



November 2016

Lending Policy

For Specialist Distributors

Case to discuss?

If you have a case you'd like to discuss, contact our Business Development Unit. They'll be happy to help with all enquiries regarding mortgage applications.

Call **023 8045 6999**

Email **enquiries@complete-fs.co.uk**

Complete^{FS}

Kensington
Lending for Real Life

A	
Age	<p>Minimum Age Residential: 21 years at submission</p> <p>Buy to Let: At least one applicant should be a minimum of 25 years old. All applicants must be at least 21.</p> <p>Maximum Age Residential: Maximum age is 70. Where the applicant requests the loan term to expire beyond age 70 to (max) age 75 years, this can be agreed on repayment mortgages only. For more details see, Lending into Retirement.</p> <p>Buy to Let: Maximum age is 80 at the end of the term of the mortgage.</p> <p>Evidence of existing pension provision may be requested where the term of the mortgage takes the applicant close to, or beyond their State Retirement Age. For further details about our requirements when lending to older customers, please read the sections Lending Up To Retirement and Lending Into Retirement.</p>
Agency Workers	We are able to consider up to 100% of income for agency workers with a suitable track record.
Applicant Exclusions	<p>We are unable to accept applications from applicants with the following circumstances:</p> <ul style="list-style-type: none"> • Criminal convictions (other than minor driving offenses) where the conviction was for fraud or arson or has not been spent. • Disqualified company directors • Foreign nationals with less than 2 years residency in the UK and less than 2 years bank records available • Interfamily sales • Payday and doorstep (advances against income) loans within last 12 months • Sale and rent back transactions
Arrears	Secured loan arrears are acceptable if older than 24 months. Unsecured credit arrears are acceptable if accounts are now up to date – we accept a maximum status of 2 arrears in the last 12 months. We will not lend to applicants whose property has been repossessed within the last 3 years.

B	
Back to Back Sales	Generally, we will not lend on back to back sales within 6 months of application. We will only consider back to back sales where the vendor is a reputable national builder who can evidence that the property was originally taken as a part exchange for their New Build. Please refer to Kensington for consideration.
Bankruptcy, including discharged bankrupts	We do not lend to applicants with a bankruptcy to their name, including discharged bankrupts.
Bonus Income	We will generally look at 50% of bonus income where it can be confirmed that it is regular and sustainable. However, we are able to consider up to 100% of bonus income for applicants with a strong credit profile. If you need to include more than 50% variable income, please DIP the case, including the full variable amount, and it will be treated as a referral.
Bursary Income	We are able to use up to 50% of bursary income for affordability with a letter of confirmation from the payer. Bursary income is only accepted in addition to basic income.

