

Second charge regulated mortgages and consumer buy to let with a choice of options

Core Products & Criteria

Interest Only or Capital & Repayment:

Residential, semi-commercial, 5 year fixed rate for FCA regulated second charge mortgages

Consumer buy to let product for first and second charges

Cost and time saving Valuation, Mortgage Reference and Redemption Figure Bypass Schemes

Accepted

Many status profiles:

77.5% LTV plan

Demerit points accepted up to 75% LTV

Adverse credit history older than 12 months ignored in demerit calculation

Many income sources:

Employed, self-employed, DWP additional income

Many property types:

Including high rise, non-standard construction, defective, ex-council & semi-commercial properties

December 2016

This information is for use only by professional finance and mortgage intermediaries for the purpose of assessing specialist mortgage acceptance criteria. Other persons should not place any reliance on the content. It must not be distributed to potential borrowers.

Complete

together.™

Second charge mortgages - standard

Case outside criteria?
We will always take a view!

Plan Name	Prime				Light				Medium						Heavy		
	RTRP:02	RTRP:11	RTRP:21	RTRP:32	RTRL:03	RTRL:02	RTRL:11	RTRL:32	RTRM:62	RTRM:52	RTRM:01	RTRM:11	RTRM:21	RTRM:32	RTRH:22	RTRH:31	
Maximum Demerits	0				1	3			4						6	8	
Highest number of secured arrears in last number of months*	(0 in 12)				(0 in 3) (1 in 12)	(0 in 3) (2 in 12)			(1 in 3) (3 in 12)						(3 in 6) (4 in 12)	(3 in 6) (6 in 12)	
Number of qualifying CCJs/ Defaults demerits in last number of months	(0 in 12)				(0 in 3) (1 in 12)	(0 in 3) (3 in 12)			(1 in 3) (4 in 12)						(2 in 6) (6 in 12)	(3 in 6) (6 in 12)	
Maximum LTV for Property Types	A	77.5% ¹	70%	65%	60%	75%	70%	65%	60%	75%	70%	65%	65%	60%	55%	60%	55%
	B	70%	65%	60%	55%	67.5%	65%	60%	55%	65%	65%	60%	60%	55%	55%	55%	55%
	C	60%	60%	55%	50%	60%	55%	55%	50%	60%	55%	55%	55%	50%	50%	50%	50%
Valuation Banding	£150K+	£125K - <£150K	£75K - <£125K	£40K - <£75K	£150K+	£150K+	£75K - <£150K	£50K - <£75K	£200K+	£150K+	£150K+	£125K - <£150K	£100K - <£125K	£60K - <£100K	£100K+	£70K+	
Maximum Loan Amount	£50K	£50K	£45K	£35K	£50K	£50K	£45K	£35K	£35K	£30K	£50K	£45K	£35K	£25K	£30K	£25K	

Loan Amount	Rate	Rate	Rate	Rate
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Standard Variable Rate

£3,000 - £50,000	≤70% LTV 6.65% >70% LTV 7.65%	≤70% LTV 7.67% >70% LTV 9.27%	8.85%	12.50%	12.90%	14.96%
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5 Year Fixed Rate

£3,000 - £50,000	≤70% LTV 7.40% >70% LTV 8.40%	≤70% LTV 8.42% >70% LTV 10.02%	9.60%	13.25%	13.65%	15.71%
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Property Types

<p>Type A Standard Construction houses and bungalows including ex-council. ¹ Ex-council houses - restricted to 75% LTV</p> <p>Type B Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council).</p> <p>Type C Non standard construction; ex-council flat and maisonettes (over 4 floors), defective, high-rise (over 6 floors) or poor remarks on valuation.</p>
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Demerit Points are defined as secured arrears, a CCJ or a Default

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureau search)	Individual CCJs/Defaults			
	≤£300	>£300 and ≤£3,000	>£3,000 and ≤£10,000	>£10,000
Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Secured arrears *- Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are as detailed from the mortgage lender at the time of completion. Maximum arrears are the total of the first and second charge arrears. **IVAs & Bankruptcies** - Bankruptcies discharged / IVAs satisfied for more than 1 year accepted by underwriter approval up to a max of 65% LTV. Customers who are in a **Debt Management Plan** will be considered by referral on the medium and heavy plans (reduce the maximum LTV by 10% to a minimum of 50%) if there is satisfactory conduct for a minimum of 2 years. The debt management plan may need to be repaid in full from the loan proceeds. A clear indication of what the customer intends to redeem will be required at referral stage. Applicants in a Debt Arrangement Scheme (DAS) in Scotland are not accepted. **Satisfactory explanation** required for all CCJs, Arrears, Defaults, IVAs, bankruptcies and debt management. Proof may be required.

Commission

% of the Net Loan (Capped at £7,500)	All plans
	2.5%

Income Calculation Net Pay

<p>FCA Regulated Mortgages The Maximum Affordable Monthly Repayment must be calculated by entering the applicant's income and expenditure details into the Affordability Assessment Calculator, which is accessible by logging onto www.mybrokerveue.co.uk</p>

The plans matrices and notes above are summaries and guidelines. All other standard terms and conditions apply. Please refer to Ideal Pack, and General Terms & Conditions for further details. As part of the Underwriting Process we may, on occasion, carry out additional verification checks. This may include speaking to surveyors, accountants, applicants or other relevant parties to verify details.

Address history - minimum of 3 years for all applicants.

Debt consolidation - the balance for debt consolidation will be paid to the creditors. Please see Debt Consolidation in terms & conditions for further details.

Non-conforming lender as first charge - must be with same lender for a minimum of 12 months.

Purpose of Loan letter is required on all cases clearly detailing any breakdowns in purposes and amounts.

Acceptance Fee

Loan Amount	
£3,000 - £50,000 2.99% of Net Loan (Min £450)	>£50,000 2.5% of Net Loan (Max £10,000)

Acceptance Fee is paid by applicant and may be added to the advance. Please refer to Quick Quote Calculator.

Title Insurance & Solicitor's Costs - these are not charged

Bypass Schemes

Valuation Bypass - Not available for new builds

	Hometrack Realtime Valuation		Drive By Valuations		
Maximum Loan	£50K	£75K	£25K**	£50K	£100K
Maximum LTV	60%	50%	70%	65%	50%
Confidence Level	4 or higher		n/a	n/a	n/a
Property Types	AB		AB		
Property Valuation	£100K - £350K	£100K - £500K	£0 - £750K		

** Available on Prime plans only

Mortgage Reference & Redemption Figure Bypass Schemes

Redemption figures and mortgage references are NOT required for loans written on the plans detailed on this page.

