

## Hodge Reduces Affordability Stress Rate to Support More Customers onto the Property Ladder

This week, [Hodge](#) has announced a reduction in its affordability stress rate calculations, a move designed to support more customers in achieving their mortgage aspirations. It will be particularly helpful for those looking to buy their first home later in life, or those managing affordability in retirement.

The change will unlock nearly 20% more borrowing potential for the average Hodge customer.

For example, joint applicants with a household income of £45,000 could now borrow just over £38,000 more — a 17% increase — while customers with an income of £75,000 could benefit from almost 20% more borrowing capacity.

This update will apply to customers across [Hodge](#)'s Resi, Resi Retire and RIO product ranges, helping unlock the homes which better fit their needs.

Emma Graham, Business Development Director, at [Hodge](#) shares how the reductions will help those looking to buy later in life achieve their property aspirations.

### Supporting Older First-Time Buyers

*“With more first-time buyers purchasing later in life, affordability can often be the last major hurdle after years of saving for a deposit.*

*“These buyers, often in their 30s, are typically seeking homes in family-friendly areas with the space to support growing families. This increase in borrowing power could mean the difference between a two- and three-bedroom property, or the garden space they’ve worked so hard for.”*

### Empowering Resi Retire Customers

*“Affordability into retirement continues to be a pressing concern, particularly where customers need to evidence affordability for life under RIO and retirement lending products.*

*“By easing future affordability calculations, Hodge’s change will make it easier for retirees — many of whom experience a significant drop in income — to secure mortgages that meet their evolving needs.”*

*"We know affordability remains a barrier for many of our customers — whether they're first-time buyers in their 30s, or navigating lending options in later life.*

*"This change is a practical, customer-focused step to help more people secure the homes that suit their needs, both now and in the future."*

This move follows recent FCA guidance encouraging lenders to reassess their affordability models, noting that excessively high stress tests could restrict access to mortgages for borrowers who would otherwise be able to afford them.

Hodge is committed to supporting a wide range of customers in their homeownership journeys and this change marks a significant step in helping more people achieve the next chapter of their lives with confidence.

To find out more about Hodge [Resi](#) and [Resi Retire](#) mortgage solutions and how Hodge can support your clients from age 21 up to and into retirement, please contact your [local Hodge BDM](#).