

Advanced mortgage advice

Purpose

At the end of this unit, candidates should understand the:

- key elements of the mortgage process;
- specialist types of mortgage lending;
- appropriate mortgage advice to clients with complex needs and circumstances.

Summary of learning outcomes	Number of questions in the examination*
1. Explain the key elements of the mortgage process.	25
2. Explain specialised types of mortgage lending.	15
3. Explain the main challenges in the mortgage industry.	4
4. Explain the key elements of appropriate mortgage advice, including ethical approaches and positive customer outcomes.	11
5. Recommend appropriate mortgage solutions to clients with complex needs and circumstances.	20 case study related questions

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment: 55 multiple choice questions (MCQs) and 4 case studies, each comprising 5 MCQs. 2 hours are allowed for this examination.
- This syllabus will be examined from 1 September 2020 until 31 August 2021.
- Candidates will be examined on the basis of English law and practice in the tax year 2020/2021 unless otherwise stated.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
 4. Select qualification update on the right hand side of the page

1. Explain the key elements of the mortgage process.

- 1.1 Explain the house buying process and the roles of key parties involved.
- 1.2 Explain the different factors that enable the lender to assess the suitability of the property as security for a loan.
- 1.3 Explain the factors the lender will use to assess the suitability of the borrower.
- 1.4 Explain how to resolve issues arising post completion.

2. Explain specialised types of mortgage lending.

- 2.1 Explain the features and risks of – Remortgaging; Further advances; Second charge loans; Buy to let mortgages; Bridging finance; Equity release.

3. Explain the main challenges in the mortgage industry.

- 3.1 Explain the features and impact of the following on the mortgage industry – Sources of mortgage funding; Mortgage customer segmentation; National and household debt; Inflation and Government intervention; Mortgage and secured loan distribution.

4. Explain the key elements of appropriate mortgage advice, including ethical approaches and positive customer outcomes.

- 4.1 Explain the following features of mortgage advice – Regulatory requirements; Positive customer outcomes; Consumer protection; The role of the mortgage adviser; Affordability; Taxation issues.

5. Recommend appropriate mortgage solutions to clients with complex needs and circumstances.

- 5.1 Analyse consumers' complex needs and circumstances.
- 5.2 Recommend appropriate mortgage solutions.

Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII/PFS members can access most of the additional study materials below via the Knowledge Services webpage at <https://www.cii.co.uk/knowledge-services/>.

New resources are added frequently - for information about obtaining a copy of an article or book chapter, book loans, or help finding resources, please go to <https://www.cii.co.uk/knowledge-services/> or email knowledge@cii.co.uk.

CII study texts

Advanced mortgage advice. London: CII. Study text R07.

Mortgage advice. London: CII. Study text CF6.

Journals and magazines

Personal finance professional (previously Financial solutions). London: CII. Six issues a year. Available online at www.thepfs.org/financial-solutions-archive (CII/PFS members only).

Financial adviser. London: FT Business. Weekly. Available online at www.ftadviser.com.

Investment week. London: Incisive Financial Publishing. Weekly. Available online via www.investmentweek.co.uk.

Mortgage strategy. London: Centaur Communications. Monthly. Also available online at www.mortgagestrategy.co.uk.

Mortgage introducer. London: Publishing Group. Fortnightly. Also available online at www.mortgageintroducer.com.

Money marketing. London: Centaur Communications. Weekly. Available online at www.moneymarketing.co.uk.

New model adviser. London: Citywire. Monthly. Also available online at www.citywire.co.uk/new-model-adviser.

Reference materials

Harriman's financial dictionary: over 2,600 essential financial terms. Edited by Simon Briscoe and Jane Fuller. Petersfield: Harriman House, 2007.

Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate (www.revisionmate.com). Details of how to access Revisionmate are on the first page of your study text.

It is recommended that you only study from the most recent version of the examination guide.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at www.cii.co.uk/iilrevision (CII/PFS members only).