

Available for properties in  
England, Wales & Scotland

# Buy-to-Let lending criteria

Updated: 12/11/19



# Buy-to-Let



Available for properties located in England, Wales and Scotland.  
*Available via intermediaries only.*

## Key features

- Interest coverage ratio (ICR) assessed at 5% (or at the pay rate for a 5-year fixed-rate product) utilising the Market Rental valuation
- Free Title Insurance applied to standard property and House in Multiple Occupation (HMO) remortgage cases (subject to qualification)
- Flexible underwriting for portfolio landlords and no limits on portfolio sizes
- Up to 20 properties with an aggregate borrowing of £5 million may be mortgaged
- Support for providing property portfolio information. This can be in any form, provided it details the minimum required information
- Easy-to-use online Broker Portal.

## Property types

- ✓ Houses
- ✓ New builds<sup>1</sup>
- ✓ Flats
- ✓ Maisonettes
- ✓ Apartments including new builds
- ✓ HMO and multi-unit freehold block (MUFB)
- ✓ Flats in blocks up to 5 storeys
- ✓ High rise flats up to 10 storeys<sup>2</sup>
- ✓ Ex-local authority flats considered<sup>3</sup>

<sup>1</sup>New build/newly converted flats to a maximum of 70% LTV. <sup>2</sup>In Greater London accepted subject to market conditions. Must have a lift if over 4 storeys. <sup>3</sup>If in a privately owned block (Greater London only).

## Borrower types

UK individuals, limited companies and limited liability partnerships only. Company Standard Industrial Classification (SIC) code must relate to property management, investment or development. New Special Purpose Vehicles (SPVs) are accepted. Companies that are owned by other companies are not acceptable.

## Interest coverage ratios and assessment rates

Applicant	Single properties	HMO and MUFB
Basic rate taxpayer (20%)	125%	130%
Limited company or LLP	125%	130%
Higher rate taxpayer (40%)	140%	145%
Additional rate taxpayer (45%)	140%	145%

## Criteria

Both of our pricing Tiers are available to individual and corporate borrowers. Tier 1 rates are available where all applicants meet the Tier 1 criteria. Tier 2 rates apply where one or more of the applicants does not meet the Tier 1 criteria. Applicants for HMOs and MUFB must meet Tier 1 criteria.

	Defaults	CCJs	Missed mortgage/ secured payments	Unsecured arrears	Bankruptcy/IVA
Tier 1	None in last 60 months	None in last 60 months	None in last 36 months	No more than 2 in last 36 months	None
Tier 2	None in last 12 months, 2 in last 24 months	None in last 12 months, 1 in last 24 months	None in last 12 months, 1 in last 36 months	Not counted	None



## Standard properties

A **non-refundable valuation/application fee of £150** is applied for all standard property cases

### TIER 1

**New!** Available for purchase or remortgage. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
70%	2 years	2.89%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/2%
75%	2 years	2.99%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/2%



**CASHBACK OFFER:** Contribution towards legal fees (including VAT and disbursements) of £750. See page 12 for full details

**Reduced!** Available for purchase or remortgage. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
65%	5 years	3.19%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/4%/3%/3%/2%
70%	5 years	3.29%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/4%/3%/3%/2%
75%	5 years	3.39%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/4%/3%/3%/2%

**Reduced!** Available for purchase or remortgage. The following product is not available to first time landlords. ICR is assessed at 125% for corporate borrowers and 140% for individuals. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
75%	5 years	3.49%	1.00%	3.60%	LIBOR <sup>1</sup> +3.80%	4%/4%/3%/3%/2%

Available for purchase or remortgage. Maximum loan amount of £500K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
80%	2 years	3.89%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/2%
80%	5 years	3.99%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/4%/3%/3%/2%

### TIER 2

Available for purchase or remortgage. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
75%	2 years	3.99%	1.00%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
75%	5 years	4.19%	1.00%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%

Available for purchase or remortgage. Maximum loan amount of £500K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
80%	2 years	4.69%	1.00%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
80%	5 years	4.89%	1.00%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%



## Small HMO (up to 6 rooms)

**Reduced!** Available for purchase or remortgage. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
75%	2 years	2.99%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/2%
75%	5 years	3.39%	1.00%	5.00%	LIBOR <sup>1</sup> +4.59%	4%/4%/3%/3%/2%

