CHAPMAN
EXPERT REPORTS

Case No: F123/26

IN THE SHERIFF COURT OF LOTHIAN AND BORDERS AT EDINBURGH

BETWEEN

Mr Example Example
Pursuer

- and -

Mrs Example Example
Defender

MORTGAGE CAPACITY REPORT

The subject of this report is:

Mr Example Example
of
address withheld at the client's request

This report was produced on the following date:

2 November 2026

PREPARED AT THE REQUEST OF: Mr Example Example

Prepared by: **Byrne Harris (CeMAP, MEWI)**

Sample

SUMMARY OF CONCLUSIONS

Maximum repayment mortgage:

£190,834 with **Example Mortgages** with initial monthly payments of **£1,650.38**

Maximum interest-only mortgage (assuming a capital repayment vehicle that I do not believe Mr Example has):

£168,337 with **Example Building Society** with initial monthly payments of **£804.23**

Based on an industry standard of:

20% deposit for repayment and 30% deposit for interest-only · A term as stated in para: 3.7 · two-year fixed rate · standard owner-occupied home · income and commitments as declared in Section 2.

These figures are indicative and subject to lender underwriting (see paras 3.25 and 4.3).

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SECTION 1 — Introduction and Qualifications

Introduction

1.1 Duty to the Court: As a skilled witness in proceedings in Scotland, I confirm that I understand my duty to the Court and have complied with that duty in the preparation of this report. My overriding duty is to assist the Court on matters within my expertise. This duty is established at common law, including the Supreme Court's decision in Kennedy v Cordia (Services) LLP [2016] UKSC 6 and the principles in 'The Ikarian Reefer', and takes precedence over any obligation to the person from whom I have received instructions or by whom I am paid.
1.2 Standards Applied: I have prepared this report in accordance with the recognised duties of a skilled witness at common law, the principles in Kennedy v Cordia and 'The Ikarian Reefer', and the good-practice standards reflected in the Expert Witness Institute Code of Practice. I have provided an objective and unbiased assessment of borrowing capacity based on current lender criteria and my professional experience.
1.3 Instruction & Basis: I was instructed by Mr Example to provide a mortgage capacity assessment for Mr Example. The opinions expressed are based on the financial information set out in Section 2. I have indicated where any facts are within my own knowledge and have clearly identified the sources of all other information used.
1.4 Supply and Verification of Information: The information used in this report was supplied by Mr Example through a structured written questionnaire, declared to be accurate and complete. Unless stated otherwise, I have not reviewed supporting documents or independently verified the information supplied.
1.5 Status of this Report: This report is intended to assist with financial planning and/or matrimonial or family proceedings. It is not a mortgage offer, an agreement in principle, a credit approval, legal advice, tax advice or a regulated mortgage recommendation.
1.6 Limits of Expertise: My role is limited to providing a professional opinion on mortgage borrowing capacity within my expertise. I do not provide any legal opinion on the distribution of assets, divorce settlement, child maintenance, spousal maintenance, property ownership, tax treatment or the legal enforceability of any proposed settlement.
1.7 Records and Evidence: Copies of the information and evidence relied upon are retained on file and will be made available to the instructing party, their legal representative and any other authorised party upon request, subject to applicable data protection, confidentiality and consent requirements.
1.8 Scope of Instructions: I was instructed to provide a formal assessment of the maximum mortgage borrowing capacity for Mr Example, assuming a new residential purchase and taking into account lending criteria current at the date of this report. This report assesses borrowing capacity only, and does not consider remortgage, further secured borrowing or equity release against any specific property. I confirm that I have no conflict of interest.
1.9 Purpose & Necessity: This report is prepared to assist the Court and the parties in determining financial matters by providing a specialist assessment of mortgage capacity that is necessary to resolve the proceedings justly.
1.10 Validity: The assessment represents a professional opinion based on market conditions as of the date of this report. It does not constitute a binding offer from any lender and is subject to the usual credit scoring and underwriting procedures of the

respective institutions.
1.11 Change of Opinion: If my opinion changes on any material matter after this report is issued, I will notify the instructing party and, where appropriate, the court without delay.

