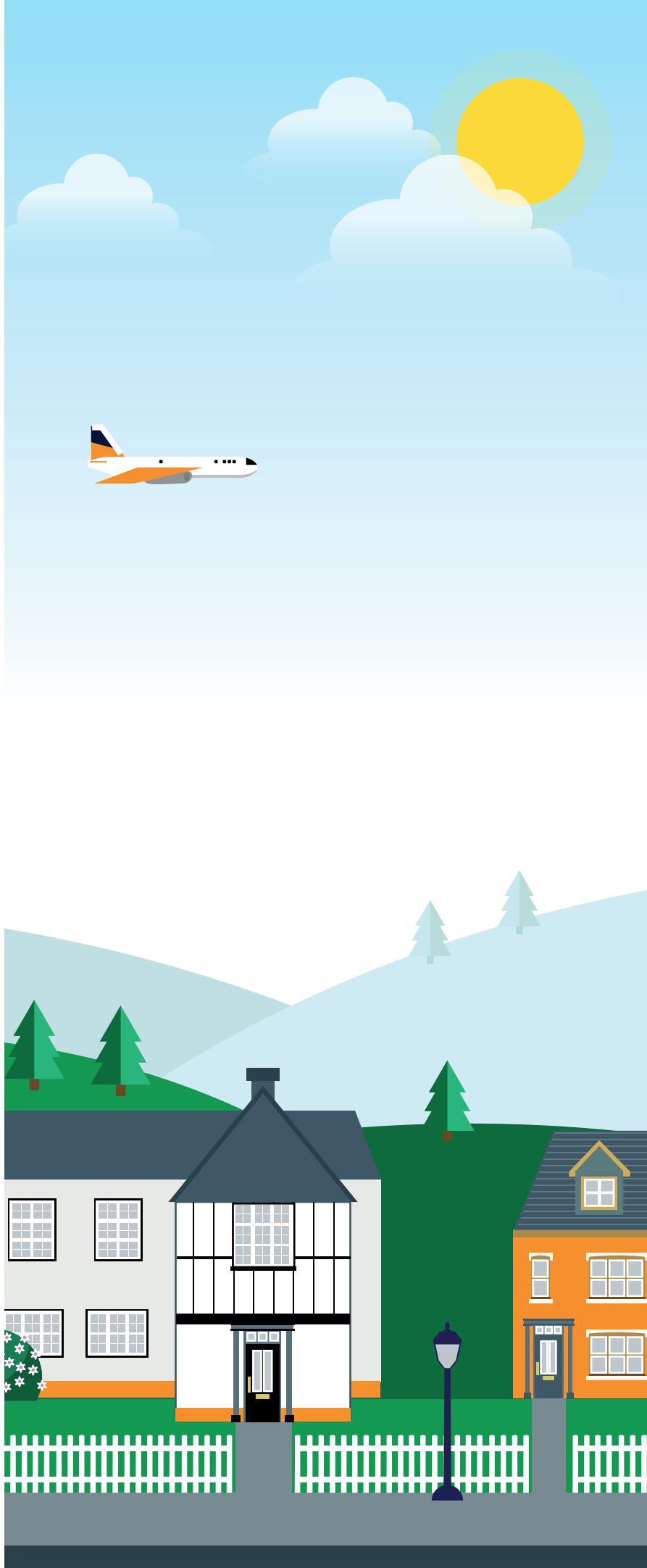


Buy To Let Lending Criteria

› 28th May 2021



Key Criteria

Property Type	Maximum LTV	Maximum Loan Amount	Minimum Valuation	Additional Info
Properties Valued £75,000 or more	65%	£2,000,000	£75,000	See full criteria guide.
	70%	£1,500,000		
	75%	£1,000,000		
Properties Valued £74,999 or less	70%	£52,499	£50,000	See full criteria guide.
HMO/MUFB	70%	£1,500,000	£100,000 outside London and the South East, £150,000 within London	See full criteria guide.
	75%	£1,000,000		
New Build Flat	70%	£750,000	£50,000	New build flats, houses constructed, or converted within the last 12 months.
New Build Houses	75%			
Ex Local Authority /MOD Properties	70%	£1,500,000	£75,000 outside London and the South East, £150,000 within London and the South East	Balcony and deck access allowed.
Conversions	70%	£1,500,000 (If converted within last 12 months £750,000)	£100,000 outside London and the South East, £150,000 within London and the South East	Properties converted within the last 12 months will be subject to minimum property value and LTV restrictions of 70% on flats and 75% on houses. Properties converted over 12 months ago will only be subject to minimum value restrictions.