Buy to Let	<p>Gross rental income must be 125% at 5.50% or the pay rate, whichever is greater (including fees added).</p> <p>The applicant(s) must be an existing residential home owner for the past 12 months, unless they can satisfy one of the following:</p> <ol style="list-style-type: none"> 1. They have owned 4 or more BTL properties longer than 12 months. 2. Their employer provides tied accommodation such as vicar, caretaker, forces, pub landlord or similar. <p>Note for application submission processes: This product is available through Specialist Distributors only and not widely available. As such upon submission of the DIP first time buyer buy to let cases may fail. Please call our Business Development Unit on 0800 111 020 at this point who will be able to overturn this decision.</p> <p>Minimum income of £25000 is required for applicants who do not currently own a Buy to Let property. There is no overall portfolio limit with other lenders. Maximum portfolio size with Kensington is £2 million or 6 properties, whichever is the lowest. Where a landlord has 4 or more properties with Kensington, the portfolio will be subject to a weighted average LTV of 75%.</p> <p>Buy to Let properties cannot be rented to family members.</p> <p>Houses of Multiple Occupation (HMOs)</p> <p>Gross rental income must be 150% at 5.50% or the pay rate, whichever is greater (including fees added). Maximum LTV acceptable is 70%. Maximum loan is £1 million. Minimum valuation is £75,000. Up to 6 bedrooms and 1 kitchen.</p> <p>The valuer will provide a rental figure which must not include letting of all living rooms in the property. There must be a communal room for tenants. The property must be capable of being let on a multiple occupancy basis at completion, including but not limited to any applicable licenses or alterations. Not available for New Build properties. Shared accommodation on bed-sits basis should not be acceptable. If a property has locks on bedroom doors and basins in the bedrooms, this could be considered as long as the property is standard buy to let, eg. student let, and readily saleable as a family home.</p> <p>No first time landlords.</p> <p>Multi Unit Freehold Blocks</p> <p>Gross rental income must be 150% at 5.50% or the pay rate, whichever is greater (including fees added). Maximum LTV acceptable is 75%. Maximum loan is £1 million. Minimum valuation is £200,000.</p> <p>Individual units must have a minimum value of £75,000 and minimum floor space of 45sqm.</p> <p>Each individual unit must be fully self-contained e.g. where a freehold house is converted into 3 flats, each must be fully self-contained with its own entrance and utility services. Where the flats share utility services, the application will be declined. The valuation must include no negative comments and there must be no negative effect on resale.</p> <p>Kensington will also consider lending on the freehold property, subject to a lease on an individual flat, i.e. House with basement flat which has been sold as separate leasehold flat. Our security is the upper two floors which are classed as a freehold house. The flat and house are subject to separate titles and the solicitor must confirm no onerous clauses and the insurance of the flat is the responsibility of the freeholder with a contribution towards the cost from the leaseholder.</p> <p>Not available for New Build properties.</p> <p>Flats - Lending on the freehold of a block - Kensington will lend against a freehold block up to 4 units.</p> <p>No first time landlords.</p>
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C	
Car Allowance	We can accept up to 100% of car allowance, provided it is contracted.
CCJs	Satisfied CCJs acceptable if older than 24 months. We are able to accept unsatisfied CCJs that have been registered more than 24 months ago at our underwriter's discretion.
Child Benefit Payments	We are unable to consider child benefit payments or Child Tax Credits in affordability.

Commission Income	We will generally look at 50% of commission income where it can be confirmed that it is regular and sustainable. However, we are able to consider up to 100% of commission income for applicants with a strong credit profile.
Communications Defaults and Arrears	All communications defaults or communications missed payments are ignored.
Contractors	<p>We can accept applicants who have been contracting for a minimum of 12 months, with either a renewal of their contract or have entered into a second contract. We may be able to consider an applicant on a first contract, even if it is for less than 12 months, if the applicant has previous PAYE employment in a similar role.</p> <p>Income will be calculated based on the weekly rate confirmed in the contract x46. We will require 3 months' bank statements evidencing salary credits. Applicants holding multiple contracts will be considered on a self-employed basis. A CV can help to establish a track record for the applicant.</p>
Credit Impaired	Where a customer meets the Credit Impaired definition and is not a homeowner, we will require proof of 12 months of satisfactory rental history. Applicants living with parents who cannot evidence mortgage or rental payments can be considered where a clean 12 month credit history can be demonstrated via credit bureau records on either HP or unsecured loan and a minimum total assessable income of £25k is required or £30k on joint applications.
Credit Impaired Definition	<p>The FCA definition of an Impaired Credit mortgage is:</p> <p>Mortgage lending to a borrower who does not have a standard credit history, i.e. a recent history of either:</p> <ol style="list-style-type: none"> Arrears on a mortgage or secured loan. This applies to secured loans where the borrower(s) has arrears on a previous (or current) mortgage or other secured loan within the last two years, where the cumulative amount overdue at any point reached three or more monthly payments; or Arrears on an unsecured loan. This applies to unsecured loans where the borrower(s) has arrears on a previous (or current) mortgage or other secured loan within the last two years where the cumulative amount overdue at any point reached three or more monthly payments; or Individual Voluntary Arrangement (IVA). This applies where the borrower(s) has been subject to an IVA at any time within the last three years; or Bankruptcy. This applies where the borrower(s) has been subject to a bankruptcy order at any time within the last three years; or County Court Judgement (CCJ). This applies where the borrower(s) has been subject to a CCJ greater than £500 within the last three years.

