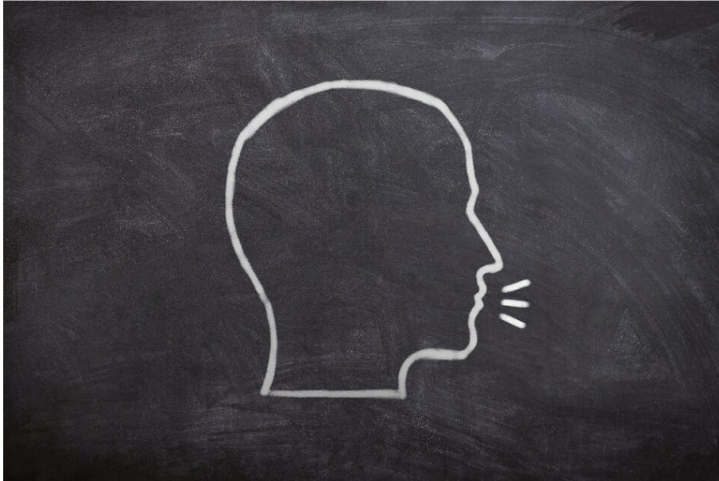


Mortgage and Property

As Nationwide warns “deposit requirements remain prohibitively high” for FTBs, brokers reveal which lenders stand out

by Brandon Russell | Mar 1, 2023

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Following Robert Gardner of Nationwide outlining the challenges faced by first-time buyers this morning [in the lender's February HPI](#), Newspaper asked brokers which lenders are the most innovative when it comes to first-time buyers, in relation to underwriting, criteria or product creation and have shared their responses with IFA Magazine.

[Emma Jones, Managing Director at Whenthebanksaysno.co.uk](#): “Generation Home is a textbook lender for first-time buyers struggling with affordability, as they allow not just the buyer but up to five additional, what they call ‘income boosters’, on the application. This can considerably help those first-time buyers struggling to hit affordability in the more expensive areas of the country to buy. There really are options when the bank says no.”

[Hannah Bashford, Director at Model Financial Solutions Limited](#): “Generation Home have a fantastic proposition and are changing the way people can buy a property. It is designed at getting more people to own their own home, therefore helping first-time buyers. They have two innovative approaches: deposit booster and income booster, whereby friends or family can help with extra money for a deposit but retain an equity stake in the property or by way of additional income to increase borrowing, but again building up a share of equity in the property if they want to. Their customer service is outstanding and they have a sensible approach to underwriting.”

[Steven Morris, Advising Director at Advantage Financial Solutions LTD](#): “There are so many examples of innovation for first-time buyers. The equity loan providers like Ahauz and Even, the ‘rent-to-buy’ style companies like Keyzy, Wayhome (and Strideup in a similar sense). Even ‘normal’ lenders like Nationwide offering their Helping Hand scheme (5.5 times income, though only 5.3 at the moment in practice). For us, though, Generation Home takes the crown, allowing up to six mortgage applicants to ‘boost’ income and borrowing, taking the term to 85 without having to use pension income for older applicants, unlike most lenders in the “joint borrower sole proprietor” space (subject to simple feasibility requirements). Combined with a flexible approach to ‘boosted deposits’ and their lending policy, which seems to borrow the ‘best bits’ from high street names, they are right out at the front for us at the moment.”

[Lewis Shaw, Founder & Mortgage Expert at Shaw Financial Services](#): “No one lender stands out as particularly innovative for first-time buyers. However, some lenders have good affordability, fast turnaround times, and great products for people with smaller deposits, typically first-time buyers. Overall, you’ve got to hand it to Halifax, Accord and Skipton, who consistently underwrite promptly, have great products and get on with the job at hand with the minimum of fuss.”

[Imran Hussain, Director at Harmony Financial Services](#): “The lender that always seems to get missed but does a lot to help first-time buyers is Nationwide. They were one of the first to come out with a policy that allowed first-time buyers to borrow more with their Helping Hand scheme, where people can borrow up to 20% more. Importantly, it’s something that is available for those with a 5% deposit as long as they have an income of £37k for a sole applicant or £55k for joint applicants.”

[Justin Moy, Managing Director at EHF Mortgages](#): “There are some very good lending options, either allowing first-time buyers to stretch what they can borrow (like Nationwide’s Helping Hand scheme) to the growing number of lenders that will allow parents to help children through a Joint borrower, Sole Owner scheme – so a parent’s income boosts the affordability without being added to the property deeds. This avoids the extra stamp duty that would have been payable otherwise. Mortgage brokers have a number of schemes that can provide a timely boost to first-time buyer borrowing power.”

[Gary Bush, Financial Adviser at MortgageShop.com](#): “Without a doubt, the most innovative lender for first-time buyers in the UK at the moment is Accord Mortgages, available via financial intermediaries only. Their implementation of new technology in 2022 has made them a gamechanger for speed of processing. This, paired with our own technology advances, means mortgage offers now spin off our combined servers in no time at all.”

[Jonathan Burridge, Founding Adviser at We Are Money:](#) "Generation Home have been outstanding. Great concept. Great Systems and a can-do approach."

[Austyn Johnson, Founder at Mortgages For Actors:](#) "With first-time buyers, we, the advisers, really have to show our worth. Regardless of what a lender offers, we need to make sure it's right before we recommend a product and ultimately no lender is 'best' for first-time buyers, as they nearly all service them. The question is would you prefer the borrower to pay more for a gimmick? They need sound advice, advice as good as you would give to someone who is an FCA compliance officer."

[Anil Mistry, Director and Mortgage Broker at RNR Mortgage Solutions:](#) "The Barclays Springboard mortgage is a great way to help a loved one get on the property ladder without a deposit. The Springboard mortgage is an innovative product that allows a helper to assist a loved one in purchasing their own property without the purchaser needing to provide any deposit. It has been around for many years, but its power is underestimated. The helper provides 10% of the purchase price, which is locked away for five years, and if mortgage payments are made during this period, the helper will receive their money back with interest. It's a fantastic alternative to gifting a deposit. Lending is subject to affordability and underwriting, of course, and helpers must seek independent legal advice."

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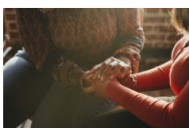
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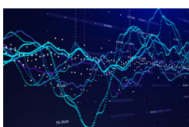
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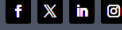
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