

# Standard Buy-to-Let (Incl. Portfolio Landlords)

Plan name	Prime			Light				Medium	Heavy		
	LTSP:02	LTSP:21	LTSP:22	LTSL:02	LTSL:22	LTSL:23	LTSL:03	LTSL:04	LTSM:03	LTSH:11	
Maximum demerits	0 in 12			1				2	3	5	6
Maximum secured arrears	0 in 12			0 in 3 (1 in 12)				1 in 3 (2 in 12)	1 in 3 (3 in 12)	2 in 3 (4 in 12)	4 in 12
Maximum CCJs / defaults	0 in 12			0 in 3 (1 in 12)				2 in 12	3 in 12	4 in 12	6 in 12

Max LTV:	Purchase:	75%	70%	60%	75%	70%	60%	70%	70%	70%	70%	60%
	Remortgage:	70%	65%	60%	70%	65%	60%	65%	65%	65%	65%	55%
	2nd Charge:	75%	70%	60%	70%	65%	60%	65%	65%	65%	65%	55%

Max Loan:	Purchase / Remortgage:	£250,000	£500,000	£2,000,000	£250,000	£500,000	£2,000,000	£500,000	£500,000	£200,000	£200,000
	2nd Charge:	£100,000	£250,000	£500,000	£150,000	£250,000	£500,000	£250,000	£250,000	£250,000	£100,000

\*We will consider applications above maximum loan amounts by referral

≤65% LTV	Variable rate	5.99%	8.10%	10.10%	10.27%	12.00%	13.00%
>65% LTV		6.49%	8.60%				
≤65% LTV	5 year fixed	6.99%	9.10%	11.10%	11.27%	13.00%	14.00%
>65% LTV		7.49%	9.60%				
≤65% LTV	Reversionary rate	BBR+5.74%	BBR+7.85%	BBR+9.85%	BBR+10.02%	BBR+11.75%	BBR+12.7 5%
>65% LTV		BBR+6.24%	BBR+8.35%				
Interest Only Loans		0.5% premium to above rates					
Loan terms (at Standard Base Rate)		Loan Terms: 4-30 years. Minimum fixed rate term: 5 years					

There will be a 1% premium added to the nominal rate for Expat applications and applicants without permanent rights to reside in the UK where the applicant has live UK credit

There will be a 1.5% premium to the nominal rate for the above applications where the customer has no live UK credit

Applicants	Properties	Affordability	Fees
<ul style="list-style-type: none"> <li>Individuals, Sole Traders, LLPs, Partnerships</li> <li>Limited Company Applications</li> <li>Portfolio landlords accepted</li> <li>Expat &amp; applicants without permanent rights to reside in the UK accepted</li> <li>Employed and self employed applicants</li> <li>Adverse credit accepted</li> </ul>	<ul style="list-style-type: none"> <li>No limit on the number or value of properties in the customer's portfolio</li> <li>Refer the case if there are over 15 securities and the overall LTV is over 65%</li> <li>Most property types are accepted</li> <li>Reduce max LTV by 5% if property or portfolio value is below £60,000</li> <li>Maximum overall portfolio LTV 75%</li> </ul>	<p>Tiered ICR:</p> <ul style="list-style-type: none"> <li>125% - Basic rate taxpayers &amp; Ltd Co applications</li> <li>145% - Higher rate taxpayers</li> <li>165% - Additional rate taxpayers</li> <li>Projected rents accepted</li> <li>If ICR not met an affordability assessment will be completed</li> <li>No minimum income requirements</li> </ul>	<ul style="list-style-type: none"> <li>ERCs applicable in the first 5 years as follows: 4%, 4%, 3%, 2%, 1%</li> <li>Arrangement Fee: Tiered from 2%</li> <li>Commission: Tiered from 1.25%</li> <li>Title Insurance: Tiered from £250</li> <li>Solicitors costs: 0.6% of net loan to £1m</li> <li>See underwriting criteria for details of above tiers</li> </ul>

