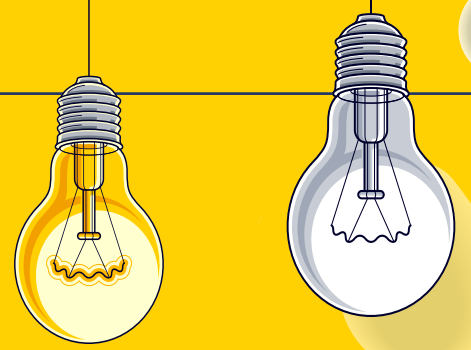


Industry insights

Home is where the heart is...



COMPLEX MORTGAGES

Multigenerational ownership creating new opportunities for brokers

There are a range of situations that lead to a complex mortgage application. Multigenerational living is one and can produce a complicated mortgage scenario. Some lenders shy away from this type of financing but Harpenden, as a specialist lender, provides strong options for brokers wanting to grow business in this category.

Why is multigenerational living growing in popularity?

Multigenerational living is on the rise due to economic factors, migration patterns, an aging population, and practical considerations. It offers a built-in support system, fosters family ties, and reduces housing expenses.

The number of enquiries for multigenerational purchases is increasing as families look to buy a property together. Often the parents and their adult children with their partners are selling their current homes to fund the purchase of a new, bigger property that can accommodate everyone.

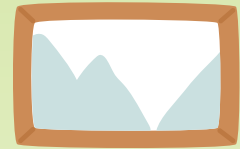
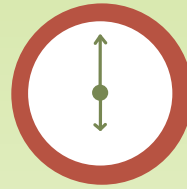
In scenarios like this, the property being purchased is likely to comprise either an annexe attached to the main house or a separate dwelling with both living spaces appearing on the same property title. Many mainstream lenders will avoid financing this type of property, but not so at Harpenden.

This type of multigenerational purchase may also need, for example, up to 4 parties to be named on the mortgage and property title with all 4 incomes being used to assess the affordability of borrowing required. For us this is everyday.

When this includes older parents, the aspect of their ages and lending into retirement is often queried. Again this doesn't present a problem at Harpenden, provided that we are satisfied that the term is appropriate for the individuals involved. Many other lenders are less flexible with regard to the maximum age to which they will lend.

When assessing affordability we undertake individual underwriting considering salary, dividend & net/retained profit for Ltd Co self-employed; include up to 100% of other income including commission and bonus; and accept unearned income such as pensions, rental, investment and maintenance. This deeper dive into a customer's financial circumstances provides them with more flexible options when considering a mortgage.





Choosing the right lender

This approach pays dividends for all involved, helping to get the mortgage approved and over the line. As a specialist lender will take a flexible view on the merits of each case. Coming to Harpenden Building Society can save time, money and even the difference between the application failing or succeeding.

When you are considering your next complex mortgage enquiry, including multigeneration applications, the Harpenden team will be pleased to speak about your customer's requirements.

Find out more

For further information on our mortgage options or to contact us, please visit our website at harpendenbs.co.uk/intermediaries-mortgage-range or email us at brokerteam@harpendenbs.co.uk

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.