Maximum Loan	Maximum LTV	Accepted
£30,000	77.5%	Mortgage balance on the Equifax search
£50,000	75%	Mortgage balance on the Equifax search

The mortgage balance on the Equifax search is accepted to calculate the Loan to Value. Consent and confirmation of arrears may still be required. See General Terms and Conditions for further details and exclusions.

NOTE: These Redemption Figure and Mortgage Reference Bypass Schemes exclude second charge mortgages written on the Larger Loan, semi-commercial or any special plans.

Larger loans - second charge mortgages

Case outside criteria?
We will always take a view!

Plan Name	Prime				Light				Medium		Heavy	
	RTRP:08L	RTRP:05L	RTRP:06L	RTRP:07L	RTRL:05L	RTRL:06L	RTRL:07L	RTRL:08L	RTRM:05L	RTRM:06L	RTRH:05L	RTRH:06L
Maximum Demerits	0				1		3		4		8	
Highest number of arrears in last number of months*	(0 in 12)				(0 in 3) (1 in 12)		(0 in 3) (2 in 12)		(1 in 3) (3 in 12)		(2 in 6) (4 in 12)	
Number of qualifying CCJs/Defaults demerits in last number of months	(0 in 12)				(0 in 3) (1 in 12)		(0 in 3) (3 in 12)		(1 in 3) (4 in 12)		(3 in 6) (6 in 12)	
Maximum LTV for Property Types	A	75%	70%	65%	70% by referral	70%	65%	65%	55%	60%	50%	50% 55% by referral
	B	70%	65%	60%	65% by referral	65%	60%	60%	(60% by referral)	55%	(60% by referral)	
	C	65%	60%	55%	60% by referral	60%	55%	55%	by referral	50%	by referral	
Minimum Valuation	£150,000				£150,000				£150,000		£150,000	
Loan Amount	£50,001-£65,000	£65,001-£250,000	£250,001-£500,000 by referral		£50,001-£100,000	£100,001-£500,000 (>£250,000 by referral)	£50,001-£100,000	£100,001-£500,000 (>£250,000 by referral)	£50,001-£80,000	£80,001-£500,000 (>£250,000 by referral)	£25,001-£500,000 (>£250,000 by referral)	
Loan Amount	Rate				Rate				Rate		Rate	
Standard Variable Rate												
£50,001 - £500,000	≤70% LTV 6.65% >70% LTV 7.65%				≤70% LTV 7.67% >70% LTV 9.27%		≤70% LTV 9.14% >70% LTV 9.34%		12.50%		14.96%	
5 Year Fixed Rate												
£50,001 - £500,000	≤70% LTV 7.40% >70% LTV 8.40%				≤70% LTV 8.42% >70% LTV 10.02%		≤70% LTV 9.89% >70% LTV 10.09%		13.25%		15.71%	

Property Types

Type A

Standard Construction houses and bungalows including ex-council.

Type B

Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council).

Type C

Non standard construction; ex-council flat and maisonettes (over 4 floors), defective, high-rise (over 6 floors) or poor remarks on valuation.

Commission

% Net Loan (Capped at £7,500)	All plans
	2.25%

Demerit Points are defined as secured arrears, a CCJ or a Default

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureaux search)	Individual CCJs/Defaults			
	≤£300	>£300 and ≤£3,000	>£3,000 and ≤£10,000	>£10,000
Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Secured arrears *- Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are as detailed from the mortgage lender at the time of completion. Maximum arrears are the total of the first and second charge arrears. **IVAs & Bankruptcies** - Bankruptcies discharged / IVAs satisfied for more than 1 year accepted by underwriter approval up to a max of 65% LTV. Customers who are in a **Debt Management Plan** will be considered by referral on the medium and heavy plans (reduce the maximum LTV by 10% to a minimum of 50%) if there is satisfactory conduct for a minimum of 2 years. The debt management plan may need to be repaid in full from the loan proceeds. A clear indication of what the customer intends to redeem will be required at referral stage. Applicants in a Debt Arrangement Scheme (DAS) in Scotland are not accepted. **Satisfactory explanation** required for all CCJs, Arrears, Defaults, IVAs, bankruptcies and debt management. Proof may be required.

Income Calculation Net Pay

FCA Regulated Mortgages

The Maximum Affordable Monthly Repayment must be calculated by entering the applicant's income and expenditure details into the Affordability Assessment Calculator, which is accessible by logging onto www.mybrokerveue.co.uk

The plans matrices and notes above are summaries and guidelines. All other standard terms and conditions apply. Please refer to Ideal Pack and General Terms & Conditions for further details. As part of the Underwriting Process we may, on occasion, carry out additional verification checks. This may include speaking to surveyors, accountants, applicants or other relevant parties to verify details.

Address history - minimum of 3 years for all applicants.

Debt consolidation - the balance for debt consolidation will be paid to the creditors. Please see Debt Consolidation in terms & conditions for further details.

Non-conforming lender as first charge - must be with same lender for a minimum of 12 months.

LTV is based on redemption figure. Cases less than 50% LTV - no redemption figure required.

Purpose of Loan letter is required on all cases clearly detailing any breakdowns in purposes and amounts.

Acceptance Fee

Loan Amount	
£3,000 - £50,000 2.99% of Net Loan (Min £450)	>£50,000 2.5% of Net Loan (Max £10,000)

Acceptance Fee is paid by applicant and may be added to the advance. Please refer to Quick Quote Calculator.

Title Insurance & Solicitor's Costs - these are not charged

Bypass Schemes

Valuation Bypass - Not available for new builds

	Hometrack Realtime Valuation		Drive By Valuations		
	£50K	£75K	£25K**	£50K	£100K
Maximum Loan	60%	50%	70%	65%	50%
Maximum LTV	4 or higher		n/a	n/a	n/a
Confidence Level	AB		AB		
Property Types	£100K - £350K	£100K-£500K	£0 - £750K		

** Available on Prime plans only

Mortgage Reference Bypass Scheme

Maximum LTV 50%
Credit Bureau Search accepted:
• Equifax search accepted
• Experian search accepted if mortgage not showing on Equifax

Consumer buy to let - first and second charge mortgages

Case outside criteria?
We will always take a view!