# Specialist Buy-to-Let (HMOs, Holiday Lets & Semi Commercial property)

Plan name	Prime		Light				Medium	Heavy
	LTSP:21	LTSP:22	LTSL:22	LTSL:23	LTSL:03	LTSL:04	LTSM:03	LTSH:11
Maximum demerits	0 in 12		1		2	3	5	6
Maximum secured arrears	0 in 12		0 in 3 (1 in 12)		1 in 3 (2 in 12)	1 in 3 (3 in 12)	2 in 3 (4 in 12)	4 in 12
Maximum CCJs / defaults	0 in 12		0 in 3 (1 in 12)		2 in 12	3 in 12	4 in 12	6 in 12

Max LTV*		65%	60%	65%	60%	65%	65%	60%	55%
Max Loan:	Purchase / Remortgage:	£500,000	£2,000,000	£500,000	£2,000,000	£500,000	£500,000	£200,000	£200,000
	2nd Charge:	£250,000	£500,000	£250,000	£500,000	£250,000	£250,000	£100,000	£100,000

\*We will consider applications above maximum loan amounts by referral

Variable rate	6.99%	9.10%	11.10%	11.27%	13.00%	14.00%
5 year fixed	7.99%	10.10%	12.10%	12.27%	14.00%	15.00%
Reversionary rate	BBR+6.74%	BBR+8.85%	BBR+10.85%	BBR+11.02%	BBR+12.75%	BBR+13.75%
Interest Only Loans	0.5% premium to above rates					
Loan terms	Loan Terms: 4-30 years. Minimum fixed rate term: 5 years					

(BBR = Bank of England Base Rate)

There will be a 1% premium added to the nominal rate for Expat applications and applicants without permanent rights to reside in the UK where the applicant has live UK credit;

There will be a 1.5% premium added to the nominal rate for the above applications where the customer has no live UK credit

\*Applications with LTV above 65% may proceed by referral and will be subject to a 0.5% premium to the rate.

Applicants	Properties	Affordability	Fees
<ul style="list-style-type: none"> <li>Individuals, Sole Traders, LLPs, Partnerships</li> <li>Limited Company Applications</li> <li>Expat &amp; applicants without permanent rights to reside in the UK accepted</li> <li>Employed and self employed applicants</li> <li>Adverse credit accepted</li> </ul>	<ul style="list-style-type: none"> <li>HMO - no max beds (valuation must be on bricks and mortar value not yield)</li> <li>Semi- commercial property (&lt;40% commercial usage)</li> <li>Reduce max LTV by 5% if the property / portfolio value is below £60,000</li> </ul>	<p>Tiered ICR:</p> <ul style="list-style-type: none"> <li>125% - Basic rate taxpayers &amp; Ltd Co applications</li> <li>145% - Higher rate taxpayers</li> <li>165% - Additional rate taxpayers</li> <li>Projected rents accepted</li> <li>If ICR not met an affordability assessment will be completed</li> <li>No minimum income requirements</li> <li>See Underwriting Criteria for Holiday Let affordability</li> </ul>	<ul style="list-style-type: none"> <li>ERCs applicable in the first 5 years as follows: 4%, 4%, 3%, 2%, 1%</li> <li>Arrangement Fee: Tiered from 2%</li> <li>Commission: Tiered from 1.25%</li> <li>Title Insurance: Tiered from £250</li> <li>Solicitors costs: 0.6% of net loan to £1m</li> <li>See underwriting criteria for details of above tiers</li> </ul>

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# Buy-to-Let Underwriting Criteria

## Property types

**A type** - standard construction houses and bungalows including ex-council  
**B type – Reduce Max LTV by 5% (to a minimum of 50%)**  
 Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council)  
**C type – Reduce max LTV by 10% (to a minimum of 50%)**  
 All other property types, including ex-council flats and maisonettes (over 4 floors), non-standard construction, defective, high-rise (over 6 floors) or poor remarks on valuation

**Maximum LTV** may be reduced if there is more than a 10% difference between market value and the 90 day projected market valuation, a `cash` valuation has been supplied or `poor` is detailed on the valuation. Please refer.

