proof of ID, address, payslips & employment summary prepared.

When to Get Advice

If you're planning to buy within the next 6–18 months, now is the ideal time to start preparing. A readiness review gives you a clear roadmap and avoids surprises once you apply.

If you'd like clarity on where you stand before applying, I offer a mortgage readiness review where we assess your income, savings pattern and bank statements and outline your next steps.

Email: leah@eolasmoney.ie

[Click Here](#)
to Book a Mortgage Discovery call with Leah.

Start Early | Be Consistent | Ask the Questions



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