

# Buy to let for Limited Companies Product Guide

2 year  
product fees  
reduced to 1%



**Limited Company Buy to Let Product Guide**  
20th March 2020

**For portfolio and non-portfolio landlords.**

  
**Foundation**  
Home Loans

# F1 Buy to Let products for limited companies

## with an almost clean credit history

For non-portfolio and portfolio landlords.

### 2 Year Fixed Rates (fixed until 31/07/2022)

| Product Name                                | Initial Rate   | Max LTV    | Fee  | Max Loan     | Rental Calculator | ERCs   |
|---|----------------|------------|------|--------------|-------------------|--------|
| F1  | 2.74%<br>2.89% | 65%<br>75% | 1%   | £1.5M<br>£1M | 125% x 5.5%       | 3%, 2% |
| F1 Portfolio Landlord Only<br>Min Loan £30K | 2.89%<br>3.04% | 65%<br>70% | £995 | £100K        |                   |        |

### 5 Year Fixed Rates (fixed until 31/07/2025)

| Product Name                                | Initial Rate                     | Max LTV                  | Fee                          | Max Loan                     | Rental Calculator | ERCs                  |                       |
|---|----------------------------------|--------------------------|------------------------------|------------------------------|-------------------|-----------------------|-----------------------|
| F1 Large Loan *                             | 2.89%                            | 65%                      | 2.25%                        | £2M                          | 125% x pay rate   | 5%, 4%, 3%,<br>2%, 1% |                       |
| F1  | 3.05%<br>3.34%<br>3.15%<br>3.44% | 65%<br>65%<br>75%<br>75% | 2%<br>£1,995<br>2%<br>£1,995 | £1.5M<br>£1.5M<br>£1M<br>£1M |                   |                       |                       |
| F1 Re-mortgage Special ***                  | 3.39%<br>3.55%                   | 65%<br>75%               | £2,495                       | £1.5M<br>£1M                 |                   |                       |                       |
| F1 ERC 3                                    | 3.34%<br>3.50%                   | 65%<br>75%               | 1%                           | £1.5M<br>£1M                 |                   |                       | 5%, 4%, 3%,           |
| F1 Early Re-mortgage**                      | 3.25%                            | 75%                      | 2%                           | £1M                          |                   |                       | 5%, 4%, 3%,<br>2%, 1% |
| F1 Portfolio Landlord Only<br>Min Loan £30K | 3.44%<br>3.54%                   | 65%<br>70%               | £995                         | £100K                        |                   |                       |                       |

\*Min loan size is £500K.

\*\*We will not directly re-mortgage properties purchased with cash.

\*\*\* Re-mortgage special - one free standard valuation, no application fee and £250 cashback on completion.

All loans revert to LIBOR +4.5%. LIBOR is set at 0.47% as of 16th March 2020.

For an  
overview of our  
NEW product  
criteria please  
see page 7



# F2 Buy to Let products for limited companies

## financing a more specialist property type

For non-portfolio and portfolio landlords financing a more specialist property type – HMOs and Multi Unit Blocks.

### 2 Year Fixed Rates (fixed until 31/07/2022)

| Product Name  | Initial Rate | Max LTV | Fee | Max Loan | Rental Calculator | ERCs   |
|---|--------------|---------|-----|----------|-------------------|--------|
| Standard HMO<br>(Up to 6 occupants)                               | 3.19%        | 75%     | 1%  | £1M      | 125% x 5.5%       | 3%, 2% |
| Large HMOs<br>/Multi Unit Blocks<br>(max 8 bedrooms<br>/10 units) | 3.29%        | 75%     | 1%  | £1M      |                   |        |

### 5 Year Fixed Rates (fixed until 31/07/2025)

| Product Name  | Initial Rate | Max LTV | Fee    | Max Loan | Rental Calculator | ERCs                  |
|---|--------------|---------|--------|----------|-------------------|-----------------------|
| Standard HMO<br>(Up to 6 occupants)                               | 3.49%        | 65%     | £1,495 | £1.5M    | 125% x pay rate   | 5%, 4%, 3%,<br>2%, 1% |
|   | 3.39%        | 75%     | 2%     | £1M      |                   |                       |
|   | 3.74%        |         | £1,495 |          |                   |                       |
| Large HMOs<br>/Multi Unit Blocks<br>(max 8 bedrooms<br>/10 units) | 3.59%        | 65%     | £1,495 | £1.5M    |                   |                       |
|   | 3.49%        | 75%     | 2%     | £1M      |                   |                       |
|   | 3.84%        |         | £1,495 |          |                   |                       |

All loans revert to LIBOR +4.5%. LIBOR is set at 0.47% as of 16th March 2020.



# F2 & F3 Buy to Let products for limited companies

## with some historical blips on their credit rating

For non-portfolio landlords and portfolio landlords with historical blips on their credit rating.

