

Buy to Let Product Guide

December 2018

For intermediary use only
LIBOR is set at 0.91% as of 14/12/2018

Product highlights

- ⬡ Products for Limited Companies and Individuals
- ⬡ Large Loans to £1.5m (min loan now £500k)
- ⬡ Catering for clients financing Short Term Lets, HMOs and Multi Unit Blocks
- ⬡ Limited edition 3 year fixed rates now available
- ⬡ 5 Year Fixed Rate ICR based at pay rate

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Buy to let – Standard Plus

Our Standard Plus products offer our most competitive rates and are available to your clients who have a clean credit history. Products in this range are available to individuals, limited companies and portfolio landlords.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
3 year fixed until 30/04/22	65%	3.19%	1.00%	145% × 5.5%	3%, 2%, 1%	LIBOR + 4.5%
	75%	3.59%				
5 year fixed until 30/04/24	65%	3.24%	2.00%	145% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.44%				

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
3 year fixed until 30/04/22	65%	3.19%	1.00%	125% × 5.5%	3%, 2%, 1%	LIBOR + 4.5%
	75%	3.59%				
5 year fixed until 30/04/24	65%	3.24%	2.00%	125% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.44%				

Standard Plus credit criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All defaults and CCJs must be satisfied at the time of application irrespective of when they occurred. No defaults or CCJs registered in the last 72 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in the last 72 months.
Unsecured arrears	A worst status of 0 in the last 72 months.
Credit Cards	A worst status of 0 in the last 72 months.
Mail Order, Communications & Utilities	A worst status of 4 in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max Loan	£1m
Min Loan	£50k

Buy to let – Large Loans

Our large loans product is available for those landlords looking for loans from £500k to £1.5m inclusive of fees. The product is available to individuals, limited companies and portfolio landlords.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.05%	2.5%	145% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.05%	2.5%	125% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%

Large Loan Rates credit criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All defaults and CCJs must be satisfied at the time of application irrespective of when they occurred. No defaults or CCJs registered in the last 72 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in the last 72 months.
Unsecured arrears	A worst status of 0 in the last 72 months.
Credit Cards	A worst status of 0 in the last 72 months.
Mail Order, Communications & Utilities	A worst status of 4 in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max Loan	£1.5m including fees.
Min Loan	£500k excluding fees.
Not available for	First time landlords, HMOs & Large HMOs.

Buy to let – Remortgage Special

Our Remortgage Specials are based on our Standard credit criteria and are available to individuals, limited companies and portfolio landlords looking to remortgage only. They come with the incentives of one free standard valuation and £250 cashback upon completion.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.59%	1.75%	145% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
	75%	3.84%				
£250 cashback One free standard valuation						

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.59%	1.75%	125% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
	75%	3.84%				
£250 cashback One free standard valuation						

Remortgage Special credit criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All defaults and CCJs must be satisfied at the time of application irrespective of when they occurred. No defaults or CCJs registered within the last 24 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in 24 months.
Unsecured arrears	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Credit Cards	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Mail Order, Communications & Utilities	A worst status of 4 in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max Loan	£1m
Min Loan	£50k

Buy to let – Standard

Our Standard range is suitable for your clients who have experienced credit blips in the past. The product is available to individuals, limited companies and portfolio landlords.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.79%	2.00%	145% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	2.94%	2.00%			
	80%	3.64%	2.00%			
5 year fixed until 30/04/24	65%	3.34%	2.00%	145% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.54%	2.00%			
	80%	4.09%	2.00%			
	65%	3.59%	£1,995			
	75%	3.74%	£1,995			
	80%	4.34%	£1,995			

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.79%	2.00%	125% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	2.94%	2.00%			
	80%	3.64%	2.00%			
5 year fixed until 30/04/24	65%	3.34%	2.00%	125% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.54%	2.00%			
	80%	4.09%	2.00%			
	65%	3.59%	£1,995			
	75%	3.74%	£1,995			
	80%	4.34%	£1,995			

Standard credit criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All defaults and CCJs must be satisfied at the time of application irrespective of when they occurred. No defaults or CCJs registered within the last 24 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in 24 months.
Unsecured arrears	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Credit Cards	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Mail Order, Communications & Utilities	A worst status of 4 in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max Loan	£1m
Min Loan	£50k

Buy to let - Short term let

Our short term let product is suitable for your clients who are looking to let out their property on a short term basis, with no need for an AST. The product is available to individuals, limited companies and portfolio landlords.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.99%	1.75%	145% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	3.44%				
5 year fixed until 30/04/24	65%	3.54%		145% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.84%				

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.99%	1.75%	125% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	3.44%				
5 year fixed until 30/04/24	65%	3.54%		125% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.84%				

Short term let criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin Order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All CCJs and Defaults must be satisfied at the time of application irrespective of when they occurred. No CCJ's/Defaults registered within the last 24 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in 24 months.
Unsecured arrears	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Credit Cards	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Mail Order, Communications & Utilities	A worst status of 4 per account in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max Loan	£1m
Min Loan	£50k

Buy to let – HMOs and MUBs

In addition to the products shown below, our Large HMO/MUB products are available for HMOs over 6 bedroom and all MUBs up to a max of 10 units. These products carry a 0.10% premium over the HMO rates shown below. Product fees and rental calculations are unchanged.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.94%	2.00%	145% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	3.04%				
3 year fixed until 30/04/22	65%	3.29%	1.00%	145% × 5.5%	3%, 2%, 1%	
	75%	3.69%				
5 year fixed until 30/04/24	65%	3.54%	2.00%	145% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.64%				
	65%	3.69%	£1,495			
	75%	3.89%				

