



Weavers Cot, an eight-bedroom, grade II\* listed country house in Biddenden, Kent, is on the market with Jackson-Stops & Staff, for £1.95 million

## Beware: lenders know everything

Are you contemplating moving home this year? The success of your search will depend on your ability to secure finance, a task that has become much harder in the past year. A fall in mortgage lending last month is further evidence of affordability — and other checks — to which borrowers are now subjected.

Even as you are searching Rightmove and other portals for suitable homes, banks are investigating your suitability as a borrower. Using sources including Google and credit reference agencies, lenders can access a wealth of information. They can also obtain details about you held by their competitors, through National Hunter, a "secret" agency. These are the facts you need to know before applying for a mortgage.

Your prospective lender will examine the electoral roll for evidence that you live where you say you do and have been there for as long as you claim. Not being on the electoral roll will count against you in your application.

They will also run a credit check using data held by the credit reference agencies, Experian, Equifax and Callcredit. This tells the lender every credit account you have, whether you have been late or missed a payment in the past six years, and how much money you owe on each account. Accounts noted on your credit record include credit cards, loans, overdraft facilities, mortgages, hire purchase agreements, catalogue accounts, car finance and accurate mobile phone accounts. So, be as accurate as possible when listing debts.

Lenders will not just look at credit accounts linked to your current address. If you have a second home or buy-to-let properties, they may also do credit checks on those addresses. Self-employed applicants may be subject to credit checks on their business address too.

Despite the significant number of errors on credit-reference files, as far as lenders are concerned the information provided by credit agencies is gospel, says Ray Boulger of John Charcol, mortgage broker. "Whereas it is a principle of English law that one is innocent until proven guilty, the opposite applies when a lender obtains information from a credit reference

agency. The agency is presumed correct, even if the borrower has cast-iron evidence to the contrary. Most lenders will only accept that an entry on the credit file is wrong when it has been amended by the company which made the incorrect entry in the first place."

This means you should get hold of your credit file before you make a mortgage application. You can buy them for £2 from each of the agencies. Check that everything is accurate and correct. If something isn't, contact the company it relates to and try to get the problem resolved and amended on your file.

Lenders will ask to see your most recent (three to six months) bank statements to check you can afford to repay the mortgage. "Although many will not be looking to comb through every last entry, others might," says David Hollingsworth, associate director at London & Country Mortgages. Lenders are also increasingly using Google to check-up on applicants — although this is mainly with high-net-worth applicants.

"One lender told me of an applicant who answered 'no' to their standard question about whether he had ever been bankrupt, on the basis that he thought he only had to provide information relating to the past six years," says Boulger. "A Google search showed he had been made bankrupt nine years earlier." The application was ultimately approved but with delays.

National Hunter is a fraud prevention agency that lenders use to share information and check whether you are a fraudster. Each time you apply for credit the details are passed to National Hunter. It monitors all your applications and looks for differences between your application forms. These can be anything from your job title to the dates of birth of your children. The principle is that if someone is trying to apply for a mortgage fraudulently, there may be discrepancies with previous applications, especially if the application is made by a fraud ring or as the result of identity theft. If National Hunter notices anything, it will flag it with the firm processing your application. This won't necessarily mean that your application is declined but that might happen.

Ruth Jackson

## PROJECT MANAGER

# The new ways to win the space race

Even if you cannot extend your home, simple schemes can increase its value, says Donna Ferguson

Invite an architect, an estate agent, an interior designer and a builder round for dinner and ask each of them how you can add value to your home. You can bet that the only point on which they'll agree is that increasing a property's square footage can dramatically increase its value.

However, what if a simple basement extension or loft conversion wouldn't work for your property or you've already done it? What if you don't fancy having the builders in for months but you'd like to give potential buyers the impression of more space, while adding a little wow factor? Here are some of the most unusual, creative and clever ways to add value to your home.

### Vault the ceiling

How can you make a room feel spacious and attractive to a potential buyer without increasing its size? To Viki Lander, founder of Ensol Interior Architecture, the solution is obvious: "A lot of Victorian properties will have a bedroom at the back with a pitched roof and a flat ceiling. Remove the ceiling and you've got a double-height, vaulted ceiling into the pitch of the roof. That sense of height tricks you into thinking there is double the space. It's all about perception."



effective when your only source of light is a high window.

Make the most of dead space  
"Space is at such a premium in London, you need to make the most of what you've got," says Richard De Boise of Zminkowska De Boise Architects. He recently transformed the space between the front and back room of a typical Victorian terrace by creating a staircase made entirely of bookshelves. "The idea was to create some steps that would be inhabited, so there would be a fun place for the children to play at the physical centre of the home." Sneaking in some book storage and a bench along the



Install a statement staircase  
"The staircase is an aspect of a house that is overlooked and underestimated," says Thomas Griem, an architect at TG Studio. "When trying to sell your house, first impressions count for a great deal — and a staircase can deliver the 'wow factor' to a buyer before they have even entered the first room."

A statement staircase typically costs more than £10,000 and can set the tone for the entire home. "An impressive and striking staircase that's the result of careful planning and exceptional design will definitely make a lasting impression on a buyer," says Giles Elliot, of Savills. "It could be the feature that a buyer takes away with them, the one that makes a property stand out against any others they're viewing. However, it's important that installing a statement staircase is done in context with the rest of the house; it'll look out of sync if the kitchen or bathroom look worn and tired."

As for materials, using glass to create a "floating staircase" is still popular, with built-in LEDs "to give back the practicality without losing the impact",



A mirror helps to maximise the light from a high window in this kitchen in Islington, north London, designed by Zminkowska De Boise, above and inset Ruth Jackson



Zminkowska De Boise designed this seat area at a house in Hitchin, Hertfordshire

says Richard McLane, of the bespoke staircase company Bisca. "Prior to the recession, we saw a lot of bling but now hand-forged balustrades or clean contemporary timbers and glass combinations feature in a lot of our inquiries."

Estimating the added value  
Before you take a hammer to your ceiling, rip out your staircase and fill every nook and cranny of your home with MDF boards, you need to know how much more your home will be worth afterwards.

Unfortunately, while estate agents and architects have no problem comparing and evaluating projects that increase the space inside a property, the value of bespoke work that maximises the potential of existing spaces is more difficult to ascertain.

"We definitely add value," says De Boise — but he cannot, he admits, quantify how much, only that his work makes the properties "more attractive".

Savills has found, however, that in prime central London, first-floor flats can attract a 10 per cent premium with their impressive ceiling heights, while statement staircases will typically start to feature in London homes that are on sale for at least £4 million.

For Lander, the matter is straightforward: "Clever design is what creates bidding wars. It's what makes somebody walk into your property and say, 'I have to buy this.' It triggers emotional purchasing. If you've got a space that's unique and well-designed, that's when you really increase the value of a property — because that's when you have multiple people vying over buying it."



A statement staircase in St John's Wood, London. The house is on the market with Savills for £4.975 million