		Prime				Light					Medium				Heavy	
Plan Name		RTSP:02	RTSP:21	RTSP:41	RTSP:42	RTSL:02	RTSL:03	RTSL:04	RTSL:21	RTSL:41	RTSL:42	RTSM:03	RTSM:21	RTSM:41	RTSM:42	RTSH:11
Maximum Demerits		0				1	2	3			5				6	
Highest number of secured arrears in last number of months*		(0 in 12)				(0 in 3) (1 in 12)	(1 in 3) (2 in 12)	(1 in 3) (3 in 12)			(2 in 3) (4 in 12)				(4 in 12)	
Number of qualifying CCJs/ Defaults demerits in last number of months		(0 in 12)				(0 in 3) (1 in 12)	(2 in 12)	(3 in 12)			(4 in 12)				(6 in 12)	
Valuation Banding		£150,000+	£100,000+	£40,000 - <£100,000	<£40,000	£150,000+	£150,000+	£150,000+	£100,000 - <£150,000	£50,000 - <£100,000	<£50,000	£150,000+	£100,000 - <£150,000	£60,000 - <£100,000	<£60,000	£125,000+
First Charge	Remortgages max LTV	70%	65%	60%	55%	70%	65%	65%	60%	55%	50%	65%	55%	50%	50%	55%
	Loan amount	£5,000 - £200,000* (£200,001 - £500,000 by referral)				£5,000 - £200,000* (£200,001 - £500,000 by referral)					£5,000 - £200,000* (£200,001 - £500,000 by referral)				£5,000 - £200,000* (£200k+ by referral)	
Second Charge	Maximum LTV	75%	70%	60%	55%	70%	65%	65%	60%	55%	50%	65%	55%	50%	50%	55%
	Max loan amount	£5,000 - £65,000	£5,000 - £250,000			£5,000 - £65,000	£5,000 - £125,000					£5,000 - £75,000			£5,000 - £75,000	
Nominal Rate	≤60% LTV (unless specified)	≤65% LTV - 8.15%				10.25%	11.60%	11.77%				13.50%				14.50%
	>60% LTV (unless specified)	>65% LTV - 9.15%				10.75%										
Rental cover		120% (If using Rental Income verified by an Estate or Letting Agent's rental projection 90% must cover 120% of the total secured lending repayments.)														

Qualifying Contracts

A mortgage is a consumer buy to let (CBTL) on the basis of the following statements. The statements are in priority order, so for example if someone owns a BTL property already (No 4) and inherits a further property (No 7) the application will be unregulated due to the priority given to the statements.

1. If the borrower or a 'related person' does not occupy any part of the property
2. The borrower is an Individual, Partnership of 3 or less persons or an unincorporated body
3. The loan purpose is not to purchase the security
4. The borrower does not own any other properties which are rented out
5. The transaction is a 'Let to Buy' transaction
6. The borrower or a 'related person' has lived in the property since it was last purchased
7. The property was inherited.

We can consider **CBTL if an applicant lives abroad** but only under the following circumstances:

- A. If the case fits the 120% rule for rental, the applicant must hold a UK Bank Account in their name and the rent must be received in sterling and paid into the UK bank account.
- B. If the case does not fit on the 120% rule and we need to use full affordability, any income we use must also be received in sterling and paid into a UK bank account.

Debt consolidation - if affordability fits the 120% rule for rental income then the balance for debt consolidation will be paid to the applicant; otherwise the balance for debt consolidation will be paid to the creditors as with other regulated mortgage contracts. Please see Debt Consolidation in terms & conditions for further details.

Non-conforming lender as first charge - must be with same lender for a minimum of 12 months.

LTVs based on market value. Cases <50% LTV no redemption figure required.

Occupants An original or certified copy of a signed Assured Shorthold Tenancy (AST) required for Buy to Let properties. If there isn't an occupant an agent's rental assessment is required and, at the time of our loan, we will need confirmation in writing from the customer that no one is in residency.

Purpose of Loan A purpose of loan letter is required on all cases clearly detailing any breakdowns in purposes and amounts.

Applicant's Solicitors

If the loan is over £250,000, solicitors must act for the applicant. All solicitors must have 2 or more partners within the practice, with a Law Society membership of 5 years or more. If not, please contact your underwriter.

Acceptance Fee

Loan Amount	
£5,000 - £50,000 3.5% of Net Loan (Min £450)	>£50,000 2.5% of Net Loan (Max £7,500)

Acceptance Fee is paid by applicant and may be added to the advance. Please refer to Quick Quote Calculator.

Title Insurance & Solicitor's Costs - these are not charged

Maximum Age There is no maximum age restriction for Consumer Buy to Let borrowers where rental income covers 120% of total secured lending repayments. (If using Rental Income verified by an Estate or Letting Agent's rental projection 90% of rental income must cover 120% of the total secured lending repayments.) Additional pension income considered by referral with a full affordability assessment.

Property Types

Type A

Standard Construction houses and bungalows including ex-council.

Type B reduce max LTV by 5% (to a minimum of 50%)

Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council).

Type C reduce max LTV by 10% (to a minimum of 50%)

Non standard construction; ex-council flat and maisonettes (over 4 floors), defective, high-rise (over 6 floors) or poor remarks on valuation.

*Semi-commercial max loan amount:

£5k - £100k (>£100k by referral)

Demerit Points are defined as secured arrears, a CCJ or a Default

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureaux search)	Individual CCJs/Defaults			
	≤£300	>£300 and ≤£3,000	>£3,000 and ≤£10,000	>£10,000
Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Secured arrears *. Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are as detailed from the mortgage lender at the time of completion. Maximum arrears are the total of the first and second charge arrears.

IVAs & Bankruptcies - Bankruptcies discharged / IVAs satisfied for more than 1 year accepted by underwriter approval up to a max of 65% LTV. Customers who are in a **Debt Management Plan** will be considered by referral on the medium and heavy plans (reduce the maximum LTV by 10% to a minimum of 50%) if there is satisfactory conduct for a minimum of 2 years. The debt management plan may need to be repaid in full from the loan proceeds. A clear indication of what the customer intends to redeem will be required at referral stage. Applicants in a Debt Arrangement Scheme (DAS) in Scotland are not accepted. **Satisfactory explanation** required for all CCJs, Arrears, Defaults, IVAs, bankruptcies and debt management. Proof may be required.

Commission

% Net Loan (Capped at £8,750)		
For loans £5,000 - £100,000	For loans £100,001 - £200,000	For loans >£200,001
2.25%	2.00%	1.75%

Drive By Valuation Bypass

Max Loan	£25,000**	£50,000	£100,000
Max LTV	70%	65%	50%
Property Type	A B		
Property Valuation	£0 - £750,000		
100% residential properties only. Not available for new builds. ** Prime only			

Income Calculation & Proof

Consumer Buy to Let Rental Income

Rental Income (or Agent Assessed Rental Income) must be a minimum of 120% of the total secured lending repayments. If rent is less than 120% of secured lending payments then additional income acceptable and the Maximum Affordable Monthly Repayment must be calculated by entering the applicant's income and expenditure details into the Affordability Assessment Calculator, which is accessible by logging onto www.mybrokervenue.co.uk.

