

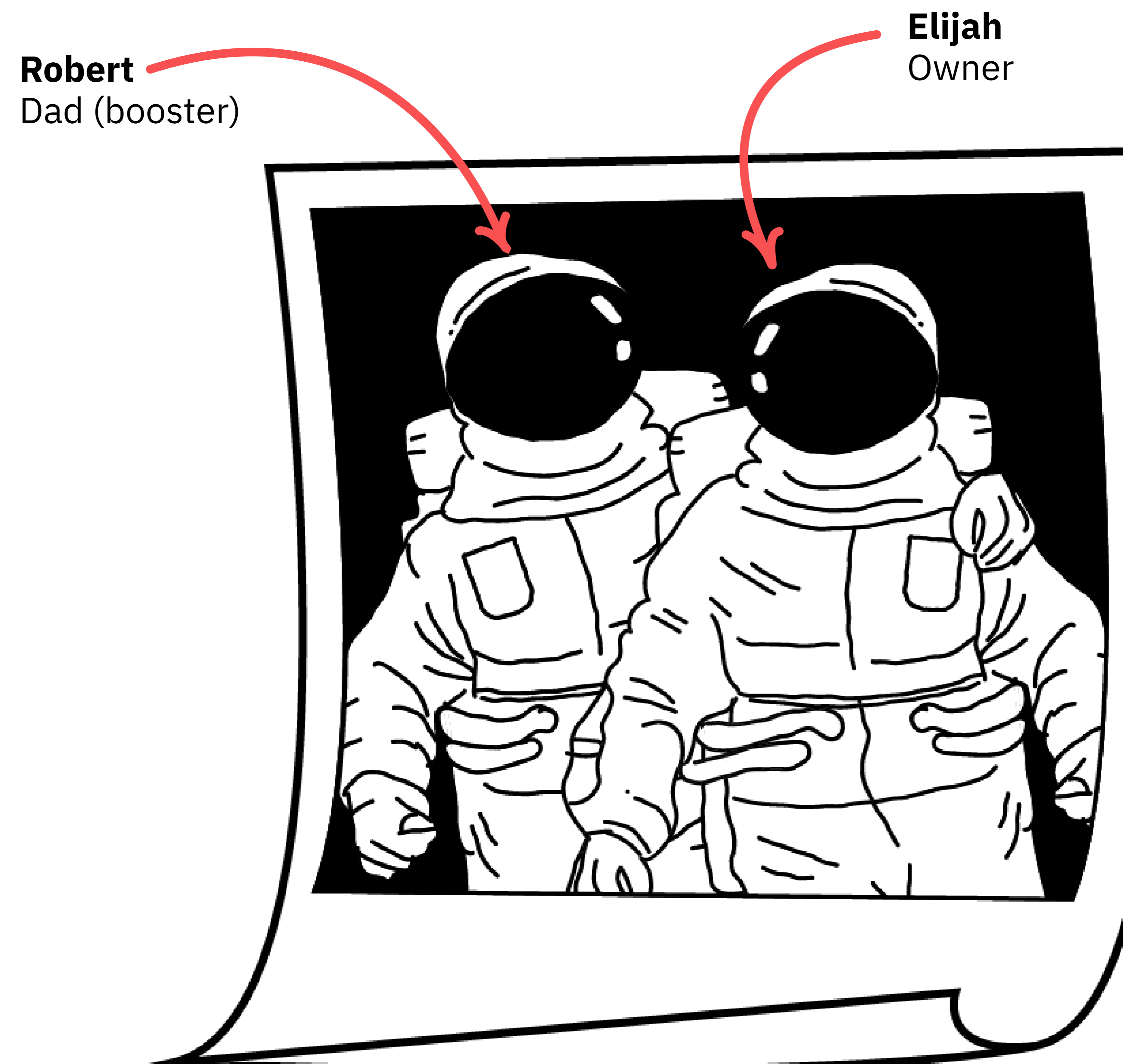
# INCOME BOOSTERS & THE EJECTOR SEAT

Elijah was going through a divorce and wanted to buy out his partner.

On his own he was unable to afford the mortgage on the property. His broker recommended Generation Home where he added his dad, Robert, as an income booster.

Since his dad was 63, and our maximum age is 85, his term length would have been restricted to 22 years. We looked at using our Ejector Seat to give Elijah a more affordable monthly payment.

Our calculations showed that the mortgage would be affordable for Elijah alone before his dad turned 85. We wrote into his offer that Dad would be removed from the mortgage at this point, allowing Elijah to have a 32 year term overall.



Budget breakdown	
With booster	Without a booster
<b>£482,964</b>	£291,539
Elijah's income	<b>£58,307</b>
Equity	<b>£74,000</b>
Robert's income	<b>£38,285</b>
House Price	<b>£485,000</b>
Loan amount	<b>£411,999</b>
LTV	<b>85%</b>

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## GLOSSARY

### Income booster

An income booster helps a client borrow more by adding their income to the mortgage. Everyone on the mortgage is equally responsible for it, but how the repayments are divided is up to your clients.

Income boosters will have to meet our residency requirements and affordability criteria.

### What's the maximum age for an income booster?

At the end of the mortgage term, the maximum age an income booster can be is 85 years old.

Our minimum mortgage term is 5 years.

### The 'Ejector Seat'

An income booster's age can put restrictions on the term length. We can calculate at what point the mortgage will be affordable for the owners on their own. If this is before the eldest applicants 85th we can pre-agree in the mortgage offer for the booster to be taken off the mortgage then, allowing the homeowners to continue with the rest of their mortgage term.

### What income can you accept for a retired income booster?

- Pension income (including state pension, private pension and SIPP)
- Investment Income
- Rental income

## CONTACT US

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