## Large HMO (7 to 15 rooms) - only available for properties in England & Wales

**New!** Available for purchase or remortgage. Maximum loan amount of £1M.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
70%	2 years	3.59%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
70%	5 years	3.79%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%

Available for purchase or remortgage. Maximum loan amount of £500K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
75%	2 years	3.79%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
75%	5 years	3.99%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%

## MUFB (up to 6 units) - only available for properties in England & Wales

**New!** Available for purchase or remortgage. Maximum loan amount of £750K.

LTV	Fixed period	Initial rate	Product fee	ICR rate	Reversion rate	ERC <sup>2</sup> Year 1/2/3/4/5
65%	2 years	3.69%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
65%	5 years	3.89%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%
70%	2 years	3.79%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/2%
70%	5 years	3.99%	1.49%	5.00%	LIBOR <sup>1</sup> +4.69%	4%/4%/3%/3%/2%

<sup>1</sup> LIBOR: 3 month LIBOR variable rate. Currently 0.76% and resets quarterly.

<sup>2</sup> You can repay up to 10% of the outstanding loan balance in any 12-month period (calculated by taking the balance at completion and each anniversary thereafter) without incurring an early repayment charge.



# Buy-to-Let lending criteria



## Application submission requirements

Applications and the submission of all related documentation must be made through our online portal.

At the time of submission a signed application **must** be accompanied by the following:

1. Payment of the valuation fee, which is nonrefundable.
2. A full portfolio schedule.
3. The latest tax years SA302 tax assessment and tax overview for each applicant.
4. Evidence of deposit, if the case is a purchase transaction.
5. Bank statement from the account the direct debit will be drawn from.

**Once the valuation has been received the case, with all the supporting information, it will then be reviewed by an underwriter.** Please ensure if there are any concerns about an application, that these are discussed prior to submission.

Detailed submission guidance is [available from our website](#).

## General requirements

<b>Geography</b>	England, Wales and Scotland
<b>Property type</b>	Residential only
<b>Property security</b>	First charge only
<b>Repayment</b>	Interest only
<b>Payment method</b>	Direct debit only
<b>Minimum term</b>	7 years
<b>Maximum term</b>	30 years

## Maximum loan size for individual loans

LTV	Standard property
Up to 80%	£500,000
Up to 75%	£750,000

LTV	Small HMO	Large HMO	MUFB
Up to 75%	£500,000	£500,000	-
Up to 70%	£750,000	£1,000,000	£750,000

## Maximum loan/LTV

Based upon the lower of the purchase price or market value. If the security property was purchased within the last 6 months, we will lend on the original purchase price.

## Aggregate loan limits

Up to 20 properties may be mortgaged with us. Our individual loan limits will apply up to £3m of aggregate loan exposure to us.

Above £3m of borrowing, the aggregated LTV on the portfolio will be restricted with a maximum exposure on any Buy-to-Let portfolio of loans with LendInvest of £5m at a maximum LTV of 60%.

We may need to meet with an applicant during the application process. Reasons may include, but are not limited to; discussing exposure limits in cases where 10+ properties are being brought to us, or if our total lending will exceed £1 million.

## Loan purpose

Our loans can be used to purchase or remortgage.

If remortgaging, a valid explanation is required if the property has been owned for less than 6 months, unless this is a transition from another of our products. Remortgaging from existing Bridging Finance will be considered.

Any additional capital raising must be fully declared and explained.



# Buy-to-Let lending criteria



Where properties are being brought to us by a developer who is retaining properties from a recent development, we will require evidence that the property is tenanted or bank statements demonstrating funds equating to 3 months rental income in their account for each property being brought us.

## Deposit

On all purchase cases the source of deposit must be disclosed and must have originated from within the European Economic Area (EEA). We will request evidence of the deposit.

If a limited company is purchasing the property from individual director(s) - and the full share capital of the limited company is in exactly the same name as the property - then the existing equity is acceptable as the deposit in the form of a Directors Loan Account.

## Open Banking

We use Open Banking to assist us with the underwriting process when assessing new applications. This helps us reduce documentary evidence that may be required and to underwrite cases more quickly, reducing the time to offer.

