

BUY TO LET CRITERIA GUIDE

For intermediary use only

Applicant	
Number of applicants	Four. For Limited Company application details of up to four directors or shareholders as applicants will be captured. The applicants must cover a minimum of 75% of total shareholding.
Minimum age	21 years at application.
Maximum age	80 years at application, 95 years at end of term.
Nationality	Applications from UK nationals and EEA member states must be traceable at a UK address. We will not lend to applicants who are not UK nationals and do not reside in the UK.
Acceptable proof of ID and address	If we are unable to verify all applicants using Electronic ID, proof of ID and residency will be required for each applicant.
Impaired credit	Please refer to the product guide for product credit profile criteria. Credit profile refers to the individual personal applicants.
Consumer Buy to Let	We cannot accept applications for consumer buy-to-let. A consumer buy-to-let is defined as an applicant with no other buy-to-let properties wishing to obtain a mortgage on a property that has either been inherited or has previously been occupied by the applicant or a related person at any time.
First time landlord	At least one applicant or Director must have owned and still own at least one property (residential or Buy to Let) for a minimum of 12 months.
Employment/Income	
Minimum income	There is no minimum income requirement.
Employed	1 month's payslip required, or P60 plus 1 month's bank statement.
Self-employed	Latest SA302, accounts or Tax Calculation with corresponding Tax Summary, plus one month's bank statement.
Contractors	1 month's payslip or contract, plus one month's bank statement.
Retired	Latest pension statement or evidence of other income source, plus one month's bank statement.
Loan	
Purpose	Purchase and remortgage.
Remortgage	For remortgage within 6 months of purchase please refer. Contact our Intermediary Business Consultants for more information.
Repayment method	Capital and interest. Interest only. Part & Part.
Minimum loan	£25,001
Porting	Our loans are not portable.
Offer validity	3 months. New build offers will be valid for 6 months.

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Maximum loan and LTV				
	Standard		Specialist	
Maximum Loan	Individuals LTV	Limited Companies/ LLP LTV	HMO & Multi-Unit freehold LTV	New build and flats above commercial LTV
£600,000	80%	80%	80%	75%
£1,000,000	80%	80%	75%	70%
£1,500,000	75%	75%	60%	70%
£2,000,000	70%	70%	N/A	N/A
Minimum term	5 years			
Maximum term	35 years			
Deposit	Deposits are required to be evidenced.			
Acceptable deposits	Individual savings. Limited Company/LLP reserves or working capital. Sale of property or pending sales. Sale of shares or investment. Inheritance. Equity from another property.			
Vendor/builder gifted deposit	New build properties can have up to 5% builder gifted deposit. Converted properties up to 5% considered on a case by case basis.			
Gifted deposit	All gifted deposits must be disclosed. Subject to a gift letter from deposit provider, identification and evidence of funds.			
Family gifted equity	Up to a maximum 75% LTV and satisfaction that the transaction does not constitute Consumer BTL.			
Affordability				
Interest coverage rate (ICR) test applies to all cases on an interest only basis	5 or more years fixed rate products: initial rate. All other products: a nominal rate (currently 5.5%) or the initial rate + 2, whichever is higher. All ICR tests are exclusive of any fees that can be added to the loan.			
ICR	Individuals	Ltd Companies/LLP	HMO, Multi-unit freehold	New build and flats above commercial
Basic rate tax payer	125%	125%	140%	125%
Higher rate tax payer	140%	125%	140%	140%

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Property	
Minimum valuation	£50,000. For converted properties, HMO or any in London and the South East £120,000.
Maximum valuation	None
Tenure	Freehold or leasehold in England and Wales, absolute ownership or freehold in Scotland.
Locations	England, Wales and Scotland.
Acceptable tenancies	AST of either 6 or 12 months if the property is in England. Private Residential Tenancy, or Short Assured Tenancy (if prior to 1st December 2017) if the property is in Scotland. Occupation Contract or Standard Contract if the property is in Wales. Shared households and student lets. Corporate lets. Standard format tenancy.
Unacceptable tenancies	Tenancies supported by housing benefit, Assured, protected or statutory tenancies. Holiday lets.
HMO	
Maximum bedrooms	6
Minimum valuation	£120,000
Maximum LTV	80%
Licence	HMO licence is required if deemed appropriate from the Local Authority.
Property ownership	At least one applicant or Director must have owned, let and still own one or more Buy to Let property for a minimum of 12 months.

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Limited Companies/LLP	
Applications	We will only accept applications from Special Purpose Vehicle (SPV) Ltd Companies.
Acceptable Standard Industrial Classification (SIC) codes	68100 Buying and selling of own real estate. 68209 Other letting and operating of own or leased real estate. 68320 Management of real estate on a fee or contract basis. 68201 Renting and operating of Housing Association real estate.
Directors or shareholders	For Limited Company applications we will accept up to 4 directors or shareholders. They must cover a minimum of 75% shareholding. If the company has less than 4 directors or shareholders, all must be included in the mortgage application.
Personal guarantees	Personal guarantees are required from all directors and shareholders.
Portfolio lending	
Definition	Applicants with 4 or more mortgaged Buy to Let properties.
Maximum number of properties	No maximum
Maximum portfolio value	£2,500,000 with The Mortgage Lender.
Evidence requirements	For 4-10 properties: Business Plan. Portfolio Schedule. On request by underwriting, or for more than 10 properties: Business Plan. Portfolio Schedule. Cashflow Statement. Assets and Liabilities Declaration.
Unencumbered properties	Details of all properties held by applicants should be included in the Portfolio Schedule, including unencumbered properties.

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