D

Debt Collection Agency	Where an applicant has an arrangement to pay is in place with a debt collection agency, we will need to see the latest full month's bank statement to establish the amount of any current payments being made and to whom.
Debt Consolidation	Debt consolidation is available except where the applicant is looking to remortgage within 12 months of a previous mortgage. Where an applicant meets the FCA definition of Credit Impaired they must be able to demonstrate affordability on the assumption that the debt being consolidated remains outstanding.
Debt Management Plans	We are able to lend to applicants who are currently in a Debt Management Plan as long as the applicants have maintained payments on the plan for at least 24 months. Where an applicant is in a performing Debt Management Plan, their negotiated monthly payment will be used for the affordability calculation rather than the outstanding balance.
Defaults	Defaults are acceptable if older than 24 months. All communications defaults are ignored.

Deposit	<p>Source of deposit is required on all applicable cases and evidence will be required. We may also request evidence of accrual of funds. At the time the application is submitted, the deposit monies should have been held in a UK bank account for a minimum of 6 months.</p> <p>Gifted Deposits – Residential Lending: Gifted deposits are acceptable from immediate family members (parents, grandparents, other family member such as brother, sister, uncle or aunt). A gift letter, ID and evidence of funds may be required. Where the donor is not a parent or grandparent, they must be a homeowner.</p> <p>Gifted Deposits – Buy-to-Let Lending: Gifted deposits are acceptable from immediate family members (spouse, parents, or grandparents). A gift letter, ID and evidence of funds may be required. Where the donor is not a parent or grandparent, they must be a homeowner. Gifted deposits on Buy to Let are not acceptable on loans over £500k or for those applicants who currently own a Buy to Let property.</p>
Direct Debit Mandates	Loans can only be made to applicants who have UK bank or building society Direct Debit payment facilities.

E	
Early Repayment Charges	Early Repayment Charges may apply – please refer to the relevant product guide.
Employment Status	<p>Employed applicants must have been in their current job for a minimum of 3 months and must not be on probation. In addition, the last 12 months’ employment history is required.</p> <p>In most cases we will require the 3 most recent months’ payslips and a P60. If a P60 is not available, then an employment contract/reference and bank statements are required.</p> <p>If the applicant has a second job then both jobs must have been held for a minimum of 6 months.</p>

F	
Fees	Fees can be added to the loan without affecting LTV calculations. Where fees are added to the loan then affordability will be calculated on the gross amount. Fees cannot be added above 90% LTV.
First Time Buyer	<p>An applicant is considered a First Time Buyer if they have not owned a property in the last 12 months. £1m up to 75% LTV. Above 75% LTV it is £500k.</p> <p>First Time Buyers applying for more than 80% LTV with a limited active credit profile may be required to provide last 3 months’ bank statements.</p>
Forces Help to Buy	We are able to accept applications as part of the Forces Help to Buy scheme where the application is for a residential purchase to be occupied by the applicant or their immediate family. Forces Help to Buy is available on all residential mortgage products.
Foreign Nationals	A minimum of 2 years’ residency in the UK is required as well as confirmation that the applicant has the legal right to reside in the UK indefinitely.
Fostering Income	We are able to consider up to 50% of fostering income as an income stream for the second applicant (not the principle earner) and will require two years proof of payment and confirmation from the Foster Agency or Local Authority that income will continue for the foreseeable future.
Free Legals	<p>Where free legals are included within a product, Kensington will cover the cost of the standard legal work required to investigate the title of the property, redeem any previous mortgages and register Kensington’s interest in the property at the Land Registry. This is available for remortgages in England and Wales where the amount borrowed is less than £500,000.</p> <p>The standard legal work will be carried out by a conveyancer selected by Kensington. If any further legal work is required in relation to the remortgage, such as a first registration at the land Registry, a change of name on the title deeds, a transfer of equity, or a deed of postponement, Kensington’s conveyancer will tell the applicant. Kensington’s conveyancer may be able to provide this extra legal work, but the applicant will be responsible for the cost of this extra work. Kensington’s conveyancer will act on Kensington’s behalf only. An applicant is free to arrange their own conveyancer to do any legal work that is required, but will have to meet the cost of their own conveyancer.</p>

Free Valuations	Where free valuations are included within a product, Kensington will pay for one full valuation. Any further valuations must be covered by the applicant.
Further Advances	Kensington does not currently offer further advances.