## Gifted deposit

If any element of the deposit is gifted, the following will apply:

- Gifted deposits can only be accepted from a close relative, full details of whom must be disclosed
- The identification of the person(s) gifting the deposit must be satisfactorily established
- Appropriate deed of gift indemnity insurance will be required
- A minimum deposit of 10% may be required to come from the applicant(s) personal contribution.

## Offers

Buy-to-Let offers remain valid for 90 days from the date of the formal offer.

If an offer needs to be reissued after expiry, a new product must be selected, which may alter the amount of the loan and be subject to additional underwriting.

## Property criteria

### Tenure

- Freehold houses only.
- Leasehold flats and maisonettes must have at least 65 years remaining on the lease at the end of the term
- Commonhold is not accepted.

### Tenancy

Single, assured shorthold tenancy (AST) up to 1 year or a corporate let for a longer period at the underwriter's discretion.

All tenancies must be to occupiers who will be in residence for the full period of the AST or corporate let.

### Tenant types

We will not lend where a property is being used for owner occupation as this would be a regulated transaction. The property must be tenanted by a third party (family members are not permitted).

Where the borrower is a corporate entity, the property must not be tenanted by any Director, Shareholder, Guarantor, nor any person related to them.

### Energy efficiency requirements

Prior to completion, the borrower must provide our solicitor with a valid Energy Performance Certificate (EPC) and recommendation report evidencing an energy efficiency rating of E or higher.

### New build definition

New builds are defined as a property that has never been occupied or has been constructed or converted within the last 12 months.

### Minimum valuation

£150,000 London (excl. rest of UK).  
£75,000 UK (excl. London).



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## Concentration limit

Subject to underwrite we have a total limit of:

- no more than 4 units or 25% of the total units in one block of flats (whichever is lower); and
- no more than 5 properties in one postcode sector (for example, BH15 1).

We may allow a borrower to exceed these limits, which are our exposure and do not relate to an individual borrower, subject to an underwriter's approval.

## Acceptable property types

- ✓ Houses
- ✓ New builds houses
- ✓ New build/newly converted flats
- ✓ Flats
- ✓ Maisonettes
- ✓ Apartments including new builds
- ✓ HMO and multi-unit freehold block (MUFB)
- ✓ Flats in blocks up to 5 storeys (must have a lift if 4 storeys or higher)
- ✓ Flats up to 10 storeys In Greater London accepted subject to valuer's commentary (must have a lift if over 4 storeys)
- ✓ Ex-local authority flats considered if in a privately owned block (Greater London only)
- ✓ HMO flats (up to 6 units) in Edinburgh and Glasgow only
- ✓ Studio flats (in London only; max 70% LTV) with a minimum gross internal floor area of 30sq metres (accepted subject to underwriting & valuers commentary)

## Unacceptable property types

- ✗ Shared ownership
- ✗ Freehold flats and freehold maisonettes
- ✗ Tyneside/crisscross leasehold

- ✗ High rise flats (over 5 storeys) outside Greater London
- ✗ Ex Local authority flats outside Greater London
- ✗ Ex MOD flats outside Greater London
- ✗ Properties in over 1 acre of land
- ✗ Properties in a designated fracking area where the valuer does not confirm as suitable security
- ✗ Properties in isolated rural locations
- ✗ Properties with agricultural usage or other planning restrictions
- ✗ Properties above fast food outlets
- ✗ Grade 1 listed properties
- ✗ Mobile homes and houseboats
- ✗ Commercial property
- ✗ Property with inherent structural defects e.g. Properties built using high alumina, cement, mundic block or other defective materials
- ✗ Properties where the borrower is effectively both the freeholder and leaseholder unless we have a charge over both
- ✗ Properties built or significantly converted in the last 10 years without a nationally recognised warranty
- ✗ Properties located next door/adjacent to the applicant's residential property
- ✗ Properties that contain a flying freehold greater than 15% of the total property area
- ✗ Single dwelling with a substantially flat roof
- ✗ Flats with balcony or deck access
- ✗ HMO or MUFB flats
- ✗ MUFB combined with HMO
- ✗ Any form of non standard construction



# Buy-to-Let lending criteria



## Individual borrower requirements

<b>Max number of applicants</b>	2
<b>Minimum age</b>	21
<b>Maximum age</b>	85 (at end of term)

### Employment

PAYE: Minimum 6 months current and 12 months continuous (outside of any probationary period).

Self-employed: Trading for at least one full year and must provide satisfactory proof of income.

