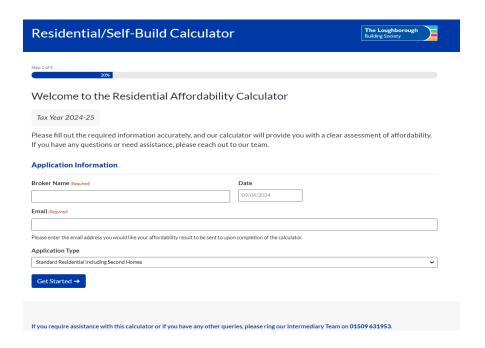
AFFORDABILITY CALCULATOR USER GUIDE

This guide is for our residential affordability calculator that offers the following lending formats:

- Standard Residential including second homes
- Lending in retirement applicants under 80
- Lending in retirement applicants over 80
- Self-build mortgage application
- Higher Income Multiple

This affordability calculator is a 5 step process and this guide walks you through these 5 steps.





On opening the calculator as shown here:

Please ensure that you complete all fields that state 'Required'

Complete **Broker Name and Email** – this ensures that you receive a copy of the calculation for your case and that we have your details to refer to when you contact us.

Select Application Type

Select **Get Started** to progress to Step 2.

Residential/Self-Build Calculator



Welcome to the Residential Affordability Calculator

Tax Year 2024-25

Please fill out the required information accurately, and our calculator will provide you with a clear assessment of affordability. If you have any questions or need assistance, please reach out to our team.

Application Information

Broker Name (Required)	Date
	09/04/2024
Email (Required)	
Please enter the email address you would like your affordability result to be sent to upo	n completion of the calculator.
Application Type	
Standard Residential including Second Homes	·
Get Started →	

If you require assistance with this calculator or if you have any other queries, please ring our Intermediary Team on 01509 631953.

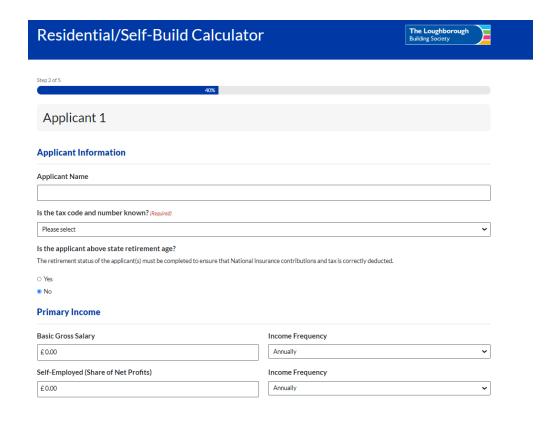


Please complete all of the appropriate fields.

Please ensure that you complete all fields that state 'Required'
In Step 2 this includes:

Is the tax code and number known? - if it isn't known, this will default to the 'standard' tax code but you must state Yes or No

Pension Contributions



If the required fields are not completed you will not be allowed to progress to Step 3



FOR INTERMEDIARY USE ONLY

STEP 2 (CONTINUED)

Please continue to complete all appropriate fields

Please complete all 'required' fields

Self-Employed (Dividends)	Income Frequency	
£0.00	Annually	~
Monthly Guaranteed Shift Allowance		
£0.00		
Monthly Guaranteed Car Allowance		
£0.00		
Monthly Guaranteed Rent/Town Allowance		
Annual Pension/Investment Income		
Personal/Occupational Pension		
£0.00		
State Retirement Pension		
£0.00		
Investment/Trust Income		
£0.00		
Monthly Deductions Before Tax		
Pension Contributions (Required)		
Childcare Vouchers		
Other		
£0.00		
Monthly Deductions After Tax		
Student Loan		
£0.00		
Other Non-Taxable Deductions		
£0.00		

E.g. cycle purchase schemes, Sharesave, Save As You Earn (SAYE) & benefit purchases



STEP 2 (CONTINUED)

Please continue to complete all appropriate fields.

In Step 2 there is the opportunity to add a second applicant before you progress to Step 3.

Select **Yes** before selecting **Next** to add a second applicant.

When you have completed all relevant and required fields please select **Next** to progress to Step 3.

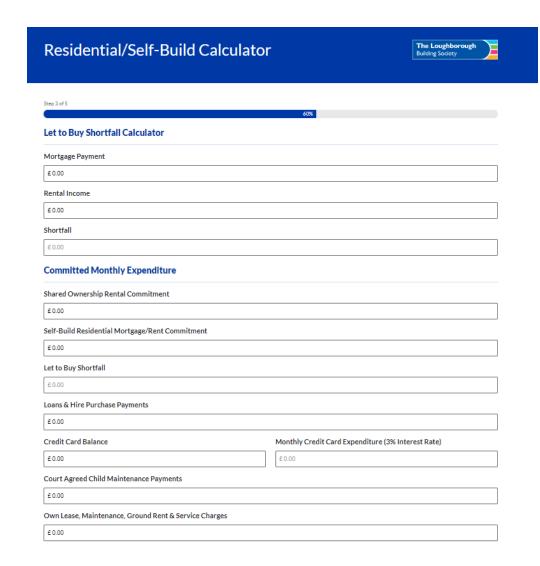
Maintenance (by Court Order) Maintenance (if not by Court Order) £ 0.00 £ 0.00 Two years minimum Two years minimum Benefits (Evidence Required) Benefits (Evidence Required) Universal Credit (UC), Attendance Allowance (AA), Constant Attendance Allowance Child Tax Credit (CTC), Personal independence Payment (PIP), Employment & Support (CAA), Job Seekers Allowance (JSA), Pension Credit (PC) or Carers Allowance (CA) Allowance (ESA), or Disability Living Allowance (DLA) Pension Credit (PC) Adult Disability Payment (ADP) Child Benefit Working Tax Credit (WTC) £ 0.00 £0.00 Bursary (Evidence Required) £ 0.00 Total of Other Income Sources No tax will be deducted from this figure, and evidence of income will be required. **Net Income** Annual Net Income Monthly Net Income £0.00 £0.00 Would you like to add a second applicant? O Yes No If you require assistance with this calculator or if you have any other queries, please ring our Intermediary Team on 01509 631953.