Income proof is required for all applicants in all cases. You must deduct any letting agency fees, ground rent and service charge from the rental income figure received. 100% of Rental Income verified by an Assured Shorthold Tenancy Agreement (AST) which must cover 120% of the total secured lending repayments; 90% of Rental Income verified by an Estate or Letting Agent's rental projection must cover 120% of the total secured lending repayments.

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Semi-commercial property - second charge mortgages

By referral

Case outside criteria?
We will always take a view!



Plan Name	Prime				Light						Medium				Heavy	
	RTSEP:02	RTSEP:21	RTSEP:41	RTSEP:42	RTSEL:02	RTSEL:03	RTSEL:04	RTSEL:21	RTSEL:41	RTSEL:42	RTSEM:03	RTSEM:21	RTSEM:41	RTSEM:42	RTSEH:11	
Maximum Demerits	0				1	2	3				5				6	
Highest number of secured arrears in last number of months*	(0 in 12)				(0 in 3) (1 in 12)	(1 in 3) (2 in 12)	(1 in 3) (3 in 12)				(2 in 3) (4 in 12)				(4 in 12)	
Number of qualifying CCJs/ Defaults demerits in last number of months	(0 in 12)				(0 in 3) (1 in 12)	(2 in 12)	(3 in 12)				(4 in 12)				(6 in 12)	
Valuation Banding	£150,000+	£100,000+	£40,000 - <£100,000	<£40,000	£150,000+	£150,000+	£150,000+	£100,000 - <£150,000	£50,000 - <£100,000	<£50,000	£150,000+	£100,000 - <£150,000	£60,000 - <£100,000	<£60,000	£125,000+	
Second Charge	Maximum LTV	75%	70%	60%	55%	70%	65%	65%	60%	55%	50%	65%	55%	50%	50%	55%
	Max Loan Amount	£5,000 - £65,000	£5,000 - £250,000			£5,000 - £65,000	£5,000 - £125,000				£5,000 - £75,000				£5,000 - £75,000	
Nominal Rate	≤60% LTV (unless specified)	≤65% LTV - 7.15%				9.25%	10.60%	10.77%				12.50%				13.50%
	>60% LTV (unless specified)	>65% LTV - 8.15%				9.75%										
Rental Cover	120%				120%						120%				120%	

Non-conforming lender as first charge - must be with same lender for a minimum of 12 months.

LTVs based on market value. Cases <50% LTV no redemption figure required.

Occupants An original or certified copy of a signed Assured Shorthold Tenancy (AST) required for Buy to Let properties. If there isn't an occupant an agent's rental assessment is required and, at the time of our loan, we will need confirmation in writing from the customer that no one is in residency.

Purpose of Loan A purpose of loan letter is required on all cases clearly detailing any breakdowns in purposes and amounts.

Applicant's Solicitors If the loan is a purchase or the loan is over £250,000, solicitors must act for the applicant. All solicitors must have 2 or more partners within the practice, with a Law Society membership of 5 years or more. If not, please contact your underwriter.

Acceptance Fee

Loan Amount	
£5,000 - £50,000 3.5% of Net Loan (Min £450)	>£50,000 2.5% of Net Loan (Max £7,500)

Acceptance Fee is paid by applicant and may be added to the advance. Please refer to Quick Quote Calculator.

Title Insurance & Solicitor's Costs - these are not charged

The plans matrices and notes above are summaries and guidelines.

All other standard terms and conditions apply. Please refer to Ideal Pack and General Terms & Conditions for further details. As part of the Underwriting Process we may, on occasion, carry out additional verification checks. This may include speaking to surveyors, accountants, applicants or other relevant parties to verify details.

Property Types

Type A

Standard Construction houses and bungalows including ex-council.

Type B Reduce Max LTV by 5% (to a minimum of 50%)

Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council).

Type C Reduce Max LTV by 10% (to a minimum of 50%)

Non standard construction; ex-council flat and maisonettes (over 4 floors), defective, high-rise (over 6 floors) or poor remarks on valuation.

Commission

% Net Loan (Capped at £8,750)		
For loans £5,000 - £100,000	For loans £100,001 - £200,000	For loans >£200,001
2.25%	2.00%	1.75%

Demerit Points are defined as secured arrears, a CCJ or a Default

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureaux search)	Individual CCJs/Defaults			
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Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Secured arrears *- Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are as detailed from the mortgage lender at the time of completion. Maximum arrears are the total of the first and second charge arrears.

IVAs & Bankruptcies - Bankruptcies discharged / IVAs satisfied for more than 1 year accepted by underwriter approval up to a max of 65% LTV. Customers who are in a **Debt Management Plan** will be considered by referral on the medium and heavy plans (reduce the maximum LTV by 10% to a minimum of 50%) if there is satisfactory conduct for a minimum of 2 years. The debt management plan may need to be repaid in full from the loan proceeds. A clear indication of what the customer intends to redeem will be required at referral stage. Applicants in a Debt Arrangement Scheme (DAS) in Scotland are not accepted. **Satisfactory explanation** required for all CCJs, Arrears, Defaults, IVAs, bankruptcies and debt management. Proof may be required.

Income Calculation Net Pay

FCA Regulated Mortgages

The Maximum Affordable Monthly Repayment must be calculated by entering the applicant's income and expenditure details into the Affordability Assessment Calculator, which is accessible by logging onto www.mybrokervenue.co.uk

General Terms and Conditions

Acceptable Security

All property structures including land considered in England, Scotland and Wales. Minimum of 50 years + term of mortgage for leasehold properties. See plans for details.

Acceptance Fee

See individual plans for details.

Age

Minimum age 18 years old, maximum age at end of mortgage term 80 years old. There is no maximum age restriction for Consumer Buy to Let borrowers where rental income covers 120% of total secured lending repayments. Additional pension income considered by referral with a full affordability assessment.

Applicants

When an applicant is married or a couple living together in excess of 12 months, whether on the title or not, the application must be in joint names. All applicants must be UK residents, except for CBTL - please see plans.

Non UK Passport Holders

We are happy to proceed with applicants who have passports from the following countries who reside in the UK:
Any EU country, Switzerland, Channel Islands, USA, Australia, Canada and New Zealand.
Any applicants who do not have a UK Passport or do not satisfy the above criteria are subject to underwriter referral.

Assessing Affordability

An assessment will be required for all mortgages; however this will differ depending on the mortgage's regulation.