	75%	£1,000,000 (If converted within last 12 months £750,000)		
Properties Above or Adjacent to Commercial	70%	£1,500,000	£100,000	See full criteria guide.
	75%	£1,000,000		

Additional Information

Our HMO Definition:

Properties with a Mandatory or Discretionary HMO licence as required by the local authority or alternatively;

- A property that would not sell as a family home without alteration,
- A property with a non-standard layout. E.g. Sinks in bedrooms,
- A property classified as a HMO by our Panel Valuer.

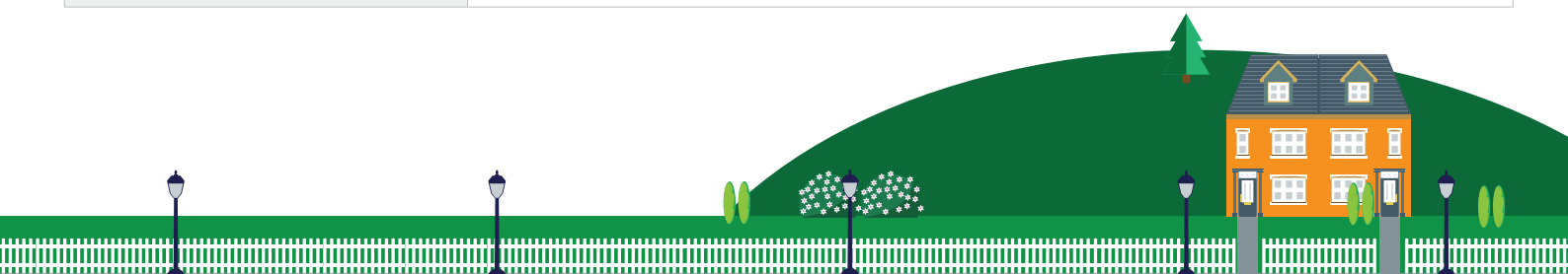
Our MUFB Definition:

3 or more self contained units under 1 Freehold title.
(Properties split into just 2 units can be considered under standard lending criteria and products, subject to the number of occupants in the security.)
Maximum 10 units under 1 title.

Please note: Main applicant must have a minimum 1 year residential landlord experience.

