

Multiple Income Sources

The Office for Budget Responsibility (OBR) recently forecasted UK economic growth to be 1.1% in 2024, peaking at 2% in 2025. However also inflation is likely to rise. As a result, affordability is a major factor in selecting the right lender for your customers.

Many lenders proudly publish Loan To Income caps (LTI)... 4.5x, 5x and beyond... but does this mean the lender with the highest LTI will lend the most?

No, it doesn't.

It clearly helps but there are many other factors that affect affordability.

One very important factor being how much of a customer's income a lender will use within these calculations.

At Pepper Money we always look to take a common sense and true to life view of your customer's income levels and their sustainability going forward throughout the term of the mortgage. Our latest Pepper Money Specialist Lending Study has revealed that 7.34m people say they earn income from more than one job as a result of the cost-of-living crisis.

Here are some of the ways we look to get a positive outcome for your customers when looking at affordability.

When looking for a lender we suggest sourcing a lender which could offer some or all of the following criteria:

- Employed – 100% of Regular Car Allowance, Bonus, Commission, Overtime
- Employed – 100% of 2nd Jobs
- Self Employed – Latest Years Figures, including large year on year increases
- Self Employed – Salary & Dividends or Salary & Net Profits
- Self Employed – Add Backs for Limited Company Directors (e.g Pension Contributions)
- Maintenance (Court Ordered or Not), Child Benefits, Universal Credit, DLA, Carers Allowance, Working/Child Tax Credits
- Term – Up to 40 years
- Term – Max Age 75 for Earned Income, 80 for Non-Working Income (e.g Pension)

Please see website for full criteria details - [Mortgage Criteria - Pepper Money UK](#)

To find out how much we will lend your customers, please try our affordability calculator - [Residential Mortgage Affordability Calculator - Pepper Money UK](#)