### Sector experience

Applications from first-time buyers purchasing a standard BTL property will be accepted provided that at least one applicant has owned an existing residential property for at least 6 months. First-time landlords will be subject to a 70% LTV limit.

Existing landlords must have held an existing BTL property for the past 12 months. (For sector experience with regard to HMOs and MUFBS, please see page 11.)

### Marginal tax rate

All borrowers must disclose details of their marginal tax rate to enable the correct ICR to be applied.

### Identity verification

We will ask the borrower to verify their identity via the Onfido platform. They will be required to take and upload a selfie and a photo of their identification. If this check fails, you will need to follow the instructions from our [Identity Documents](#) list.

### Address verification

An electronic verification check will be done through Equifax. If this check fails, you will need to supply a certified utility bill, bank statement or tax demand dated within the last 3 months.

### Applicant income

Applicants are required to demonstrate they have sufficient income to cover their full personal and Buy-to-Let expenditure, including any potential property void periods. First Time Landlords, defined as being landlords with less than 12 months experience, are required to demonstrate a minimum income of £30,000.

### Income verification

We will require verification of personal income in most cases. Your underwriter will advise you if this is necessary. Acceptable income evidence should be one (or a combination) of the following: latest SA302, 3 months' payslips, P60, or minimum 3 months of bank statements.

### Direct Debit mandate verification

If we are unable to verify the applicant's bank account we will require a bank statement or bank 'Welcome Letter' dated in the last three months confirming the account details.

### Mortgage history

Where a 36-month mortgage history is not available on the credit searches we will require mortgage statements to verify satisfactory conduct.

## Individual credit profile

Our credit profile requirements differ depending on which product Tier the borrower is using.

### Residential status

Tier 1: Must be a UK resident for the past 3 years and citizen with full rights to reside without the need for a residence permit.

Tier 2: Must have been resident for the past 3 years and have permanent rights to reside/indefinite leave to remain in the UK.

### Defaults (unsecured facilities)

Tier 1: None in 5 years.

Tier 2: None in past year. 2 in past 2 years.

### Bankruptcy/IVA

None.





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## County Court judgments (CCJs)

Tier 1: None in 5 years.

Tier 2: None in past year. 1 in the past 2 years up to a maximum value of £5,000 which must be satisfied prior to completion.

## Missed mortgage/secured payments

Tier 1: None in 3 years.

Tier 2: None in past year. 1 in past 3 years.

## Unsecured arrears

Tier 1: Not greater than 2 in past 3 years.

Tier 2: Permitted

## Criminal convictions

Not permitted unless relating to motoring offences. Other minor offences may be considered at the underwriter's discretion.

## Corporate borrower requirements

### Company origin

Only UK Limited Companies and UK Limited Liability Partnerships (LLP) are permitted. SIC code must relate to property management, investment or development. New SPVs are accepted. Purchase of company share capital to acquire property is not accepted.

### Max number of directors

Maximum number of 4 directors/shareholders/members. LLP members must be designated.

### Personal guarantees

Full personal guarantees are required from all directors and shareholders who own at least 25% of the equity in the company or, where a lower shareholding is held, are deemed as having a significant controlling role in the business.

Where there is a shareholder with less than 25% shareholding - or a director who can be defined as having a significant controlling role in the business - we will require personal guarantees and these officers to be added to the application.

### Debenture/floating charge

A debenture and floating charge will be required for properties located in Scotland.

## Multiple applications

Where multiple applications are made by the same corporate borrower each loan must be in the exact same company name. We reserve the right to require a debenture and floating charge at the underwriter's discretion based upon our total aggregated exposure.

Where individual director(s) have interests and make applications across different Limited Company/SPV names, a debenture and floating charge will be required.

## Guarantor/director income

Applicants are required to demonstrate they have sufficient income to cover their full personal and Buy to Let expenditure, including any potential property void periods. First Time Landlords, defined as being landlords with less than 12 months experience, are required to demonstrate a minimum income of £30,000.

<b>Director/shareholder minimum age</b>	21
<b>Director/shareholder maximum age</b>	85 (at end of term)

## Legal advice

Any applicants via a UK limited company or UK LLP will be assessed on the basis of the strength of the director(s) as if they were applying for lending facilities on a personal basis. A condition of any offer to these entities will be personal guarantors or third-party security providers seeking independent legal advice. In certain cases, we may accept a waiver letter in respect of the independent legal advice from a borrower who is also providing a personal guarantee.