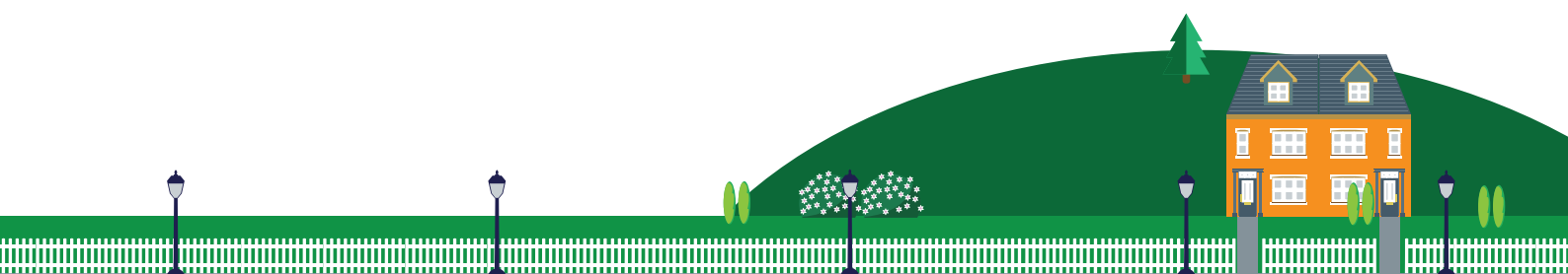
Portfolio Aggregate Exposure

Fleet Mortgages will lend up to £5,000,000 per obligor, 80% LTV up to £1,000,000 and thereafter at 75% LTV (for existing customers). New business will be capped at 75% LTV.



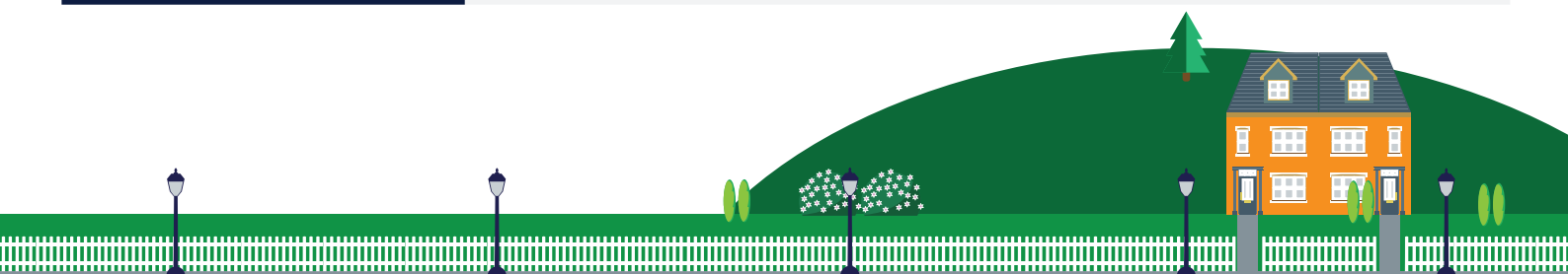
The Loan

Legal Charge	Fleet Mortgages will take an all monies 1st legal charge. Fleet Mortgages will also register a charge at Companies House where the customer is a corporate.
Loan Purpose	Purchase or Re-mortgage (except paying tax and gambling debts). Payment of Inheritance Tax or Capital Gains Tax may be considered where the proposal does not suggest a position of financial stress for the borrower.
Repayment Methods	Capital & Interest Repayment. Part Interest & Part Repayment. Interest Only.
Mortgage Term	Minimum 5 years, Maximum 30 years.
Loan Size	Between £25,001 and £2,000,000 on a single property, subject to LTV restrictions. Maximum: £1,500,000 on HMO & MUFB properties (see table below). Properties above and adjacent to commercial property, maximum - £1,500,000.
Loan to Value	65% for individual loans up to £2,000,000 for standard properties 70% for individual loans up to £1,500,000 for standard properties 75% for individual loans up to £1,000,000 for standard properties 70% for individual loans up to £1,500,000 for HMO & MUFB properties. (See HMO Definition) 75% for individual loans up to £1,000,000 for HMO & MUFB properties. (See HMO Definition) 70% Ex-Local Authority properties. (See Ex Local Authority section) 70% on new build Flats and 75% on new build Houses (purpose build) 70% for individual loans up to £1,500,000 on properties above or adjacent to commercial premises 75% for individual loans up to £1,000,000 on properties above or adjacent to commercial premises 70% on properties between £50,000 and £74,999
Portfolio Aggregate Exposure	Fleet Mortgages will lend up to £5,000,000 per obligor, 80% LTV up to £1,000,000 and thereafter at 75% LTV (for existing customers). New business will be capped at 75% LTV.
Monthly Repayment	Only Direct Debit allowed.
Deposits	Documentary evidence of the source of deposit is required, for example, bank statements showing a build up of savings or completion statements showing sale of property. Gifts from immediate family members (spouse, mother, father, sibling, or grandparent) are allowed.
Offer Validity	Up to 6 months.