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
2 year fixed until 30/04/21	65%	2.94%	2.00%	125% × 5.5%	3%, 2%	LIBOR + 4.5%
	75%	3.04%				
3 year fixed until 30/04/22	65%	3.29%	1.00%	125% × 5.5%	3%, 2%, 1%	
	75%	3.69%				
5 year fixed until 30/04/24	65%	3.54%	2.00%	125% × pay rate	5%, 4%, 3%, 2%, 1%	
	75%	3.64%				
	65%	3.69%	£1,495			
	75%	3.89%				

HMOs and MUBs credit criteria

Credit Criteria	As per our standard credit criteria
Tenure	As standard. NB Only freehold MUBs accepted.
HMO	Standard HMOs up to 6 bedrooms Large HMOs up to 8 bedrooms
MUB	All MUBs up to 10 units are classed as Large HMOs
Licences	Required Licences to be in place pre- completion.
Max Loan	£1m
Min Loan	£50k

Buy to let – First Time Landlord

Products on this page are available exclusively to First Time Landlords. These products are not available to portfolio landlords.

For individuals

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.49%	2.00%	145% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
	75%	3.69%	2.00%			
	80%	4.19%	2.00%			

For limited companies

Product	LTV	Rate	Fee	Rental calc	ERC	Reversion rate
5 year fixed until 30/04/24	65%	3.49%	2.00%	125% × pay rate	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
	75%	3.69%	2.00%			
	80%	4.19%	2.00%			

First Time Landlord credit criteria

Residency	3 years proof of residency is required.
Credit Record	1 borrower to have active credit record.
Bankruptcy	No Bankruptcy Order registered against any borrower.
IVA/Admin order	No IVA or Administration Order registered against any borrower.
Defaults and CCJs	All defaults and CCJs must be satisfied at the time of application irrespective of when they occurred. No defaults or CCJs registered within the last 24 months, regardless of whether they have been satisfied.
Secured arrears	A worst status of 0 in 24 months.
Unsecured arrears	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Credit Cards	A worst status of 2 in the last 24 months, with a status of 0 in the last 12.
Mail Order, Communications & Utilities	A worst status of 4 in the last 24 months per account provided all accounts are up to date on application.
Evidence of Income	Income must be evidenced through: <ul style="list-style-type: none"> Last month's payslips for Employed Applicants Last years accounts or SA302 for self-employed applicants Evidence of pension income for retired applicants (pension income statement, payslip) Trust funds, investment and rental income as additional income (SA302 or Income statement). Where no such proof of income is available, bank statements, showing activity over the last three months, will be accepted for underwriting purposes.
Max loan	£1m
Min loan	£50k

General criteria

Application criteria

Application Fee	£125
Valuation Fee	As per valuation table – see page 05.
Porting	No.
Overpayments	Yes, up to 10% in any one year.
Maximum number of applicants	2
Age	21 years at inception to 85 years at term end.
First Time Buyers	No (for joint applications 1 must not be FTB).
Location	England & Wales.
Tenure	Freehold/Leasehold.
Minimum valuation	£75,000.
Exposure	Maximum 3 properties in any one postcode.
New build	Leasehold flats to a max of 70% LTV. Additional criteria applies. Houses accepted.

Loan criteria

Purpose	Purchase/Remortgage.
Repayment type	Interest Only/Capital & Interest/Part & Part.
Term	5 - 30 Years.
Gross monthly rental cover	Rental income calculated on lower of current rent or valuer estimate.
Loan size	Minimum £50,000. Maximum £1,000,000 to 65% LTV. Maximum £750,000 to 75% LTV. Maximum £500,000 to 80% LTV. Fees can be added up to £1,000,000. Large loans up to £1,500,000 inclusive of fees.

Limited company criteria

Maximum number of applicants	4 directors.
Age	No maximum age.
First Time Buyers	At least one applicant must not be FTB.
Acceptable SIC codes	68100 - 68209 - 68320
Limited Company	Company to be registered in England and Wales for the purpose of property rental. Foundation Home Loans will accept dual legal representation on all limited company applications, provided the firm is experienced in providing the requisite conveyancing for limited companies.
Applications	Must be SPV for purpose of property rental. No trading companies.

Portfolio landlord criteria

Portfolio Size	Unlimited properties in portfolio. Up to a max £3,000,000 exposure with Foundation Home Loans/ Paratus AMC.
Portfolio Landlords	For background portfolios, we require a maximum aggregate LTV of 75% and minimum rental cover of 125% at 5.5%, including unencumbered properties.

Valuation fee scale

Property value up to	Standard property	Short term Lettings	HMO up to 6 beds)	Large HMO (up to 8 beds and all MUBs*)
£100,000	£190	£270	£660	£875
£150,000	£250	£300	£660	£875
£200,000	£285	£330	£700	£875
£250,000	£315	£360	£700	£980
£300,000	£330	£400	£700	£1,065
£350,000	£340	£435	£785	£1,275
£400,000	£405	£470	£785	£1,275
£450,000	£435	£525	£900	£1,400
£500,000	£465	£525	£900	£1,400
£600,000	£550	£600	£955	£1,555
£700,000	£640	£660	£1,035	£1,690
£800,000	£705	£735	£1,130	£1,835
£900,000	£795	£815	£1,230	£1,965
£1,000,000**	£905	£895	£1,320	£2,130
£1,500,000	up to £1,480	up to £1,385	-	-
£2,000,000***	up to £2,050	up to £1,920	-	-

* Larger HMOs to a max 8 bedrooms; all Multi-Unit Blocks (MUB) to a max 10 units

** Fees for HMO/MUB properties in excess of £1m are by agreement.

*** Fees for standard properties in excess of £2m are by agreement.

Get in touch

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