

Case Study 1 - Family Assist



Nick and Kate are a young married couple who live in Devon with their two young children. Nick is a teacher and Kate works as a receptionist at a local hotel. They have been living with Kate’s parents for the last year to help them save a deposit for a home of their own. They have found a place they would love to buy to get a home of their own as a family.

House Price	260,000
Deposit	10,000
Loan Required	250,000
Loan to Value (LTV)	96.15%
Joint Income	42,000
Income Multiple	5.95

Whilst the applicants can afford the mortgage in their own right they were having trouble finding a lender at such a high income multiple and loan to value.

By adding Kate’s parents to the mortgage as guarantors and using the equity in their house, they have been able to secure a mortgage on the home of their dreams. A fixed charge of £52,500 on the parents’ home reduces the LTV to 80% and enables the underwriter to consider the merits of the case. Even though they need to borrow nearly 6 times their joint income, the borrowers have a clean credit history and take a sensible approach to their lifestyle that demonstrates the loan is affordable and they have incomes that are likely to increase in the future.

At Buckinghamshire Building Society we:

- ✓ Manually underwrite, looking at each case individually
- ✓ Assess cases on affordability not income multiples
- ✓ Go above and beyond to find a solution to your cases