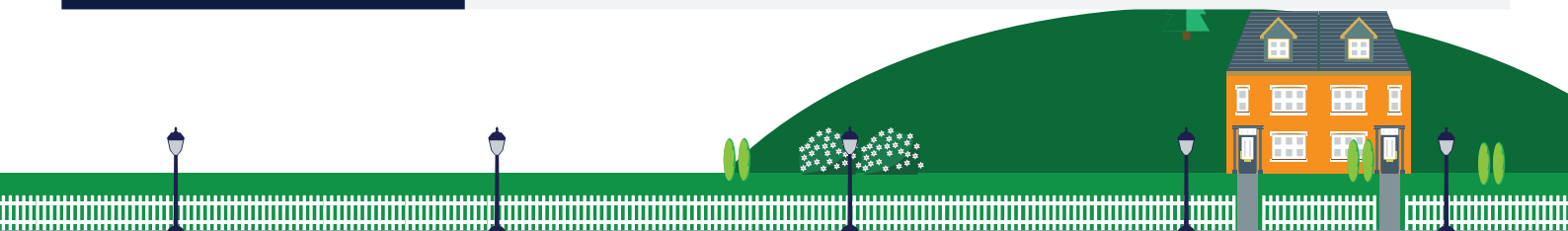
The Applicant

Requirements	Primary applicant must be a current property owner for at least 12 months.
First Time Buyers	No.
First Time Landlords	Subject to strict lending criteria and underwriting, no exceptions are permitted.
Identity Verification (AML)	Impersonation checks will be carried out.
Limited Company (SPV) & Limited Liability Partnerships SIC Codes: 68100 68209 68320 68201	<p>Limited Companies / Limited Liability Partnership (LLP) must be Special Purpose Vehicles registered within England and Wales, with specific SIC codes.</p> <p>For a Limited company - All directors and any shareholders with a 25% or greater holding must be party to the mortgage, and where the cumulative total of these applicants' shareholding is below 75%, further shareholders will need to be added until a 75% shareholding is reached.</p> <p>For a LLP – All members must be party to the mortgage.</p> <p>All guarantors agree to take independent legal advice.</p> <p>All Directors/Shareholders/Members party to the loan must be resident and have full credit history in the UK.</p> <p>Fleet Mortgages will consider applications where individuals are 'transferring' (selling) properties to an SPV Limited Company/LLP they own. We would class this as a purchase. Please call us for more information.</p>
Customer Age	Minimum 21 years. (First time landlords 25 years). Maximum 95 years at the end of the mortgage term.
Personal Income	<p>The Primary Applicant must be able to evidence income in excess of £15,000 pa. (Except for first time landlords where minimum income is £25,000). Reducing future income unacceptable. Fleet Mortgages will verify the income of the Primary applicant using one of the following:</p> <ul style="list-style-type: none"> - latest 3 months' payslips - latest SA302 (HMRC) - latest Signed Accounts or latest Pension Statement
Bank Statements	Up to 3 months Personal Bank Statements may be required subject to Underwriter discretion.
Employment Status	<p>The Primary applicant must be:</p> <ul style="list-style-type: none"> - Employed: In continuous employment for at least 12 months and have passed their probation period - Self-employed & Contractors: Trading for at least 2 years in their current business - Retired: Receiving income in excess of £15,000. (Except for first time landlords where minimum income is £25,000).
Residential Status	All applicants must be resident in the United Kingdom for at least three years, liable to UK tax and have permanent rights to reside, indefinite right to remain card or if from the EU (excluding Ireland) have been granted settlement status. (Tier 1 and Tier 2 visas are unacceptable). All applicants must have a National Insurance number and a full credit history at their current, previous, or linked addresses for the last three years.
Adverse Credit	<p>Fleet Mortgages do not generally consider adverse credit, although where it is less than £250 within the last 36 months, it will be accepted.</p> <p>Fleet Mortgages will not consider any applicants who currently, or within the last 6 years, have had a petition or declaration of bankruptcy against them. Where Fleet Mortgages become aware that an applicant is a Director or Shareholder of a company that has gone into, or is due to go into, Creditors' Voluntary Liquidation or Compulsory Liquidation, we will not lend.</p>
Credit Reference	A full consumer and Limited Company search (if applicable) will be completed on all applicants.