I	
Income (Income Assessment)	<p>Where the applicant is paid in cash, a maximum of £10,000 will be used in our affordability calculation.</p> <p>Employed income</p> <p>Income is classed as basic salary. Underwriters will generally accept up to 50% of all bonuses, overtime, guaranteed salary allowances (e.g. car allowance, regional weighting, housing allowance, mortgage subsidy, shift allowance), private pensions, investment income and other declarable income for tax purposes. However, we are able to consider up to 100% for applicants with a strong credit profile.</p> <p>Self-employed income</p> <p>Applicants who are sole traders or those holding 25% or more of a company's share will be treated as self-employed.</p> <p>A minimum of 1 year's trading history is acceptable up to 85% LTV. Above 85% LTV, we will require a minimum trading period of 2 years. In general, the most recent year's net profit figure will be considered when assessing affordability.</p> <p>For Directors of a limited company the salaried income plus dividends received will be used.</p> <p>Where the applicant is sole Company Director and 100% shareholder, underwriter can use net profit figures, rather than dividends plus salaried income. This is subject to the accountant's providing a response to Kensington's request confirming that the funds are not held for the specific purpose such as tax bill, business expansion, etc.</p> <p>Limited Liability Partnerships</p> <p>Where a director's shareholding is greater than 25%, we will use the latest year's remuneration and dividends.</p> <p>Partnerships</p> <p>We will include the latest year's partner share of net profit for affordability.</p> <p>For equity partners in a professional partnership practice, we will use the latest year's partner share of net profit and the partner's salary.</p> <p>Public Limited Companies</p> <p>Where a director's shareholding is greater than 25%, we will use the latest year's remuneration and dividends.</p> <p>Contractor income</p> <p>Income will be calculated based on weekly rate confirmed in the contract x46.</p> <p>Pension and investment income</p> <p>We can accept pension and investment income subject to confirmation by the pension provider or SA302.</p> <p>Buy to Let</p> <p>For First Time Landlords the last 3 months' payslips and latest P60, or Latest Accounts, or SA302 (or a tax calculation) are required to verify income. First Time Landlords borrowing more than 75% LTV will be asked to provide their last 3 months' bank statements.</p>
Income (Minimum Income)	<p>Residential: There is no minimum income. All applications are underwritten on affordability.</p> <p>Buy to Let: There is no minimum income for existing landlords.</p> <p>A minimum income of £25,000 is required for First Time Landlords. A First Time Landlord is defined as an applicant who has never held a BTL property or who, at the time of application, has not had a BTL property for a minimum of 12 months, but has been a homeowner for the past 12 months.</p> <p>We will ask for income and means to be declared on the application form.</p>

Individual Voluntary Arrangements (IVA)	We are unable to lend to applicants with an Individual Voluntary Arrangement (IVA) to their name.
Inherited Property	Where the applicant has recently inherited a property, the application can only be considered when probate has been finalised and all the beneficiaries are shown as owners of the property at the Land Registry for a minimum of 6 months. Debt consolidation on inherited property is only considered after 12 months.
Interest Only	<p>Residential:</p> <p>Where all or part of the loan is on an Interest Only basis, the maximum LTV for the Interest Only element is limited to 50%, with a suitable repayment strategy.</p> <p>If the main applicant earns £75,000 per year, or more, then Kensington is able to accept Interest Only up to 75% LTV, with a satisfactory repayment strategy.</p> <p>Downsizing is an acceptable repayment strategy, subject to rationale.</p> <p>A Supplementary Form for Interest Only Mortgages needs to be provided with every application, with details of repayment strategy. You can find the latest copy of this document on: http://www.kmc.co.uk/hub/document-checklists</p> <p>Where there is an element of Interest Only, the minimum term is 10 years and the maximum age is 70.</p> <p>The method and full details of repaying the capital must be declared on a Supplementary Form for Interest Only and acceptable to Kensington. Evidence of the repayment vehicle will be required. Repayment vehicles must have been established for a minimum of 12 months prior to application. Any payments made towards a repayment vehicle must be taken into account for affordability purposes and vehicles must mature prior to end of mortgage term.</p> <p>We will accept up to 80% of current value of share portfolio, 100% of a provider's most recent midpoint maturity valuation for endowments, 25% of a provider's most recent midpoint maturity valuation for pensions and 75% of current equity of other owned properties. With cash ISAs no growth rate is assumed and current balances must be sufficient to cover the Interest Only element of the loan.</p> <p>We are unable to accept the following as repayment vehicle:</p> <ul style="list-style-type: none"> • Any speculative strategy that relies upon increasing house prices • Future Inheritance • Trust funds other than a Bare or Simple Trust – due to their potential complexity • Any repayment strategy that has been in place for less than 12 months (except for downsizing) • Sale of a business or a share in a business • Excluding Endowment Policies and Pension funds, any other savings plan which depends on future subscriptions to repay the capital will be unacceptable. <p>Buy to Let:</p> <p>Sale of property is an acceptable repayment strategy on Buy to Let.</p>
Invalidity Benefit	We are unable to consider state invalidity benefit as part of our affordability calculations. However, we are able to consider up to 100% of lifetime invalidity benefit where there is written confirmation from the insurance provider.