## Transfers of ownership

Any transfer of ownership or equity will be treated as a purchase (NOT remortgage) of the new freehold/leasehold title. This includes cases involving title splits.

In all cases we will append an Offer Condition to seek confirmation that all borrowing parties have obtained their own taxation advice from a qualified accountant.



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## Individual to Corporate

The existing equity is acceptable as the deposit in the form of a Directors Loan Account. A transfer at undervalue (including nil value) may be considered, subject to underwriting, only where the current ownership of the property is in exactly the same name as the legal ownership of the company purchasing the asset. Issuing company shares to purchase a property in personal names is not accepted.

## Corporate to Corporate (including LLP/SPV)

The existing equity is acceptable as the deposit in the form of a Director's Loan Account.

Any transfer of ownership from company to company (including LLP or SPV) must be a purchase at full market value. Issuing new company shares to purchase a property is not accepted. Separate legal representation will be required. Applicants will be liable to pay their own costs.

## Trusts

LendInvest will not lend to trusts or overseas registered companies.

## Titles split

To consider a title split, we will require:

1. Separate legal representation
2. Underwriter agreement necessary
3. Normally treated as a purchase
4. Property must be suitable legally and physically
5. Charges on part security are not acceptable
6. Transfers are at full market value.

## Corporate credit profile

### Bankruptcy

No bankruptcy or winding up petition in the last six years.

### County Court judgments (CCJs)

Tier 1: None in 5 years.

Tier 2: None in past year. 1 in the past 2 years up to a maximum value of £5,000, which must be satisfied prior to completion.

## Portfolio landlord requirements

We define portfolio landlords as borrowers who own 4 or more buy-to-let properties (including the new security and any unencumbered properties).

There is no limit on the number of properties held or mortgaged by a portfolio landlord with other lenders. Properties owned abroad, and their details, will not be included within the portfolio calculations.

When the application is made we must see:

- Full details of the existing portfolio including; address, purchase date, mortgage lender, balance outstanding, monthly mortgage payment, rental income, current value, and the current assured shorthold tenancies (ASTs) in place including term and start date.
- An outline of the borrower's experience in the buy-to-let or HMO market. We will reconcile and review payment history for the portfolio against credit data where available.

## Helping with portfolio cases and multiple applications

If you are submitting a portfolio landlord case, just upload their property portfolio spreadsheet to our online portal and we will do the rest.

If you are making multiple applications for the same client, applications may be duplicated within the Broker Portal. Detailed guidance is available from our website.

If you have another case for the same client within 6 months, we will simplify the underwriting process, with no need for a new portfolio assessment.



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## Portfolio assessment

We will assess the overall portfolio at a notional rate of 5.5% and will apply the following approach:

### Portfolio ICR Approach at 5.5%

Above 125%	Case can proceed
Above 120%	If the total Portfolio LTV is below 75% the case can proceed. If the total Portfolio LTV is above 75% we'll assess the liquidity of the portfolio. We may request additional information where relevant to support our decision.
Above 110%	We'll assess the liquidity of the portfolio. We'll review other assets declared by the client to ascertain if they can support servicing outside of the portfolio. We may request additional information where relevant to support our decision.
Below 110%	At underwriter's discretion

## HMO and MUFB criteria

Small HMO (up to 6 units) accepted in England, Wales and Scotland.

Large HMO (7 to 15 units) and MUFB (up to 6 units) accepted in England and Wales.

### HMO definition

In England & Wales a HMO is defined as a property rented out by at least 3 people who are not from 1 'household' (e.g. a family) but share facilities such as the bathroom and kitchen.

### Sector experience

Must demonstrate experience with managing a buy-to-let property portfolio over a period of at least 2 years.

For Large HMO cases, a minimum of 12 months of this experience must have included managing HMOs.

### Credit profile

HMO and MUFB lending is available for Tier 1 borrowers only.

### Valuation

For HMOs of up to 6 bedrooms, the valuation is based upon the vacant possession comparable value only and not the investment yield. For HMOs of 7 bedrooms or more and all MUFBs, the valuation is based upon the investment or comparable value depending on the valuer's recommendation. Retypes are not accepted.