The Property

Location	England and Wales.
Valuation	A full valuation, instructed by Fleet Mortgages is required on all properties. The property value will be valued on a comparable evidence basis, not on a rental yield basis (rent multiplication). Properties must be valued between £50,000 and £5,000,000. Valuations are valid for 3 months from the date of inspection. In some exceptional instances we may require a second audit valuation (at no extra cost to the borrower).
Tenure	Freehold or Leasehold. Commonhold is not accepted. Lease must have at least 75 years unexpired term on completion.
Rental Income	12 months sustainable rental income will be confirmed from valuation only.
Rent Cover	Please see product guide.
Acceptable Tenancies	Assured Shorthold tenancies (AST) up to three years. Student Lets. Corporate Lets (prior approval required). Local Authority & Housing Association Lets (prior approval required). Standard format of Private Sector Lease as per the UK Finance Mortgage Lenders' Handbook.
Acceptable Security	Residential Property. Fleet Mortgages will consider a re-mortgage at market value within the first 6 months of ownership where it can be evidenced that significant improvements have been made to the property. Shared Houses (maximum 4 sharing) are acceptable on a standard mortgage product providing: the property is not a HMO as per Fleet Mortgages definition; is of a standard layout that would sell as a family home without alteration; has at least one communal room that will be maintained and valued as such; can sell as a single residential unit; and let on a furnished basis. Properties with up to 6 bedrooms. Gross external floor area in excess of 35sqm, with the exception of studio flats which can be 30sqm provided they are located in an urban area. Flats in blocks with up to 5 residential storeys (up to 10 residential storeys are acceptable within the M25). (Please refer to our list of unacceptable properties).
Acceptable Construction Types	Standard construction types are acceptable (Please refer to unacceptable properties list for our definition of non standard construction types).
New Builds	New builds are defined as properties constructed or converted within the last 12 months or properties that have never been occupied. Up to 70% LTV on new build flats. Up to 75% LTV on new build houses.
Converted Freehold Properties	Minimum valuation £100,000 outside London & South East regions, or £150,000 within London & South East regions. The entire freehold property must form part of the Fleet Mortgages Security.
Houses in Multiple Occupancy (HMO) & Multi Unit Freehold Blocks (MUFB)	Standard letting criteria. Plus primary applicant must have at least 1 year experience as a landlord. Multi Unit Freehold Blocks - Up to 10 self-contained units on 1 freehold title. Up to 75% LTV. (Lending limits apply). Minimum valuation £100,000 outside London & South East regions, or £150,000 within London & South East regions. HMOs must be licenced where required.
Developments	Fleet Mortgages will consider lending "In a block of four or less flats Fleet Mortgages will consider lending up to 100% in that development. If the block has 5 or more flats we will lend against 2 or 20%.
Ex-local authority	Maximum LTV 70%. Minimum valuation £75,000 outside London & South East regions, or £150,000 within London & South East regions.