L

Lending beyond age 70	<p>Residential: Maximum age is 75 at the end of the term. Where a customer is borrowing into retirement, or beyond the age of 70, this can only be agreed on repayment mortgages and future retirement income will need to be considered. Maximum age at the application stage for applicants who wish to borrow beyond 70 must not exceed 55 years of age. Where there is an element of interest only, the maximum age at the end of the term is 70.</p> <p>But to Let: Maximum age is 80 at the end of the term of the mortgage.</p>
Lending up to Retirement	Where the applicant declares their retirement age to be 70 or earlier, the mortgage term must not exceed this age.

Let to Buy	We will consider an application where the applicant intends to let their existing residential property. We will require details of the new residential address that the applicant is moving to and a copy of the mortgage offer from the new lender.
Loan Amount	<p>Minimum Loan Amount</p> <ul style="list-style-type: none"> • £25,001 <p>Maximum Loan Amount</p> <ul style="list-style-type: none"> • Maximum Loan Amount up to 75% LTV is £2 million • Maximum Loan Amount above 75% LTV is £500,000 • Maximum Loan Amount for First Time Buyers is £1 million • Maximum Loan Amount on Buy to Let is £1.5 million <p>Please note that our maximum lending to an individual (or joint applicants) is limited to no greater than £2 million across all Residential and Buy to Let mortgages.</p>
Loan Purpose	Most loan purposes, including capital raising, but excluding injection into a business or payment of an Inland Revenue tax bill. Purpose must be stated and evidence may be required.

M

Maintenance Payments	We can consider up to 100% of maintenance payments as a second stream of income. Maintenance must be supported by Court Order/CSA documentation/solicitor's letter.
Married Applicants (including joint financial and civil partnerships)	Married applications normally need to be submitted in joint names on Residential purchase applications. Where the applicants are separated/divorced and still reside in the same address as registered on the electoral roll or council tax, the case will be declined.
Mortgage Subsidy	We can accept 100% of mortgage subsidy and will require the most recent 3 months' payslips and P60 or detailed employers reference.

N

New Build	<p>The minimum valuation for New Build flats is £120,000</p> <p>Maximum LTV for New Build properties is 85% (refer to product guide for details)</p> <p>We can accept a builder's deposit of up to 5%, where the builder holds an acceptable New Build warranty</p> <p>Underwriter discretion will be used regarding exposure to a New Build development.</p>
Number of Applicants	Maximum of 2 applicants per application. Where the applicants are separated/divorced and still reside in the same address as registered on the electoral roll or council tax, the case will be declined.

O

Offers	Once an Offer is produced it is valid for up to a 120-day period (or that specified in the Offer). Extensions may be granted on purchase applications where the solicitor has confirmed that contracts have been exchanged. Some new build residential products are valid for up to a 180-day period.
Overtime	We can accept up to 50% of overtime if it can be confirmed that it is regular and sustainable. However, we are able to consider up to 100% of overtime income for applicants with a strong credit profile.