### Minimum valuation

£300,000 in London (excl. rest of the UK).

£150,000 for rest of UK (excl. London).

### Licensing (existing HMOs)

Properties being refinanced that are operating as a HMO must have all appropriate licences in place at the time of application, if applicable.

### Licensing (new HMOs)

The property must meet all local authority licensing requirements prior to funds release. The borrower must obtain a HMO license, when required, to operate within 90 days of completion.

### Property

In an area where a clear demand exists. Maximum number of letting rooms in any one HMO property cannot exceed 15. Maximum number of units in any one MUFB property cannot exceed 6. HMOs with kitchenettes limited to 70% LTV - Valuation fees by arrangement.



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## Fees and charges

### Product fees

Product fees can be added to the loan and are included in our affordability calculations.

### Legal fees

In all cases the borrower will be liable to pay all legal costs in respect of the completion of the mortgage. On instruction, our solicitors will request that payment is made by the borrower in advance and held on account.

### Cashback offer

Borrowers who take out 5-year fixed rate mortgages for Tier 1 standard properties will be entitled to a cashback contribution towards their legal fees (including VAT and disbursements) of £750.

The legal fee contribution is paid at Completion and any legal fees or legal undertakings that are required to be paid or made prior to completion are the sole responsibility of the Borrower(s) and will not be paid by us.

### Dual legal representation

Evidence demonstrates that dual representation reduces the time to completion by an average of 15 days when compared with separate representation.

Our solicitor may be selected to act for both the borrower and us in most situations.

Dual representation is not available where applications have been made that include:

- Cases where security titles are being split or a change in the security title is required
- Incorporation cases involving a transfer by the borrower from individual to corporate ownership.

Dual representation is not available for properties located in Scotland.

### Separate legal representation

If the borrower wishes to use their own solicitor they may do so provided that the firm of solicitors acting for them is:

- Registered with the Law Society and has a minimum of 3 Solicitors Regulation Authority (SRA) approved managers (none of whom must be struck off)
- A solicitor with 2 SRA approved managers accredited with the Law Society's Conveyancing Quality Scheme (CQS) is also acceptable.
- Two solicitors required for Scottish firms.

We will select our own solicitor to act for us.

### Title insurance

We seek to apply title insurance, at no cost to the borrower, for standard property and HMO remortgage cases up to £750k, excluding:

- MUFBS
- Transfer of equity
- Where security titles are being split or a change in the security title is required
- Properties with more than one kitchen
- Cases where at the underwriter's discretion title insurance cannot be applied.

This insurance is obtained against unknown but existing title defects and avoids the need for standard conveyancing and other property related searches.



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## Legal fee scales

Our standard legal fee scales are provided for guidance only. They exclude VAT and disbursements. Additional legal fees may be chargeable and will be advised by our solicitors upon instruction.

### Non title insurance cases

#### Remortgages and purchases

Net loan size	Fee for separate legal representation	Fee for dual legal representation
Up to £250,000	£550	£700
£250,001 to £500,000	£700	£850
£500,001 to £750,000	£850	£1,000
£750,001 to £1,000,000	£1,000	£1,250

Please note: above fees exclude VAT and disbursements

### Title insurance cases

#### Remortgages only

Net loan size	Fee for separate legal representation	Fee for dual legal representation
Up to £250,000	£450	£600
£250,001 to £500,000	£600	£750
£500,001 to £750,000	£700	£800

Please note: above fees exclude VAT and disbursements

## Valuation fees

We will instruct a valuer from our panel to value the security being offered. The borrower will be required to pay the valuation fee prior to underwriting.

The £150 valuation fee for standard properties is not refundable.

Purchase price (up to)	Mortgage valuation (£)	HMO scale (£)*
100,000	150	450
150,000	150	450
200,000	150	465
250,000	150	535
300,000	150	535
350,000	150	595
400,000	150	595
450,000	150	655
500,000	150	655
600,000	150	720
700,000	150	780
800,000	150	890
900,000	150	965
1,000,000	150	1035
1,200,000	150	1195
1,250,000	150	1355
1,500,000	150	1515
1,750,000	150	1675
2,000,000	150	1835

\*Only applies to HMOs with 6 bedrooms or fewer. For HMOs with more than 6 bedrooms or any MUFB, we will provide you with a quote.