### 2 Year Fixed Rates (fixed until 31/07/2022)

| Product Name | Initial Rate   | Max LTV    | Fee | Max Loan     | Rental Calculator | ERCs   |
|--------------|----------------|------------|-----|--------------|-------------------|--------|
| F2           | 2.89%<br>3.09% | 65%<br>75% | 1%  | £1.5M<br>£1M | 125% x 5.5%       | 3%, 2% |
| F3           | 3.34%<br>3.74% | 65%<br>75% | 1%  | £1.5M<br>£1M |                   |        |

### 5 Year Fixed Rates (fixed until 31/07/2025)

| Product Name   | Initial Rate   | Max LTV    | Fee    | Max Loan     | Rental Calculator | ERCs                  |
|----------------|----------------|------------|--------|--------------|-------------------|-----------------------|
| F2 Large Loan* | 2.99%          | 65%        | 2.25%  | £2M          | 125% x pay rate   | 5%, 4%, 3%,<br>2%, 1% |
| F2             | 3.19%          | 65%        | 2%     | £1.5M        |                   |                       |
|                | 3.49%          | 65%        | £1,995 | £1.5M        |                   |                       |
|                | 3.35%          | 75%        | 2%     | £1M          |                   |                       |
|                | 3.64%          | 75%        | £1,995 | £1M          |                   |                       |
| F3             | 3.59%<br>3.94% | 65%<br>75% | 2%     | £1.5M<br>£1M |                   |                       |

\*Min loan size is £500K.

All loans revert to LIBOR +4.5%. LIBOR is set at 0.47% as of 16th March 2020.



| Application criteria             |  |
|----------------------------------|--|
| Application Fee (non-refundable) | £125.  |
| Overpayments                     | Yes, up to 10% in any one year.  |
| Maximum number of applicants     | 4.   |
| Age                              | 21 years at inception and no maximum age.  |
| Location                         | England & Wales.   |
| Minimum valuation                | £75,000 (£60,000 for Portfolio Landlord Only Min Loan £30K products).  |
| 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*<br>Maximum £2,000,000*<br>*may vary dependant on product  |
| 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%. Minimum rental cover is calculated using an ICR of 125%, but the stress rate will vary to a maximum of 5.5% dependent on portfolio LTV. Calculations include unencumbered properties.                        |
| Limited company criteria         |  |
| Maximum number of applicants     | 4 directors.   |
| Age                              | No maximum age.  |
| First Time Landlords             | We do not lend to FTL.   |
| 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.  |



| Valuation fee scale  |                   |                            |   |
|----------------------|-------------------|----------------------------|---|
| Property value up to | Standard Property | HMO<br>(up to 6 occupants) | Large HMO<br>(up to 8 beds and all MUBs*) |
| £100,000             | £190              | £660                       | £875                                      |
| £150,000             | £250              | £660                       | £875                                      |
| £200,000             | £285              | £700                       | £875                                      |
| £250,000             | £315              | £700                       | £980                                      |
| £300,000             | £330              | £700                       | £1,065                                    |
| £350,000             | £340              | £785                       | £1,275                                    |
| £400,000             | £405              | £785                       | £1,275                                    |
| £450,000             | £435              | £900                       | £1,400                                    |
| £500,000             | £465              | £900                       | £1,400                                    |
| £600,000             | £550              | £955                       | £1,555                                    |
| £700,000             | £640              | £1,035                     | £1,690                                    |
| £800,000             | £705              | £1,130                     | £1,835                                    |
| £900,000             | £795              | £1,230                     | £1,965                                    |
| £1,000,000**         | £905              | £1,320                     | £2,130                                    |
| £1,500,000           | up to £1,480      | -                          | -   |
| £2,000,000***        | up to £2,050      | -                          | -   |

\*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.



# Products at a glance

## Quick Overview

F1 Product Range – For clients with an almost clean credit history

F2 Product Range – For clients financing a more specialist property type and/or those with some historical blips on their credit rating

F3 Product Range – For clients with more recent blips on their credit rating

| Applicant Type      | F1 product | F2 product | F3 product |
|---------------------|------------|------------|------------|
| Individual          | ✓          | ✓          | ✓          |
| Portfolio landlord  | ✓          | ✓          | ✓          |
| First time landlord | ✗          | ✗          | ✗          |
| Property Type       |            |            |            |
| Standard buy to let | ✓          | ✓          | ✓          |
| HMO                 | ✗          | ✓          | ✗          |
| MUB                 | ✗          | ✓          | ✗          |

| Credit Criteria   | F1  | F2  | F3  |
|---|---|---|---|
| All defaults and CCJs must be satisfied irrespective of when they occurred, unless otherwise stated | No defaults or CCJs registered in the last 72 months, regardless of whether they have been satisfied. | No defaults or CCJs registered in the last 24 months, regardless of whether they have been satisfied. | A maximum of one satisfied CCJ or default up to the value of £2000 within the last 24 months with 0 registered in the last 12 months. |
| Secured loans   | A worst status of 0 in the last 72 months.  | A worst status of 0 in the last 24 months.  | A worst status of 1 in the last 24 months with 0 in the last 6 months.  |
| Unsecured arrears   | A worst status of 0 in the last 72 months.  | A worst status of 2 in the last 24 months with a status of 0 in the last 12 months.                   | A worst status of 2 in the last 24 months. Must be up to date at the time of application.   |
| Credit Cards, Mail Order, Comms and Utilities   | A worst status of 2 in the last 24 months. Up to date on application.                                 | A worst status of 3 in the last 24 months. Up to date on application.                                 | A worst status of 4 in the last 24 months. Up to date on application.   |
| Bankruptcy/IVA/Admin order  | None registered.  |   |   |