P

Pensions	We can consider up to 100% of State, Widow and War pensions, although pensions cannot be used as a main source of income.
Portability	Our products are not portable. Where an applicant wishes to move to a new property within the Early Repayment Charge period on a mortgage, we are able to waive the Early Repayment Charge if the applicant takes a new Kensington mortgage.

Portfolios	There is no overall portfolio limit. Maximum portfolio size with Kensington is £2 million or 6 properties, whichever is the lowest. Where a landlord has 4 or more properties with Kensington, the portfolio will be subject to a weighted average LTV of 75%.
Property	<p>The maximum number of mortgages an individual can hold with Kensington is no more than 3 properties in the same road. Concentration limits within blocks of flats is 25% or 4 (whichever is lower).</p> <p>We are currently unable to lend on:</p> <ul style="list-style-type: none"> • Grade One listed properties • Properties of 100% timber construction • Right to Buy • Freehold flats and maisonettes • Ex local authority flats and maisonettes – unless the property value exceeds £250k, situated in city centre location with positive valuer comments, no more than 4 floors, LTV below 70% and evidence of neighbouring properties being in private ownership • Flats that have access from a balcony or open-decking area • Flats above commercial property – unless it is in a city centre location, is valued at at least £250,000 and below 75% LTV • High rise flats over 10 floors (must have a lift if over 4 floors) – unless it is in a city centre location, is valued at least £250,000 and below 75% LTV • Most properties of concrete construction – unless it is a Wimpey No Fine Easiform house up to 80% or Laing Easiform house dated from 1945 onwards • Properties deemed defective under the Housing Defects Act 1984 and Housing Act 1985 • Steel framed house built prior to 2000 • Properties less than 10 years old without an NHBC certificate, Architects Certificate (Professional Consultant’s Certificate), Premier Guarantee, BLP Limited Guarantees, Checkmate Castle 10, LABC New Home Warranty, Build Zone and CRL • Properties containing mundic block materials • Properties with agricultural restrictions • Studio flats *See note one • Basement flats *See note one • Coach Houses (flats situated over vehicle access points or spanning across garages) • Flats above and adjacent to commercial premises *See note one • Properties with Japanese knotweed on site • Live/work units • Leasehold properties with less than 35 years at the end of the mortgage term • Properties where the borrower or borrower owned business owns more than 25% of the freehold on a leasehold property • Properties not wholly owned by the borrower. For example where equity is being retained by a builder/developer, housing association or third party • Shared Ownership (unless purchasing final tranche with view to owning 100% share, and subject to valuer’s comments) • Prefabricated re-enforced concrete (repaired or not) • Properties identified as having Dry Rot. <p>Note one: The application can be approved under standard product terms if all of the following apply:</p> <ul style="list-style-type: none"> • Valued at £250K or above • LTV is =< 75% • Situated in city centre location with positive valuation.

R	
Region	England and Wales only. We do not currently lend in Scotland.
Regional Weighting	We are able to consider up to 100% of Regional Weighting, including London Weighting.
Remortgage	We do not accept remortgages within 6 months of a purchase or previous remortgage.
Right to Buy	We do not lend on Right to Buy.