For **Consumer Buy to Let** please see plans.

Assessing Affordability for FCA Second Charge Regulated Mortgages

An Affordability Assessment Form will be required. Also see 'Income & Income Proof for second charge regulated mortgages'.

It is important that the broker and the lender assess an applicants' affordability thoroughly to ensure that they can afford the mortgage both now and in the known future.

To assist you in making this decision Second Charge Regulated Mortgages will be assessed using an affordability assessment model which takes into account the applicant's income, expenditure and credit payments.

(See the Affordability Assessment Calculator available in www.mybrokerveue.com). The Affordability Assessment Calculator will provide a Maximum Affordable Monthly Repayment (MAMR) that Together will accept based on the information provided.

As well as assessing an applicant's income and expenditure there are three key elements that need to be considered.

These elements are:

- is the income or expenditure stated plausible?
- is the mortgage payment affordable now?
- is the mortgage payment sustainable for the period of the mortgage?

The Affordability Assessment calculator has been built to consider plausibility and sustainability when determining the MAMR; however there are some points that you will need to verify and challenge with the applicant.

Plausibility

Expenditure - All expenditure declared by applicants should be a realistic reflection of their general spending. You should advise the applicant to use bills, invoices and receipts to help them complete the affordability assessment. Where the expenditure appears unrealistic or lower than we would expect, then we will require a plausible explanation from the applicant as to why their expenditure appears to be low for that particular item.

We reserve the right to contact an applicant to confirm their declared expenditure for plausibility to enable the mortgage to proceed.

Income

Income, in UK currency only, needs to be appraised to ensure that it appears to be relevant to the occupation that has been stated by the applicant, particularly for self employed applicants. **Employment and accountant verification calls may be required to be made by the Underwriter.**

Sustainability

It is essential that an applicant can afford the mortgage throughout the whole term. It is important therefore that the income they have declared will be sustainable for the whole term of the mortgage, taking into account the monthly cost of their debt may rise and other household emergencies may happen during the term of the mortgage.

Lending into Retirement

For employed and self employed applicants the Lending into Retirement Policy applies if the term of the mortgage exceeds the applicant's intended retirement age or the age of 70; whichever is earlier. We may lend beyond the applicant's retirement age subject to the following:

If the applicant is **greater than or equal to 10 years from the agreed retirement age** then:

- The applicant must sign a Lending into Retirement Declaration to confirm they are aware the mortgage extends past their retirement age stating how they plan to meet repayments post retirement;
- Where pension income is intended to be used to meet payments post retirement then the existence of a plausible pension provision must be evidenced by sustained contribution into a pension by way of payslips or current year's pension statement. If there is a concern over the level of pension payment being made then a full illustration of projected benefits may be required.

- If the applicant is **within 10 years of the agreed retirement age** we may proceed on a **referral basis only**. In addition to the above, a full assessment of affordability post retirement must be completed based on:

- The expected income post retirement;
 - Expenditure may be adjusted to reflect known changes in income such as maturity of a first charge mortgage or other committed loan payments or a reduction in number of dependents.
- Please ensure that the Affordability Assessment Form, Affordability Assessment post retirement form, Lending into retirement declaration and any relevant proofs are sent as part of the referral.

Lending to Retired customers at point of funding

Affordability must be assessed based on pension income and expenditure at point of completion.

Using Benefit Income

Where the term of the proposed agreement will extend beyond the period in which the applicant will receive particular benefits, e.g. Child Tax Credits, the applicant should provide a plausible explanation as to how the income will be replaced or any expenditure related to the benefit will be no longer required. The explanation must be assessed for sustainability and plausibility and in some cases we may require proof.

Bankrupts/IVAs/CVAs

See plans. It may be possible to clear the IVA/ bankruptcy/CVA by underwriter referral.

Broker Fees

May be charged on all plans and must have been agreed with the applicant. Maximum Broker Fee that can be charged is the lower of 15% of the net loan or £7,500 for loans ≤ £375,000; or the lower of 2% of the net loan or £20,000 for loans >£375,000. Where the property valuation is >£500,000 or an audit valuation is required, these maximum amounts may be plus valuation costs, with underwriter approval. Proof of valuation cost will be required.

Buildings Insurance

You must submit the current buildings insurance policy for the security address prior to offer.

Business Purpose Loans

If the loan amount is £25,000 or less; or loan amounts >£25,000 and

- there is one security and ANY element of personal lending; or
- the case is a bridge or multiple securities and 50% or less of the loan amount is being used for business purposes

the case is treated as a regulated mortgage contract. All other second charge loans taken for business purposes will be unregulated.

Bypass Schemes

Will be subject to audit controls and underwriter approval. Must be used in conjunction with all other criteria. All maximum mortgages and LTVs on Bypass Schemes are inclusive of broker fee. Part of our Risk Management Model requires that on a small percentage of Bypass Valuations a comparison between schemes will be conducted. Should this audit show a disparity between the valuations we may require a full valuation from a Panel Valuer, of which Together will meet 50% of the valuation costs.

Mortgage Reference & Redemption Figure

Bypass Schemes Last update within 30 days before completion. Consent to register and redemption figures (if applicable - see plans) required for lenders placing restrictions at HM Land Registry and for non-conforming lenders. Reference may be required if remortgaged in last 6 months. If arrears showing on Equifax / Experian confirmation of arrears will be required. If the lender will only provide conditional consent the full amount to grant consent will be needed. Not accepted: Northern Rock, NRAM, Virgin Money and flexible or open plan type mortgages.

Type of Mortgage:

Fixed Rate/ Daily Interest / Flexible / Credit Reserve / Open Plan type mortgages etc. We will consider lending behind these but in certain cases, first charge lenders have an "obligation to make further advances" on the security. Before we are able to complete the mortgage we will need to have a signed deed of postponement or confirmation of what the maximum liabilities are and that it is capped at this level. (This is the Maximum Liabilities Confirmation). The Loan to Value will be based on the Maximum Liability not the mortgage balance and may be reduced.

Commissions/Remunerations

You should disclose a monetary amount of the remuneration you will earn to the customer and hold confirmation on file.

Debt Consolidation

Clearing loans secured against the applicant's home Redemption figure(s) for any secured loans that are being repaid must be provided.

Clearing fixed term unsecured credit

For any unsecured fixed term credit items e.g. unsecured loans, HP agreements, being repaid from the loan the following must be provided.

- up to date redemption statements to repay these items.
- we will make electronic payments to repay these loans if the creditor provides their bank details with the statement.
- we will make cheque(s) payable to the creditors when bank details are not provided for the applicant to promptly forward on to redeem and close the Account(s).