Monthly Other Non-Taxable Income



Please continue to complete all appropriate fields.

Within this Step you will detail **Household Size** and **Basic Monthly Essential Expenditure** – further information is on the next page.





FOR INTERMEDIARY USE ONLY

STEP 3 (CONTINUED)

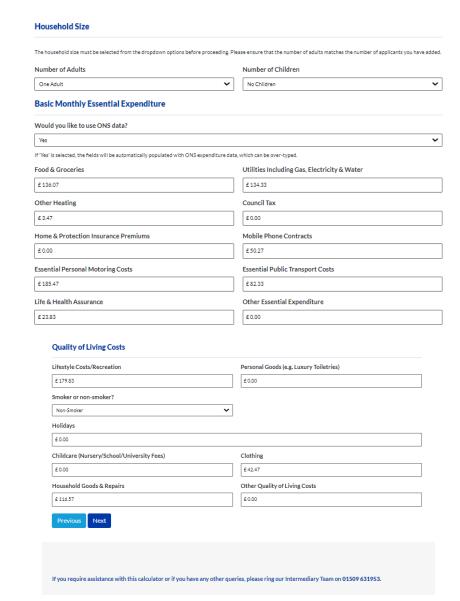
Please continue to complete all appropriate fields.

In the section 'Basic Monthly Essential Expenditure' you will select if you would like to use ONS data.

If selecting **Yes** this **will auto-populate the fields** within this section with ONS data.

If selecting No you must please complete all sections and you must provide evidence to support any figures that are completed here by you.

Select **Next** to progress to Step 4.

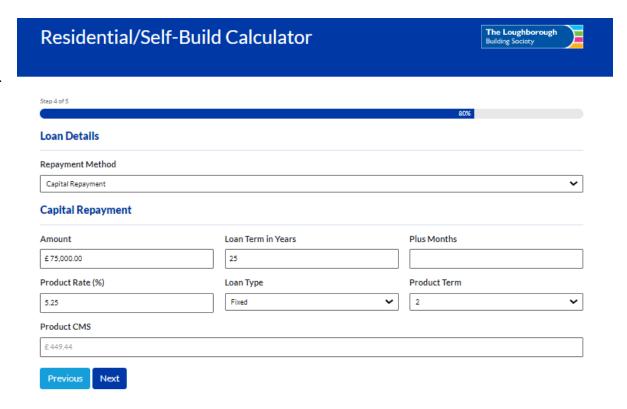




In this section you will select the loan repayment method, appropriate term and product interest rate.

Please continue to complete all appropriate fields.

Select **Next** to progress to Step 5.





Once you had selected **Next** on the previous Step this will then show you to affordability outcome as Step 5.

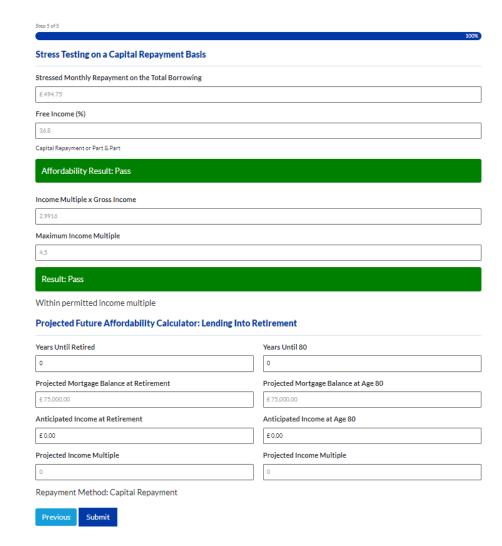
The screen here shows an Affordability Pass.

This screen also details **Projected Affordability Calculator: Lending Into Retirement.**

Please complete this section if you have:

- A lending into retirement case where the mortgage will be paid after the applicant is 70 years old.
- A lending into retirement case where the mortgage will be paid after the applicant is 80 years old.

An example follows on the next page:





STEP 5 (CONTINUED)

Shown here is an example Projected Future Affordability Calculator: Lending Into Retirement.

Please complete this section if the applicant meets the terms of Lending Into Retirement.

Select **Submit** to generate your report.

Years Until Retired Years Until 80 10 20 Projected Mortgage Balance at Retirement Projected Mortgage Balance at Age 80 £55,907.81 £23,670.19 Anticipated Income at Retirement Anticipated Income at Age 80 £ 20,000.00 £20,000.00 Projected Income Multiple Projected Income Multiple 2.7953905 1.1835095 Repayment Method: Capital Repayment Affordability Into Retirement: Pass Affordability Aged 80: Pass

Projected Future Affordability Calculator: Lending Into Retirement

Submit

This report will be sent directly to the email you supplied in Step 1 and also to the Intermediary Team at The Loughborough.

Thank you very much and we look forward to working with you in the future.