Qualifications and Experience

1.12 Professional Status: This report has been produced by Byrne Harris, who holds the Certificate in Mortgage Advice and Practice (CeMAP) and is a Full Member of the Expert Witness Institute (MEWI, No. 10005827).
1.13 Market Access: I assess current UK lending criteria using whole-of-market professional affordability research tools.
1.14 Skilled Witness Standing: Byrne Harris is a Full Member of the Expert Witness Institute (MEWI) (Membership No. 10005827) and an Associate Member of Resolution (Membership No. 116200). He is committed to the EWI Code of Practice and maintains regular Continuing Professional Development (CPD) in both mortgage regulation and expert witness duties.
1.15 Regulatory Note: While the provision of mortgage advice is regulated by the Financial Conduct Authority (FCA), the act of advising on borrowing capacity for court proceedings is an unregulated activity. Consequently, this specific service does not fall under the jurisdiction of the Financial Ombudsman Service or the Financial Services Compensation Scheme.
1.16 Scope of Service: This report assesses indicative mortgage borrowing capacity only. It does not recommend a specific mortgage product or lender and should not be treated as regulated mortgage advice. If regulated mortgage advice is subsequently required, this must be provided through a separate advised mortgage process, based on a full fact-find, suitability assessment, affordability assessment, lender criteria, credit assessment, valuation and Mr Example's objectives, needs and circumstances at the time of application.

Sample

SECTION 2 — Information Provided

Income Details and Employment Status

2.1 Mr Example is employed by Example Ltd as a Senior Example Manager, on a permanent contract, and has held this position for 5 years. His guaranteed gross monthly income from this employment is £5,804.17. He also receives variable pay, which lenders usually count only in part: a bonus averaging £3,500 a year. He is not in a probationary period.

2.2 Benefits, tax credits and maintenance income received, where applicable:

- Second job: £750 per month (£9,000 per year).
- Dividends: £166.67 per month (£2,000 per year).

2.3 Example's total declared NET income per month is £4,802.40, including any income at paragraph 2.2. Please note, this is after income tax (at Scottish rates), dividend tax and NI contributions but before any deductions.

Outgoings & Liabilities (per month)

2.4 Mr Example has the following debts:

- Credit card: minimum monthly payment £37 (assumed at current market averages); £1,237.20 outstanding.
- Overdraft: minimum monthly payment £32 (assumed at current market averages); £1,062 outstanding.

  Total minimum monthly debt repayments: £69.

2.5 Commitments not covered by the ONS averages (per month):

- Rent: £1,600 (not included in affordability).
- Maintenance (aliment) paid: £2,050 (included in affordability as committed expenditure).

2.6 Other committed expenditure - almost always reduces affordability - (utilities, council tax, transport - based on predicted ONS averages for Mr Example's situation and location in Edinburgh and the Lothians): £1,062.

2.7 Discretionary expenditure - does not always reduce affordability - (food, clothing, insurance, pensions etc - based on predicted ONS averages for Mr Example's situation and location in Edinburgh and the Lothians): £1,151.

2.8 Mr Example's expenditure per month, excluding rent and before any debt repayment, is £4,263, made up of the commitments at paragraph 2.5 and the ONS averages at paragraphs 2.6 and 2.7. Lenders deduct committed expenditure in full but treat discretionary expenditure as adjustable, so a mortgage payment can exceed the surplus left after total expenditure.

Credit Score

2.9 I have not had oversight of Mr Example's credit report, but they have stated that it is currently: Checkmyfile - High scorer: 900 to 1,000.

2.10 Adverse credit, missed payments, arrears or debts recently repaid: None declared.

2.11 This assessment does not verify Mr Example's credit profile and any undisclosed

adverse credit may materially affect borrowing capacity.

Family Information

2.12 Mr Example has 4 children, aged 5, 7, 12 and 12, who live primarily with their mother.

Vulnerability and Support Needs

2.13 I have considered whether Mr Example has any characteristics of vulnerability or requires additional support. Where identified, communication, evidence gathering and the assessment process have been adapted to support good outcomes. Apart from the obvious stress involved in the separation process, no characteristics of vulnerability were identified.

Property Information

2.14 No other residential or buy-to-let properties have been declared.
2.15 Mortgage payments are not taken into account in this report, just as rental income and cost is also not taken into account. The assumption is that the mortgage will be based on a new purchase with no other properties' negative or positive influence.