Clearing CCJs and Defaults

For any CCJs or Defaults being repaid from the loan.

- obtain up to date redemption statements to repay these items.
- we will make electronic payments to repay these loans if the creditor provided their bank details with the statement.
- we will make cheque(s) payable to the creditors when bank details are not provided for the applicant to promptly forward on the redeem and close the Account(s)

These will need to be obtained and submitted with the full case for underwriting.

Clearing Revolving Credit e.g. Credit Cards

For revolving credit items such as Credit Cards, Store Cards and mail Order two options are available.

Option A:

- provide a full statement for each item of revolving credit being repaid, including the creditor(s) relevant bank details.
- where full statements are provided we will pay the balance of your revolving credit direct to the creditor(s) by electronic payment.

Option B:

- provide the full reference number for each item of revolving credit being repaid
- we will make cheque(s) payable to the creditors for the applicant to promptly forward on to redeem and close the account(s).

Please note up to date figures will be confirmed in the Binding Offer document. It will remain the applicants responsibility meet any additional expenditure or liability incurred but not included in the figures stated in the Binding Offer.

Disbursement of funds

Funds are disbursed using next day BACS as standard unless the customer requests a Telegraphic Transfer (TT). A TT fee is not charged.

Early Repayment Charges

There are no Early Repayment Charges.

Equitable Charges

Equitable charges are not accepted.

Ex-council Properties

England & Wales - Ignore all pre-emption. We may also take into account any future costs or service charges that the applicant will be liable for and reduce the LTV accordingly. Also see property type list on plans.
Scotland - we do not lend on ex-council properties in Scotland within the pre-emption period.

Execution Only

Accepted for the following reasons: rejected advice, high net worth, mortgage professional or business loan. NOT accepted for Right to Buy and debt consolidation mortgages

General Terms and Conditions

Fees

Where an applicant requests to pay any of the lender fees as detailed in the Mortgage Illustration up front, we will contact them prior to completion for payment. All fees include VAT where applicable. If the applicant has requested to pay any other fees up front this will be by separate arrangement with the relevant third party involved.

First Charge Mortgagees/Lenders

We will lend behind most high street banks and building societies, and will consider second charges behind most non-conforming lenders: Accord Mortgages, Advantage Home Loans, Amber Homeloans, BM Solutions, Britannic Money / Mortgage Trust, Capital Home Loans, Capstone Mortgages, Citibank, DB Mortgages, Derbyshire Homeloans, E Mex Home Funding Ltd, Endeavour Personal Finance, First Active, First National, Future Mortgages, GE Money, GMAC/RFC, Godiva Mortgages, I Group, Infinity Mortgages, Kensington Mortgages, London Mortgage Company, Money Partners, Mortgage Agency Services, Mortgage Business, Mortgage Works, Mortgages PLC (1-5), Oakwood Home Loans, Paragon, Platform Homeloans, Preferred Mortgages, Redstone Mortgages, Rooftop, SPML, Stroud & Swindon, Sunbank, UCB Homeloans, Verso, Victoria Mortgages, West Bromwich Mortgage Company.

We will not lend behind the following lenders or associated companies; - please note this list is not exhaustive and subject to change at any time: 5D, Affirmative, Associates, Base, Black Horse, Black Horse / Cedar Holdings, Central Trust, Churchhouse Trust, Davenport Securities, Interbay, London Mortgage Corporation (Charges Pre Oct 2004), London & Scottish Bank, Norton Finance, Ocean Money, Prestige (Sheldon and Stern, Barex, Lawnbourne, etc), Private Mortgages (dependant on terms), Sherringtons, Swift Group, Wave Lending, Welcome, Wood berry Securities.

If the lender is not referred to here, please refer to underwriter.

We will not lend behind any FRINGE lenders and will not secure a third charge.

Fixed Rate Option

Available for the first five years for regulated second charge mortgages. Minimum term 5 years. Available with interest only.

Ground Rent and Service Charges

When the Security is a leasehold property we will require confirmation in writing from any freeholder that all ground rent and service charges are paid and up to date. Where there are arrears these will need to be cleared from the advance and we will need written authority from the applicant(s) that they understand and authorise them to be disbursed from the mortgage.

Any significant service or ground rent arrears may be considered when assessing the customer's affordability of the new mortgage with us, and where there are concerns the mortgage may be rejected.

Interest Only

Interest only is available across selected products and are strictly subject to the plausibility of the repayment strategy.

Acceptable repayment strategies are the sale of owner occupied property (downsizing) and the sale of a second UK property, where there is sufficient equity to make this strategy plausible.

Other repayment strategies considered include tax free cash from a suitable pension plan, endowment policies and stocks and shares ISAs.

The following repayment strategies will NOT be accepted: Sale of property to move into rental property / Cash Savings (inc cash ISA) / Switching to Capital Repayment mortgage / Re-mortgage / Inheritance / Increase in house prices / Sale of business.

The Interest Only Assessment Form should be completed by the customer which an Underwriter will assess. Where the loan is Interest Only and all or part of the loan purpose is for debt consolidation then a clear benefit to the applicants must be demonstrated.

INCOME AND INCOME PROOF FOR FCA Second Charge Regulated Mortgages

Income proof is required for all applicants in all cases.

In instances where the proof of income is the applicant's bank statements (including internet bank statements) please remember to cross reference any other items detailed in the bank statements to those stated for expenditure in the Affordability Assessment Form for accuracy.

Employed Income

Payslips or an Employer Confirmation Form is required in all cases where the applicant is employed. Please note when an applicant is paid in cash or cheque we will need an Employment Confirmation Form in all cases.

If the applicant receives payslips they should include year to date totals, be computerised or printed and should confirm the applicant's name. If the applicant is paid monthly/4-weekly/fortnightly we require three of the last five payslips. If the applicant is paid weekly we require four payslips from the last 6 weekly payslips. If the applicant does not receive payslips then an Employers Confirmation Form must be provided, which is available on www.mybrokerveue.co.uk Bonuses paid to applicants on a quarterly /half yearly / yearly basis may be used. Proof of bonus must be obtained. Please see the Affordability Assessment Guide for details.

There is no minimum time with current employer however the applicant will need to have been in continuous employment for the last 12 months. We will require proof of income from the current employer in the form of payslips or our "Employer's Confirmation" form if the required amount of payslips can not be provided. We will also require confirmation of the applicant's previous 12 month employment details. If an applicant has not been working and/or been

claiming unemployment benefit this will not be classed as continuous employment. If the applicant is starting their first job they would need to have been in their current position for a minimum of 6 months.