## Valuation

### Drive By Valuation

Available for prime applications on residential securities for A and B type properties only. See below table for details of acceptable criteria:

Max Loan	£50,000	£75,000
Max LTV	65%	50%
Property Valuation	0-£750,000	

### Valuation Bypass:

Maximum £150,000 valuation - based on Hometrack or Auction House guide. Only available for auction purchases.  
 Not available for semi commercial properties and land.

## Affordability

### Buy to Let Rental Income

Rental Income (or Agent Assessed Rental Income) must meet the below criteria based on the customer's tax banding. In the case of joint applications the highest tax banding of the applicants is applicable.

125% - Basic rate taxpayers & Ltd Co applications  
 145% - Higher rate taxpayers  
 165% - Additional rate taxpayers

If the rent does not meet the above tiers we will complete an enhanced affordability assessment, taking into account other forms of income and expenditure.

### Holiday Lets

All income \* 50% must cover all secured debt payments. Income generated by the security property can be included in this calculation however must be capped at 50% of projected income.

## Credit profile & demerits

Product selection is based on demerits defined as a CCJ, default or arrears:

### Individual CCJs and defaults:

- Ignore – all > 1 year old
- Ignore – all ≤£300 or satisfied ≤£3,000
- 1 demerit – unsatisfied ≤ 1 year old £300 - £10,000, satisfied in last 12 months >£3,000
- Refer – unsatisfied >£10,000

### Secured arrears:

Demerit points are defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s)

**Satisfactory explanations** are required for arrears, defaults, CCJs and rent arrears

**Bankruptcy, IVA, or similar:** Subject to underwriter referral only

## Fees

Loan Amount	Arrangement Fee
£5,000 - £100,000	2.5% (min £795)
£100,001 - £200,000	2.25%
£200,001+	2%

Loan Amount	Title Insurance	Lender's legal costs
£0.00 - £50,000.00	£100	0.6% of Net loan, minimum £150
£50,000.01 - £100,000.00	£100	
£100,000.01 - £200,000.00	£100	
£200,000.01 - £300,000.00	£325	
£300,000.01 - £400,000.00	£435	
£400,000.01 - £500,000.00	£525	
£500,000.01 - £600,000.00	£625	
£600,000.01 - £700,000.00	£725	
£700,000.01 - £800,000.00	£825	
£800,000.01 - £900,000.00	£950	
£900,000.01 - £1,000,000.00	£1,200	By Referral
£1,000,000.01 - £5,000,000.00	0.08% of Net Loan Amount + £400.00	
£5,000,000.01 +	0.1% of Net Loan Amount + £400.00	

Arrangement Fee, Solicitor's Costs and Title Insurance are paid by the applicant and added to the advance. Solicitor's costs charged include VAT where applicable.

## Other information

### Qualifying Contracts:

First and second charge residential and semi-commercial properties where there is <40% commercial usage.

### Loan Terms:

Loan terms from 4 – 30 years, interest only and capital repayment loans  
 Minimum fixed rate term – 5 years  
 Minimum capital repayment loan £5,000  
 Minimum interest only loan £26,000

### LTVs:

Based on market value/purchase price.  
 LTVs are based on the gross loan.

### Occupants:

An original or certified copy of a signed Assured Shorthold Tenancy (AST) required for Buy to Let properties. If there isn't an occupant an agent's rental assessment is required and, at the time of our loan, we will need confirmation in writing from the customer that no one is in residency.

### Applicant's Solicitors:

If the loan is a purchase or the loan is over £150,000, solicitors must act for the applicant. All solicitors must have 2 or more partners within the practice, with a Law Society membership of 5 years or more. If not, please contact your underwriter.

### Portfolio Landlords:

Portfolio landlords must have a maximum portfolio LTV of 75%. If a portfolio landlord customer has had secured arrears in the last 12 months a portfolio level ICR will be required, otherwise the ICR will be applied to the security property / properties only

Other factors such as the portfolio's geographical concentration and the customer's experience as a landlord will be reviewed on a case by case basis.

### Contact Us:

Please contact our New Enquiries Team with any queries on 0161 933 7080 or email [commercialsales@togethermoney.com](mailto:commercialsales@togethermoney.com)