



# Industry insights

## Manual underwriting – a catalyst for broker growth

*With phrases like 'economic crisis' and 'risk to financial stability' never far from the headlines it's a worrying time for many. Against the backdrop of soaring inflation and rising interest rates, how can brokers build new business?*

### TOUGH TIMES

With the UK economy unexpectedly shrinking by 0.3% in latest reporting\*, these are tough times. In what is a volatile, quickly changing financial situation, the sector continues to provide a solid range of mortgage products but what else can brokers do to maintain and grow business?

Partnering with a specialist lender can help. Harpenden offers individual, manual underwriting providing an alternative option for brokers, giving additional opportunity to get complex mortgage applications over the line and facilitate business development.

### MODERN DAY INCOME

One of the most complex situations we come across in the mortgage application process relates to customers with multiple income streams. Income can come in many different shapes and forms created by a range of modern day economic and social factors. One development in recent years has been 'income diversification'. During the pandemic this scenario accelerated and the examples we see today are endless. Memorable instances I remember included publicans creating a takeaway service during lockdown, right through to individuals with a regular job developing a hobby, like baking, to create a valuable additional income.

According to the Henley Business School, as many as one in four adults are engaged in 'side-hustling': a secondary business or job that brings in, or has the potential to bring in, extra income (This equates to 39% of those in employment). To put this into context the same report states that side hustles generate income worth £72 billion for the UK, or about 3.6% of UK GDP, no small amount and a worthy contributor in the mortgage space. These are high numbers but not every lender will take the time to look at this secondary income stream. A specialist lender like Harpenden will, however, take the time to consider this additional income in detail, including it in the application process.

Today, as the cost of living crisis accelerates, a secondary income is gaining in importance as the population looks for ways to earn extra cash and to secure a mortgage against their desired property.





## WE WANT TO SAY 'YES'

Harpenden have the expertise, experience and capability to manage the most complex cases – delivering specialist solutions for brokers – of which other lenders and algorithms may not be able to fulfil. Every policy is underwritten manually by an expert, creating highly flexible solutions for even the most complex mortgage application. As well as earnings from second jobs we consider many forms of income however complicated including pension, trust income, maintenance and investment as well as standard employed and self-employed.

Going to a specialist lender first can save time, money and even the difference between the application failing or succeeding. This individual, personal underwriting process which gets to the heart of the situation may not be for all lenders, but to a specialist lender it's part of the everyday. We help brokers to increase business and their customers to acquire their desired property on a daily basis.

Despite the current trading conditions we won't make a drama in a financial crisis, but provide brokers with straight forward, common sense decision making whether it's for residential owner occupied; holiday lets, lending in and into retirement or BTL mortgages. We take great satisfaction from getting the deal done for our brokers, no more so than in these challenging times.



*Jean Errington*

Jean Errington, Business Development Manager,  
Harpenden Building Society



We individually assess and approach applications.



We offer a manual underwriting process.



A flexible view on merits of all cases - we're very accommodating.



We provide clear, fair and transparent charges for all cases.



Many types of income are considered when assessing affordability.