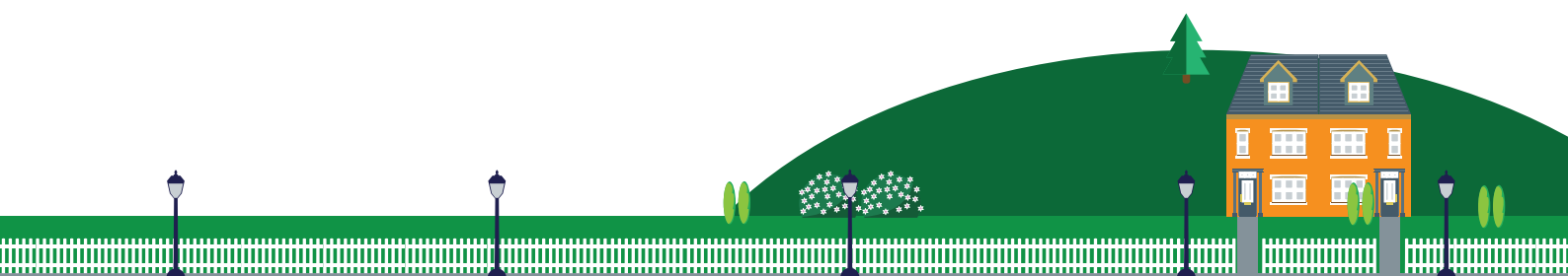


Other

Credit Scoring	Yes.
Excluded	Properties in Northern Ireland and Scotland. Right to Buy Self build Freehold Flats Let to Buy Sub Sales Back to Back Transactions Consumer Buy to Let Conversions in Commercial or Non-Residential Locations Properties Let or Occupied by a Family Member or Any Related Party to this Mortgage Ex-Pats Unemployed Temporary Employed. Please refer to Fleet Mortgages for full list of exclusions.
Decision to Lend	We reserve the absolute discretion to decline any mortgage application.
Features Excluded	Portability Flexible Features Further Advances.
Conveyancers Panel	All Conveyancers are to be registered on our panel, managed by Lender Exchange. Please refer to the Conveyancers Panel in the Literature section for more information. We also operate a separate Limited Company Panel.

Definitions and terms

Primary Income	For the employed: Primary income is 100% of basic salary. For the self-employed: Primary income is 100% of net profit. For the contractor: Primary income is 100% of basic salary. For the director of a Limited Company application: Primary income is 100% of basic salary. For the retired applicant Primary income is 100% of pensions or other income.
Full Credit History	Three years payment profile history at current, previous or linked addresses.
Adverse Credit	No CCJs or defaults (either satisfied or unsatisfied) greater than £250 within the last three years. No credit file to be, at any point within the last three years, more than two payment (>2months) in arrears.
HMO	- Properties with mandatory or discretionary HMO licence as required by the local council or - A property that would not sell as a family home without alteration or - A property with a non-standard layout .e.g. sinks in bedrooms or - A property classified as a HMO by our Panel Valuer.
Multi Unit Freehold Block (MUFB)	Freehold property split into 2 or more self-contained units. Up to 10 self-contained units on 1 freehold title.
First Time Landlord	An individual who does not currently own a Buy-to-Let property.
Consumer Buy to Let	A mortgage regulated by the Mortgage Credit Directive Order 2015.
Shared Accommodation	Dwellings that have not been significantly altered, with at least one communal room that will be maintained and valued as such. The property must be saleable as a family home. See previous page 'Acceptable Securities' for further details. Maximum of 4 people.