Temporary Contract Workers

Applicants on a fixed term, long term or renewable contract, will be considered on a referral basis. Evidence of their contract must be provided in conjunction with the required relevant proofs of income. Short term contracts are not acceptable.

Zero Hours Contracts

Minimum term in current employment is 6 months, and 6 months payslips are required. Applicants in a probationary period will not be accepted.

Self Employed Income

Minimum trading period 12 months.

Applicants will be considered to be self employed if they are a:

- Sole Trader (including those who subcontract on an individual or multiple basis)
- Partner who is currently in a Partnership or Limited Liabilities Partnership
- Shareholder in a Limited company owning more than 20% of any shares issued

Applicants who employ an Accountant

If the applicant has an Accountant, we require an original copy of the Accountant's Certificate. This must be completed by an Accountant who holds a current practicing certificate and is a member of accepted accounting bodies. For details please see the current Accountant's Certificate.

The net income figure used to complete the Affordability Assessment is the amount shown on the certificate in the relevant box titled 'Profit after tax + NI (before deducting drawings)' for Sole Traders and Partnerships and the box titled 'Client's total income (dividends + salary) for Directors and Owners of Limited companies. This can be used providing the information provided is less than 6 months old.

Average Net Income is: $\frac{\text{Net Income figure}}{\text{Divided by the relevant period e.g. 12 months}}$
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If the information is greater than 6 months old then the lesser of the amount detailed in the Accountant's Certificate or the projected earnings will be used. If the applicant's projected earnings are higher than those detailed on the Accountant's Certificate we will require a plausible reason for the increase in net income and confirmation that the increase is sustainable. The Accountant can enter this information into the relevant section of the Accountant's Certificate.

Applicants who do not have an Accountant

If the applicant doesn't have an Accountant then we will accept the applicant's last 2 SA302s provided the last SA302 is dated within the last 18 months. If we are using internet printed SA302s we will also require both Tax overviews to accompany these. The net monthly income will be calculated from the last SA302 and

the previous one will be checked for sustainability of income. We will also accept the last 2 100% Submitted Tax Calculations from HMRC along with the Tax Overviews provided the last Tax Calculation is dated within the last 18 months. The net monthly income will be calculated from the last Tax Calculation and the previous one will be checked for sustainability of income. If the difference between the SA302s / 100% Submitted Tax Calculations are more than 20% then we will need a plausible explanation for the difference in the figures so the income can be checked for sustainability purposes

The net monthly income for the SA302 or Tax Calculation will be calculated using the following method:

Average Net Income is: $\frac{\text{Income for tax purposes - (Income Tax + NI Contributions due for the year)}}{\text{Divided by 12}}$

If the applicant doesn't have an Accountant, SA302 or the SA302 that isn't dated within the last 12 months the applicant will need to employ the services of an Accountant, who can then provide an Accountant's Certificate.

Rental Income - if being used as income for a Second Charge Regulated Mortgage

We will use 60% of the total rental income figure showing on the AST. You will then need to deduct the mortgage payment and the remaining surplus rental figure can be used as income. The net monthly figure should be entered into the Affordability Assessment Calculator. An original or certified copy of an Assured Shorthold Tenancy Agreement (AST) and bank statement should be used as proof of this income. If a current AST is not available, but one will be in place in the near future, please refer the application with an Out of Plan Assistance form and any other pertinent information, such as an Agent Assessed Rental Income, for consideration. Do not use rental income if the applicant has recently missed payments because they haven't received the rental income. To prove an additional Buy to Let is self funding we will require an AST for each property and rental income will need to cover 120% of the mortgage payments on the property. We can use global figures if there is more than one Buy to Let. If the rental doesn't cover the mortgage payments by 120% then the difference must be included as an expenditure on the Affordability Assessment. Alternatively if the applicant has a number of additional Buy to Lets we can accept an Accountant's Certificate as proof that they are self funding if there is a net profit income.

Retired and Unemployed Applicants

The net monthly income for the relevant income is calculated using the following method:

Average Net Income is: $\frac{\text{Income for tax purposes - Income tax}}{\text{Divided by the relevant period}}$
--

Private pension – Accepted, proof required:

- Monthly pension - two private pension payslips dated within the last three months
 - Annual pension - the last annual award statement or P60
- If the applicant doesn't have the requirements above –
- Monthly pension - two bank statements dated within the last 3 months which shows the credit to their account
 - Annual pension – bank statement showing the amount credited

State Pension / Pension Credit / Disability Living Allowance/ Child Tax Credit / Working Tax Credit / Child Benefit/ Widowed Parent's Allowance/ Carer's Allowance/ Attendance Allowance - Accepted, proof required:

- Award statement for the current year
- OR two bank statements dated within the last three months

Incapacity Benefit/ Employment and Support Allowance after 2008

Accepted, proof required:

- Award letter dated within the last six months
- OR two bank statements dated within the last 3 months, with confirmation that it will continue to be awarded throughout the term of the mortgage

Benefits for Children - Accepted if the:

- Income will not cease during the term of the mortgage, as the children may attain an age during the term of the mortgage that makes them ineligible for the benefit
- Applicant provides a letter detailing a satisfactory and plausible explanation that they can sustain the payments once the benefit ceases

Child Maintenance – Accepted in the following circumstances:

- Arrangements must be made by:
 - made via the Child Support Agency (CSA)
 - OR by Court Order
- The terms of the arrangements must be assessed by the broker before submitting the case to the lender. In both arrangements the ages of the children must be established and the terms of the CSA Agreement or Court Order reviewed to assess for future affordability as the terms may vary.
- Proof required:
- a certified copy of the CSA Agreement or Court Order
- The net monthly income for the Child Maintenance income is calculated using the following method:

Average Net Income is: $\frac{\text{Confirmed Income}}{\text{Divided by the relevant period}}$
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Other Acceptable Benefits

- Industrial Injuries Benefit/War Pensions
- Award letter dated within the last 6 months
- OR two bank statements dated within the last 3 months.

General Terms and Conditions

Job Seekers Allowance/Income Support/Employment and Support Allowance

- Accepted in certain circumstances

Only accepted as income for the second or subsequent applicant where the first applicant is working and is a joint owner of the security.

Unacceptable Benefits

Bereavement Allowance, Bereavement Payments, Health in Pregnancy and Sure Start Maternity Grant. This list is not exhaustive so please refer any that have not been detailed above as we may be able to accept them.

Independent Legal Advice

This should be recommended to all customers. Up to £150,000 not required. Required on certain cases, e.g. loan amounts >£150,000, applicants over 70 years of age, parent and child borrowers. If the mortgage is being used for business purposes we will require Independent Legal Advice for the applicants if the business only relates to one applicant.

