

# Clients missing the mark with the mainstream?

## **Solution Found.**



## **Residential Product Guide** June 2019

### **Product Highlights**

2 year fixed rates from 2.44%

Up to 85% LTV | Available for employed and self-employed applicants

Repayment and interest only options | 5 year fixed rates



	F1 product	F2 product	F3 product
Defaults & CCJs	All defaults and CCJs must be satisfied irrespective of when they occurred		
CCJs	No CCJs registered in the last 36 months, regardless of whether they have been satisfied	No CCJs registered in the last 24 months, regardless of whether they have been satisfied	A maximum of two CCJs registered in the last 24 months up to the value of £2000 (£500 in the case of debt consolidation)
Defaults	No defaults registered in the last 36 months, regardless of whether they have been satisfied	No defaults registered in the last 24 months, regardless of whether they have been satisfied	A maximum of two defaults registered in the last 24 months up to the value of £2000 (£500 in the case of debt consolidation)
Mortgage arrears	A worst status of 0 in the last 36 months	A worst status of 0 in the last 24 months	A worst status of 2 per mortgage in the last 24 months with 0 in the last 6
Credit card arrears	A worst status of 0 in the last 36 months	A worst status of 1 per card in the last 24 months with 0 in the last 6	A worst status of 2 per card in the last 24 months with 0 in the last 6
Unsecured loan arrears	A worst status of 0 in the last 36 months	A worst status of 1 per loan in the last 24 months with 0 in the last 6	A worst status of 2 per loan in the last 24 months with 0 in the last 6
Other unsecured arrears	A worst status of 0 in the last 36 months	A worst status of 2 per account in the last 24 months with 0 in the last 6	A worst status of 4 per account in the last 24 months with 0 in the last 6
Bankruptcy & IVAs	None registered against any borrower	None registered against any borrower	Bankruptcy discharged or IVAs satisfied 3 or more years ago are considered

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# F1 Residential

for your clients who just miss out on the mainstream

Our F1 product is ideal for clients who have been declined by the high street on credit scores.

Product Name	Type	Max LTV	Rate	Fee	Max Loan	ERC	Reversion Rate
F1	2 Year fixed until 31/10/2021	65%	2.44%	£995	£750K	3%, 2%	LIBOR + 4.5%
		70%	2.69%				
		75%	2.94%				
		80%	3.29%				
		85%	3.59%				
F1	5 Year fixed until 31/10/2024	65%	3.55%	£1,295	£750K	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
		70%	3.74%				
		75%	3.85%				
		80%	4.05%				
		85%	4.29%				



# F2 Residential

for your clients with credit blips

Our F2 product is for clients with recent credit blips.

Product Name	Type	Max LTV	Rate	Fee	Max Loan	ERC	Reversion Rate
F2	2 Year fixed until 31/10/2021	65%	2.64%	£995	£750K	3%, 2%	LIBOR + 4.5%
		70%	2.84%				
		75%	3.14%				
		80%	3.49%				
		85%	3.79%				
F2	5 Year fixed until 31/10/2024	65%	3.65%	£1,295	£750K	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%
		70%	3.84%				
		75%	3.95%				
		80%	4.19%				
		85%	4.39%				



# F2 Residential First Time Buyer

## for first time clients with credit blips

Our FTB F2 product is for first time buyers with recent credit blips.

Product Name	Type	Max LTV	Rate	Fee	Max Loan	ERC	Reversion Rate
F2 (FTB)	2 Year fixed until 31/10/2021	80% 85%	3.69% 4.09%	£595	£750K	3%, 2%	LIBOR + 4.5%
F2 (FTB)	5 Year fixed until 31/10/2024	80% 85%	4.24% 4.44%	£995	£750K	5%, 4%, 3%, 2%, 1%	LIBOR + 4.5%



# F3 Residential

for your clients who have experienced credit problems

Our F3 product is for clients who have experienced credit problems.

Product Name	Type	Max LTV	Rate	Fee	Max Loan	ERC	Reversion Rate
F3	2 Year fixed until 31/10/2021	65%	2.94%	£995	£500K	3%, 2%	LIBOR + 5.0%
		70%	3.24%				
		75%	3.64%				
		80%	4.19%				
F3	5 Year fixed until 31/10/2024	65%	3.94%	£1,295	£500K	5%, 4%, 3%, 2%, 1%	LIBOR + 5.0%
		70%	4.15%				
		75%	4.39%				
		80%	4.69%				



# What is a mainstream miss?

Some of the reasons your clients may be a mainstream miss are:

Address history	A clean address history is key to ensuring your clients maintain a good credit score. Clean address history means where the credit is registered, so those that are not on the voters roll at their correct address or frequently move will generally have a poorer score.
Credit Hungry	Those that have frequent credit searches conducted against them, this could be anything from a mortgage to a new mobile phone. More than 4 searches in a 12 month period moves the score significantly.
Credit Utilisation	Those that heavily rely on credit cards will be seen as indebted and their score affected accordingly. Exceeding 60% of their credit limit affects the score significantly, exceeding 75% will double this negative impact.
Financial Association	Even if your client is a perfect customer, if they have a linked associate (whether it be a past personal or business relationship) and their score is bad your client's score will also be impacted.
Historic CCJs/Arrears	Any arrears in the last 3 years will significantly impact your client's score. Even a single missed payment in the last 12 months will have an effect. F1 does not allow that but historic ones will be considered.



General criteria	
Minimum age	18.
Maximum age	75 (at end of term).
Maximum borrowers	2 (4 if there is a family tie between applicants and max LTVs less than 80%).
Minimum income	No minimum income.
Minimum loan	£50k.
Maximum loan	£750k including fees (£500k for F3).
Interest only	Acceptable up to 70% LTV.
Part and Part	Acceptable up to 80% LTV.
Minimum property value	£75k.
Minimum term	5 years.
Maximum term	35 years.

Valuation fee scale	
Property value up to	Standard property
£100,000	£190
£150,000	£250
£200,000	£285
£250,000	£315
£300,000	£330
£350,000	£340
£400,000	£405
£450,000	£435
£500,000	£465
£600,000	£550
£700,000	£640
£800,000	£705
£900,000	£795
£1,000,000	£905
£1,500,000	up to £1,480
£2,000,000*	up to £2,050

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

All products are subject to a non-refundable application fee of £125.