Sample

SECTION 3 — Mortgage Capacity and Breakdown

Lending Methodology & Market Context

3.1 The mortgage capacity figures in this report are derived from a composite of current UK lending criteria as at the date of the lender search (paragraph 3.22). While each lender maintains proprietary algorithms, the following industry-wide principles form the basis of this assessment:
3.2 Income Multiples: Most lenders cap borrowing at around 4.5 times gross annual income, with some lending more to higher earners or favoured professions.
3.3 Age and Term Constraints: This report adopts a maximum term of 20 years, or to retirement at 67 if sooner, as a prudent standard assumption. Many lenders offer longer terms, which reduce monthly repayments but cannot create borrowing capacity where income does not support it. For borrowers over 47, the available term shortens each year, which increases monthly repayments and reduces the maximum loan.
3.4 Affordability & Stress Testing: Lenders subtract fixed monthly commitments (e.g., car finance, personal loans) from net income. They then "stress test" the remaining disposable income against credit history, potential future interest rate rises and personal circumstances to ensure sustainability.
3.5 The assessment takes account of income, declared commitments, dependants, mortgage term, anticipated deposit, loan-to-value, repayment method, credit profile, property type, age/retirement position and lender criteria. The outcome is indicative only and is subject to full lender underwriting.
3.6 The factors most likely to impact maximum borrowing are:

Factor	Effect on maximum borrowing
Income multiple	Typically 4.5x gross income, with some lenders reaching ~5x.
Income composition	Guaranteed pay counts in full; bonus, overtime, commission, self-employed income and welfare are often part-counted or ignored, lowering the maximum figure attainable.
Maintenance & benefits / child's age	Usually accepted only while a child is under a threshold age (often 13–15); disregarded once they pass it.
Existing credit commitments	Monthly loan, credit card and hire purchase payments are deducted from income before affordability is assessed.
Age & term	Term is capped by retirement age; older borrowers get shorter terms, raising monthly cost and cutting the maximum.
Credit score	Only the top bands access the full panel and best rates while lower scores narrow options and reduce affordability.
Deposit / loan-to-value	Interest-only lending now typically requires a deposit of at least 30%. Larger deposits widen lender choice and improve rates but do not usually raise income-based capacity.

Important Considerations

3.7 Mr Example was born on the 15th of February 1975, meaning they have over 15 years and 3 months until retirement at 67. The borrowing period maximum will therefore be 15 years and 3 months.
3.8 This report will be based on the following assumptions to ensure an industry standard:
3.9 Maximum period (retirement or up to 20 years), to avoid the mortgage extending into retirement
3.10 A standard owner-occupied home in Edinburgh and the Lothians, the area in which Mr Example intends to buy.
3.11 An industry standard of 20% deposit for a repayment mortgage, and 30% for an interest-only mortgage.
3.12 2 year fixed rate (the most common)
3.13 The assessment is dependent on these assumptions. If any assumption is incorrect, incomplete or changes before a mortgage application is made, the borrowing capacity figure may change materially.
3.14 I have asked for and taken into account Mr Example's tax credits, income, bonuses and all benefits where relevant.
3.15 It must be noted, however, that mortgage lenders vary in their approach and do not necessarily use all this income when assessing affordability.
3.16 I have based my calculations on Mr Example having a deposit for a new property purchase, with a standard 20% deposit for a repayment mortgage and 30% for an interest-only mortgage, to reflect current market norms.
3.17 I have assumed that Mr Example will not be party to or be responsible for any current mortgage or rental obligation at the time a new mortgage is applied for.
3.18 I have assumed that Mr Example's deposit for any new property purchase would derive from an equity share in the sale of the previous marital home and or savings and or inheritance.
3.19 Sustainability Assumption: This assessment assumes Mr Example's current income remains stable and no significant new credit commitments are entered into between the date of this report and a formal mortgage application.
3.20 Foreseeable Changes: I have considered whether there are any foreseeable changes to Mr Example's income, employment, expenditure, dependants, maintenance, childcare, pension contributions, property ownership or credit commitments that may affect affordability. None have been identified, and Mr Example has confirmed that his maintenance payments are expected to continue at their current level. The figures in this report reflect the position at the date of this report, and borrowing capacity should be reassessed if significant changes occur before the hearing.
3.21 Lending into Retirement: The assumed term avoids the mortgage extending into retirement. Where borrowing would continue into retirement, the intended retirement age, expected retirement income and the lender's approach to lending into retirement would be recorded and taken into account.