If the applicant(s) do not speak English as their first language then they must receive Independent Legal Advice and a solicitor must witness the documents. The Solicitor should complete the Solicitors Witness and Advice Certificate specifically for non English speaking applicants, and establish that the applicants will have support throughout the life of the mortgage to help interpret any correspondence we may send to them.

Loan Amount

Loan amount includes Broker Fee, however is plus Acceptance Fee unless detailed on the plan.

Consumer buy to let and semi-commercial includes loan amount and all fees that are added to the loan. It does not include prepaid fees.

Loan to Value (LTV)

LTVs based on market value. Shared Ownership properties are based on market value multiplied by applicant's share.

Loan Terms

FCA regulated loans 3 to 30 years.

Consumer buy to let and FCA regulated loans secured on semi-commercial properties: 4 to 30 years.

FCA regulated loans with a 5 year fixed rate: 5 to 30 years.

Mortgage History

Proof of 12 months mortgage payment history required.

Know Your Customer Requirements (KYC)

Together has procedures in place to protect itself and others from financial crime.

It is a requirement that brokers and lenders verify identification for every customer. As part of that process we must take reasonable steps to establish that a customer is who he/she claims to be by obtaining sufficient evidence of identity. The requirements to verify ID are listed in the Together iDeal Pack.

In most cases Electronic Identification (EID) will satisfy our Know Your Customer (KYC) requirements. The EID

result must be a 'pass' and the applicant must be on the voters roll, which will satisfy KYC for that applicant. In cases where full KYC requirements are needed certified copies of documents will be acceptable from Accredited and FCA Authorised brokers. We will also accept documents certified by the applicant's solicitor provided they are registered with the Law Society.

As a broker you must (if applicable):

- see original documents and provide certified copies with date validation;
- check that any documents requiring a signature have been pre-signed; and
- confirm where possible that any associated photograph of the applicant bears a good likeness.

Pay Day Loans

Applicants with payday loans will not be considered where the following adverse credit history applies; any demerit points or where the applicant has 2 or more consecutive missed payments on any other item of credit within the last 12 months. Applicants who have missed payments on payday loans will not be considered. Where an applicant has one active payday loan this must be redeemed from our new first or second charge mortgage.

Applicants with more than one active payday loan will not be considered. The only exception to this that may be considered is where an applicant is a home mover and will be redeeming all credit from the sale proceeds of their existing property. Written explanations from the applicants detailing why they have used payday loans and how the new transaction will benefit them and break the cycle of payday lending. Strictly subject to underwriter approval.

Any applicants with Home Lender loans within the last 12 months will be considered financially vulnerable and all cases will require a written explanation and be subject to Underwriter approval.

Where an applicant has taken pay day loans, the application is subject to underwriter referral with explanations from the applicant.

Purpose

Any legal purpose is accepted. However this must be clearly detailed on the Application/Enquiry form on day 1 as the purpose may affect the terms and conditions applied to the facility. Should Together establish at any stage the incorrect documentation has been issued we will request that the correct documentation be issued and the relevant regulation be applied.

Redemption Administration Fee

On redemption a fee of £150 is charged.

Repayment Types

- Capital Repayment
- Interest Only available for second charge mortgages over £25,000

Responsible Lending

If a client is re-mortgaging or redeeming a second charge it must be in the client's best interests and to their benefit.

Please check the following before submitting your application:

- It must be evident from the credit search that the Customer's financial position is stable or improving.
- The expenditure stated on the affordability assessment form should be reflected from any evidence you have seen such as bank statements before submitting the case to us.
- We would expect the stated expenditure and affordability to reflect the last 12 months credit profile for example, we wouldn't expect low expenditure and a high relative MAMR if the customer is using payday loans, are not servicing current credit commitments or they have credit card balances which are close to their credit limits. Obviously in these circumstances it may suggest that the stated expenditure is inaccurate as the credit profile infers that there is a strain on their current affordability and you should review this with all the evidence that you have and challenge the customer where their responses do not seem plausible.

Self-build Properties & Developments

Each case considered on its own merits. Strictly by underwriter approval only. Must have NHBC, Zurich or Premier Guarantee or Architect's Certificates along with a copy of the architect's indemnity details. Stage advances for self-build properties are not considered.

Shared Ownership Properties

(By referral only).

Statement of Permissions

A Statement of Permissions Form must be completed and submitted with all Together applications.

Underwriter Referral

Underwriter referral is required if the second charge mortgage amount is greater than the first charge mortgage balance.

Valuations

Must be dated within the last 2 months.

Residential Valuation Panel is available from your Business Development Executive. All valuers must be based within a 15 mile radius of the property. A specific valuer is required in some of the postcode areas surrounding London.

Audit valuations may be required if the loan amount >£50,000, LTV >60% or property value is >£500,000 or a Valuation Bypass Scheme has been used. All property valuations of £1 million or more are strictly subject to underwriter approval. We will contact any valuers or other appropriate sources regarding the valuations of a property. Should any further information be discovered which is not reflected in the

valuation or may have a detrimental effect on the value of the property, we reserve the right to reduce the loan amount or decline the case.

We require original valuations with no amendments. If amendments have been made we require all previous versions and the case will be referred and is strictly subject to Credit Committee approval.

For Sale Details: If the property is currently for sale with an estate agent, please supply a copy of the sales particulars.

The Market Valuation and projected 90 day Market Valuation should not have more than a 10% difference between them. If the difference is >10% then an underwriter approval is required.

Vulnerable Applicants

A vulnerable customer can be described as "someone who due to their personal circumstances is especially susceptible to financial detriment."

Should you have any reason to believe that an applicant is vulnerable for any reason, perhaps they have declared they have a mental health issue, are recently bereaved or they appear to have difficulty in understanding the mortgage application process, then you should take additional care to ensure that they understand the transaction and make us aware if you have any concerns about them and their mortgage application.

Please note: Cases will be reviewed by the Fraud Committee for the purpose of identifying potential fraud. This will include income and valuation fraud.

Should in our opinion any case you present be deemed to be fraudulent the case will be rejected and action taken by the Fraud Committee, which will ultimately result in your Accreditation being revoked.

Help us to help you

To ensure you contact the department you need we have devised this list of 'useful numbers'. Please refer to it before contacting us so that you will access the department to suit your requirements. Many thanks!

New Enquiries & In Principle Decisions Team

Call: 023 8045 6999 Fax: 023 8045 7999

Email: enquiries@complete-fs.co.uk

Visit our website at

www.complete-fs.co.uk