Valuation Fees

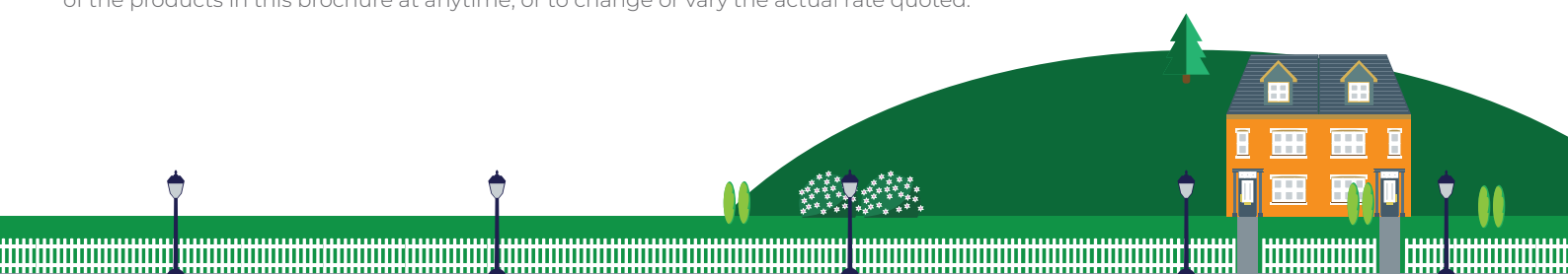
Valuation up to	Buy to Let	HMO & MUFB Buy to Let
£100,000	Free	£550
£150,000	Free	£550
£200,000	Free	£600
£300,000	Free	£745
£400,000	Free	£895
£500,000	Free	£950
£600,000	£325	£1100
£600,000	£425	£1200
£800,000	£525	£1300
£900,000	£575	£1400
£1,000,000	£649	£1500
£1,500,000	£849	£1650
£2,000,000+	Refer	Refer
None of the following services are available for existing loans	<ul style="list-style-type: none"> - Consent to second charges. - Agreement to deeds of priority. - Further advances. - Transfer of equity. 	

*Only 1 free or discounted valuation per property. Any subsequent valuations will be charged in line with the standard fee scale.

*In each case it will be necessary for the borrower to remortgage to achieve any of these outcomes.

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All information is correct at time of going to press. No responsibility can be taken for information held within any mortgage sourcing system. Fleet Mortgages reserve the right to withdraw any of the products in this brochure at anytime, or to change or vary the actual rate quoted.



Additional Fees

Application fee (payable with valuation fee. A further fee may be charged if there is a significant change to the application.)	£150
Funds transfer fee	£35
Completion fee Please see individual product details.	
Buy to Let Re-Inspection	£150
Shared House HMO Buy to Let Re-Inspection	£250
Retention funds transfer	£20
Valuation retype fee	£35

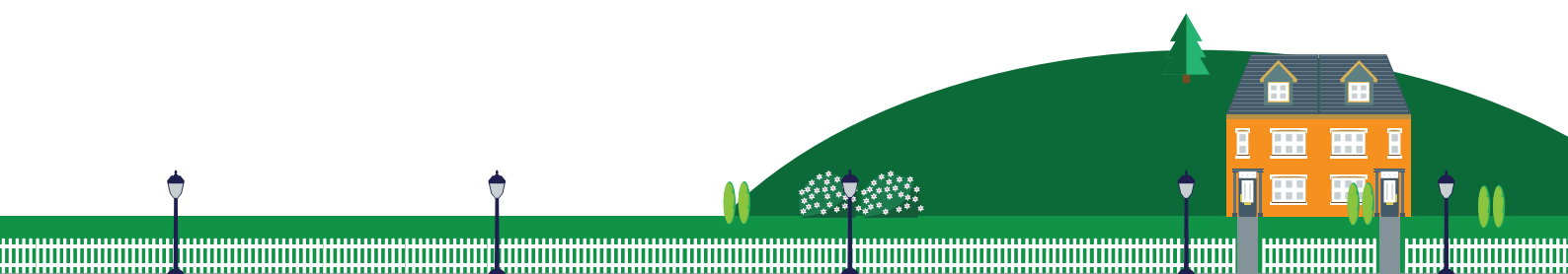
For further fees, please refer
to our Tariff of Mortgage Charges.

DIP Submission

To submit your applications online visit;

www.fleetmortgages.co.uk

and select **Intermediary Portal**.





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CORRECT AS AT 28/05/2021 - V29

Fleet Mortgages is the trading name for Fleet Mortgages Ltd.

Registered office: Flagship House, Reading Road North, Fleet, Hampshire, GU51 4WP. Registered in England No: 08663979.

