OPENING UP NEW BUILD OPPORTUNITIES FOR MORE COMPLEX CLIENTS

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When we think about new build mortgages, a familiar picture often comes to mind: a first-time buyer with a stable PAYE income, a clean credit history, and a modest deposit.

While that remains an important part of the market, it doesn't tell the whole story. With the right lender, new builds can also be an attractive option for clients who are self-employed, have experienced credit file complexities, are relying on family support, or simply need a more flexible underwriting approach.

For brokers, the opportunity lies in looking beyond assumptions and understanding where specialist lending can help more clients achieve their homeownership ambitions.

Making homeownership more accessible

One of the benefits typically associated with purchasing a new build property is that buyers can often access higher loan-to-value (LTV) mortgages, helping more buyers access homeownership with relatively small deposits.

However, the deposit itself is only one part of the picture.

Many housebuilders also offer incentives that can improve affordability or reduce upfront costs. Depending on the development and the lender, these may include contributions towards stamp duty, upgrades to fixtures and fittings, or incentives such as white goods packages.

For brokers, understanding how these different incentives interact with lender criteria can help clients make more informed decisions about both affordability and the overall cost of purchasing.

Looking beyond credit history

Clients with adverse credit are often quick to assume that buying a new build property is out of reach. But in practice, many specialist lenders take a more nuanced view.

Depending on the individual circumstances, borrowers with historic defaults, missed or late payments, or previous arrears may still be eligible. Some lenders can also consider applicants currently in a debt management plan, provided they have maintained their payment plan over a sustained period.

Success often comes from taking a holistic view of the client's circumstances and matching those needs to a lender's appetite for different credit profiles. While adverse credit can add complexity, it doesn't necessarily prevent a client from accessing a new build mortgage, particularly when brokers understand the options available across the market.

Supporting self-employed borrowers

Self-employed applicants often worry that their income profile makes them a less attractive proposition than salaried employees. Yet the reality is that, as self-employment continues to grow across the UK, many lenders have adapted their approach accordingly.

While criteria vary, some lenders, including Kensington, will consider applicants with as little as one year's trading history, allowing recently established business owners to access borrowing sooner than they might expect.

LTV limits and affordability calculations will differ between lenders, making it particularly important for brokers to understand the full picture, including income structure, deposit size, and any available incentives.

By exploring specialist options early in the process, brokers can help self-employed clients understand that buying a new build property may be more achievable than they initially thought.

Affordability is about more than monthly payments

Affordability remains one of the biggest considerations for any buyer, particularly as household budgets continue to be carefully managed.

New build properties can offer certain advantages here. Because homes are newly constructed, buyers may face fewer immediate maintenance or renovation costs during the early years of ownership, making budgeting more predictable.

Some lenders also offer income boosts for eligible professions, such as key workers, which can help strengthen a client's overall borrowing position. Combined with any available builder incentives, these features can improve overall affordability for some buyers.

Choosing the right lending partner

Finding the right mortgage product is only part of delivering a positive client experience. New build purchases often involve different timelines and additional considerations compared with existing properties, particularly where homes are still under construction.

Working with lenders that have dedicated experience in the new build market can help brokers navigate these complexities more effectively.

For example, some lenders may have specialist new build underwriting teams, a better understanding of the practicalities of build delays, and the ability to extend the initial mortgage offer period where build delays occur, where appropriate. Others support a range of government or builder-backed initiatives, including schemes such as Own New Rate Reducer and, where available regionally, Help to Buy.

Understanding these differences allows brokers to recommend not simply a competitive mortgage, but a lending partner whose service matches the needs of both the client and the transaction.

Challenging assumptions creates opportunities

The new build market has evolved considerably in recent years, as has the specialist lending sector that supports it. For brokers, that creates an opportunity to challenge common assumptions and open up conversations with clients who may have discounted new build because they believed their circumstances were too complex.

Whether the client is self-employed, rebuilding their credit profile, purchasing with family support or simply looking for greater flexibility, exploring specialist lending options early can reveal opportunities that might otherwise be overlooked.

Successful advice starts with understanding each client's individual circumstances, identifying lenders whose criteria align with those needs, and giving clients confidence that homeownership may be more achievable than they first imagined.

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