Best affordability available if Mr Example were to apply for a mortgage today

3.22 The lender search has been carried out on the same day as this report.
3.23 The maximum mortgage capacity assessment has been based on research using professional affordability tools covering a wide range of active UK mortgage lenders.
3.24 A copy of the affordability research output is retained on file, identifying the date, lender sample, assumptions applied, income and expenditure used, mortgage term,

repayment method and deposit assumptions. The lenders sampled reflect Mr Example's circumstances and have not been limited to those producing the highest borrowing figure. Calculator results which, in my professional experience, are not borne out when a full application is underwritten have been disregarded, so that the figures in this report reflect borrowing Mr Example could realistically achieve.

3.25 The borrowing is available subject to passing the necessary credit score and meeting the lenders' current lending criteria.

3.26 The mortgage lenders request specific information on each of their mortgage affordability calculators, which may vary between different lenders.

3.27 Regardless of the size of deposit, any mortgage borrowing must be serviced with the guaranteed income available for the term of the mortgage. Therefore, income is the driving factor here, not the deposit amount. Lenders currently require a minimum deposit of around 30% for interest-only borrowing, which is why that figure is assessed on a higher deposit.

3.28 If Mr Example was to take a mortgage past their retirement age, or all or part of their income was to stop/change before the end of the mortgage term, this will affect the maximum mortgage available.

3.29 Appendix A lists the panel of active UK mortgage lenders whose lending criteria were reviewed for this report. I have used the affordability calculators of a selection of these lenders, applying Mr Example's circumstances, to provide a balanced view of the level of borrowing.

Repayment (20% deposit)	MAX AFFORDABILITY	Rate
Example Mortgages	£190,834	6.54%
Example Building Society	£190,000	6.09%
West Example	£170,000	7.04%
Mutual Example	£152,000	5.67%
London Example Bank	£135,173	5.95%

Interest-only (30% deposit)		
Example Building Society	£168,337	5.73%

Executive Conclusion on Capacity

Based on detailed financial analysis, current lending criteria and the maximum capacity based on the term set out in para 3.7:

- A repayment mortgage for Mr Example is **£190,834** with **Example Mortgages**; serviced by a monthly payment of **£1,650.38**.
- An interest-only mortgage (assuming a 30% deposit, and which would require proof of a repayment vehicle that I do not believe Mr Example has) is **£168,337** with **Example Building Society**; serviced by a monthly payment of **£804.23**.

Please note, these are not recommendations of any lender or product. They represent the highest borrowing Mr Example could realistically achieve on the market at the date of the lender search.

Executive explanation for this result

3.30 Mr Example has the following factors that influence their maximum borrowing capacity:

- **Income:** Mr Example has been employed by Example Ltd for 5 years, on a permanent contract with a basic salary of £69,650 (£5,804 gross per month), which lenders count in full. He also has a second job (£9,000 a year), dividends (£2,000 a year) and a bonus averaging £3,500 a year, which lenders usually count only in part.
- **Term:** 15 years and 3 months to retirement at 67 (paragraph 3.7).
- **Affordability:** after committed expenditure of £3,112 (paragraphs 2.5 and 2.6), Mr Example has £1,690 per month available before debt repayments. Lenders treat discretionary expenditure (paragraph 2.7) as adjustable.
- **Commitments:** maintenance of £2,050 a month (£24,600 a year) is deducted in full and is the main factor limiting his borrowing. His credit card and overdraft payments of £69 a month have only a small effect.
- **Dependants:** four children who live primarily with their mother; his financial support for them is reflected in the maintenance deducted above.
- **Credit:** Checkmyfile High scorer (900 to 1,000), with no adverse credit declared.
- **Interest-only:** assessed at a 30% deposit; requires a credible repayment vehicle.