S

Second Home	<p>Kensington will consider a loan on a second property where an applicant wishes to purchase or remortgage a property for use by the applicant or their immediate family only. NOT for letting purposes.</p> <p>Existing mortgage payments stressed at 125%.</p> <p>Must be existing Homeowners for at least 12 months.</p> <p>Maximum LTV is 70%.</p> <p>Minimum property value is £200,000.</p> <p>Maximum loan is £500,000.</p> <p>Interest Only: Sale of property is an acceptable repayment strategy as the property is not the main residence.</p> <p>Please note that at DIP under “Loans and Hire Purchase”, you will need to enter the applicant’s current mortgage agreement at 125%</p>
Second Income	<p>We can consider up to 100% of second income when the applicant has held both jobs for a minimum of 6 months.</p>
Secured Loan Arrears /Mortgage Arrears	<p>Secured loan arrears are acceptable if older than 24 months.</p>
Self-Employed	<p>A minimum of 1 year’s trading history is acceptable up to 85% LTV. Above 85% LTV, we will require a minimum trading period of 2 years. In general, the most recent year’s net profit figure will be considered when assessing affordability. We are able to lend to business owners who have switched status from sole trader to limited company within the last 12 months.</p> <p>For Directors of a limited company the salaried income plus dividends received will be used, although profit after tax may be considered in addition to salary where the applicant(s) have a 100% share in the business.</p> <p>Applicants who are sole traders or those holding 25% or more of a company’s share will be treated as self-employed.</p> <p>Residential:</p> <p>We will request latest finalised accounts attached to their headed paper or online SA302 which will need to be supported by the most recent three full month’s business bank statements.</p> <p>BTL:</p> <p>One of the following is acceptable:</p> <ul style="list-style-type: none"> • a copy the applicant’s most recent finalised and agreed accounts (for tax assessment) attached to their headed paper • SA302 <p>Verification will be required by a qualified accountant/book keeper, who must be registered with an acceptable professional body.</p> <p>Institute of Chartered Accountants in England & Wales. (ACA/FCA/ICA)</p> <p>Institute of Chartered Accountants of Scotland (CA)</p> <p>Institute of Financial Accountants (AFA/FFA)</p> <p>Association of Authorised Public Accountants (AAPA/FAPA)</p> <p>Association of Chartered Certified Accountants. (ACCA/FCCA)</p> <p>Chartered Institute of Management Accountants (ACMA/FCMA/CIMA)</p> <p>Chartered Institute of Public Finance & Accountancy. (CIPFA)</p> <p>Institute of Certified Bookkeepers (ICB).</p>
Sole Traders	<p>We will use the latest year’s net profits for affordability.</p>

Solicitors	The firm of solicitors acting for Kensington must be registered with The Law Society, be a member of the Law Society CQS (Conveyancing Quality Scheme) and have a minimum of 3 SRA Approved Managers. Applicants are free to choose a firm of solicitors to act on their behalf that does not meet this requirement, but the firm cannot also represent Kensington. In these circumstances, Kensington will appoint its own solicitor. Applicants will be responsible for the payment of both their own legal fees and the legal fees of Kensington's solicitor.
Special/Additional Duties Allowance	We can accept up to 100% of Special or Additional Duties Allowance.

T

Tenancy Agreements	The property must be let on an Assured Shorthold Tenancy Agreement (Fixed term or periodic 'standard contract' in Wales). Loans will not be made to applicants who intend to let the property via the DSS.
Term	<p>Minimum Term</p> <ul style="list-style-type: none"> • 5 years • The minimum term for 5-year fixed rates is 10 years • The minimum term for interest only is 10 years, including Buy to Let. <p>Maximum Term</p> <ul style="list-style-type: none"> • 40 years
Travel Allowance	We can consider up to 100% of travel allowance provided it is contracted.
Trust Income	Up to 50% of trust income may be considered where the applicant has an immediate and absolute right to the capital/income within the trust.

U

Universal Credit	We are unable to consider Universal Credit payments in affordability.
Unsecured Loan Arrears	Unsecured credit arrears are acceptable if accounts are now up to date – we accept a maximum status of 2 arrears in the last 12 months.
Unsociable Hours Payment	We can consider up to 100% of unsociable hours payments.

V

Valuation	<p>Minimum valuation is £75,000</p> <p>Minimum valuation for New Build flats is £120,000</p> <p>For LTV purposes, the lower of the purchase price or the valuation is used in all cases. For details of our valuation fees, please refer to our Tariff of Fee – Mortgage Application.</p> <p>We reserve the right to carry out audit valuations at our own expense – please note we will work on the lower of the two valuation figures.</p>
Vested Shares	We are able to accept up to 50% of vested share income if it can be confirmed that it is a regular and sustainable part of an applicant's compensation package with their employer. However, we are able to consider up to 100% of vested share income for applicants with a strong credit profile.

Z

Zero Hours Workers	Each case where an applicant is on a zero hour contract will be reviewed on its own merits, taking into account the type of employment, how long the applicant has been employed on the contract and the applicant's credit profile.
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