Sample

SECTION 4 — Disclaimer and Declaration

Disclaimer

4.1 This report has been compiled by researching current criteria from a comprehensive range of mortgages from lenders across the market.
4.2 Lenders may change their mortgage criteria, affordability models, stress testing, loan-to-income limits, product availability and risk appetite at any time. Market conditions, interest rates, property valuation, credit score, employment status and personal circumstances may also affect the outcome of any future application.
4.3 Any figures in this report are indicative and are subject to full lender underwriting, credit assessment, affordability assessment, valuation, product availability, verification of income and expenditure, and satisfaction of all lender requirements at the point of application.
4.4 This report does not constitute legal, tax, investment or debt advice. Mr Example and any instructing solicitor should obtain appropriate specialist advice where legal, tax, pension, benefits, matrimonial, property ownership or debt implications arise.
4.5 This report should be read together with any evidence schedule, affordability research output and written instructions received. If material information is missing, disputed or unverified, this is highlighted in the report and the borrowing capacity figure should be treated with caution.
4.6 Personal data used to prepare this report is processed, stored and shared only for the purpose for which it was provided and in accordance with applicable data protection requirements, client consent, confidentiality obligations and the firm's retention policy.

Charge for this Report

4.7 Mr Example, or their legal representative, has been invoiced a fee of £122.50 for the production of this Mortgage Capacity Report.

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Declaration

I understand that my duty is to assist the court on matters within my expertise and that this duty overrides any obligation to the person from whom I have received instructions or by whom I am paid.

I confirm that I have complied with my duty to provide an objective and unbiased opinion within my area of expertise. I have not sought to act as an advocate for any party.

I confirm that I have made clear which facts and matters referred to in this report are within my own knowledge and which are not. Those that are within my own knowledge I confirm to be true. The opinions I have expressed represent my true and complete professional opinions on the matters to which they refer.

I confirm that the facts stated in this report within my own knowledge are true, and that the opinions I have expressed are my genuine and complete professional opinions. I understand that I may be required to give evidence on oath in relation to this report.



Signature
Name: **Byrne Harris (CeMAP, MEWI)**
Date: 2 November 2026

EXPERT WITNESS INSTITUTE
FULL MEMBER

resolution associate

APPENDIX A — Panel of Lenders Reviewed

The following active UK mortgage lenders formed the panel from which the lenders sampled at paragraph 3.29 were drawn. Inclusion on this panel does not indicate that any individual lender would offer Mr Example a mortgage.

Accord	Loughborough BS	Ecology Building Society	Redwood Bank
Affirmative	LV=	Family Building Society	Rely
Afin Bank	Mansfield Building Society	First Direct	Royal Bank of Scotland
AIB	Market Harborough	First Trust Bank	Saffron
Aldermore	Marsden Building Society	Fleet Mortgages	Santander
April	Melton Building Society	Foundation Home Loans	Scottish Building Society
Atom bank	Mercantile Trust	Furness Building Society	Secure Trust Bank
Aviva	Metro	Gatehouse	Shawbrook Bank
Axis Bank	MFS	GB Bank	Skipton Building Society
Bank of China	Mint Bridging	Gen H	Skipton International
Bank of Ireland	Moda	Halifax	State Bank of India
Bank of Ireland Bespoke	Molo	Hampshire Trust Bank	Suffolk Building Society
Barclays	Monmouthshire BS	Hanley Economic BS	Swansea Building Society
Beverly Building Society	More 2 Life	Harpenden	Teachers Building Society
Bluestone Mortgages	MT Finance	Hinckley & Rugby BS	The Mortgage Lender
Brightstar	Nationwide	Hodge	The Stafford Building Society
Buckinghamshire BS	NatWest	HSBC	Tipton & Coseley Building Society
BuildLoan	Newbury Building Society	Interbay	Together
Cambridge Building Society	Newcastle Building Society	Investec	TSB
Cambridge & Counties Bank	Norton	Kensington	Ulster Bank
Canada Life	Nottingham BS	Keystone	United Trust Bank
Castle Trust	OakNorth Commercial	Landbay	Vernon
Central Trust	Offa	Leeds Building Society	Vida Homeloans
Chelsea	Paragon Bank Plc	Leek United BS	Virgin
CHL Mortgages	Penrith Building Society	Legal & General	West Bromwich Building Society
Chorley Building Society	Pepper Money	Lendco	West One
Clydesdale	Perenna	LendInvest	Yorkshire Building Society
Co-op for intermediaries	Post Office	LiveMore	Zephyr
Coventry Building Society	Precise Mortgages	Darlington BS	Progressive
Cumberland Building Society	Prestige	Dudley Building Society	Pure Retirement
Danske Bank	Principality	Earl Shilton BS	Quantum