

## Landbay Lending Criteria & Packaging Requirements

Landbay is a Peer to Peer mortgage lender that specialises in buy-to-let providing finance to professional landlords.

The below information provides an outline of Landbay's criteria and packaging requirements.

### Personal Applicant Profile

We focus lending to experienced, professional and ethical landlords

Minimum – 21 at application (Maximum – 80 at end of mortgage term)

Minimum annual income: £30,000

The security address must be in England or Wales

Limited Companies: registered in England & Wales only

Current property owner

Applicant(s) must have a strong credit history. No adverse credit history in the last three years will be accepted

### Limited Companies

Both SPVs and trading companies are acceptable, the principal activity must be for buying and holding residential investment property, other purposes must be declared for our consideration.

A personal guarantee will be required from all directors and significant shareholders.

### Ex-pats

UK citizen who has been living overseas for at least 12 months.

Applicants must be resident in a European Union (EU) member state or a member state of the Financial Action Task Force (FATF).

Applicants must have at least one existing UK property let out and a UK bank account.

Minimum income of £50,000. Must be employed by a UK employer or a multi-national company with a UK presence.

### First Time Buyers

First time buyers will not be considered. First time buyers include previous property owners who have not owned a property in the last 12 months.

### First Time Landlords

First time landlords will be considered subject to having owned a main residential property for at least 12 months.

### Loan Amount

Property type	Minimum loan size	Maximum loan size
Standard	£75,000	£500,000
HMOs/MUFBs	£100,000	£500,000

### Property Value

Property type	Minimum Property Value
Standard	£100,000
HMOs/MUFBs	£200,000

### Rental Coverage

The following rental income interest ratio cover is required. The coverage is calculated using the lower of the estimated rent or actual rental income.

- 125% - Standard properties < 75% LTV.
- 135% - Standard properties > 75% LTV, First Time Landlords and Ex-pats.
- 140% - HMOs, MUFBs and properties above/adjacent to commercial.

### LTV

- 70% - Properties above/adjacent to commercial, ex-pats and ex local authority flats.
- 75% - HMOs, MUFBs, First Time Landlords, new builds and ex local authority houses.
- 80% - Standard applications.

### Tenancies

The property must be let under an Assured Shorthold Tenancy (AST). In all cases a property must be occupied by a private individual. The following types of tenancy are acceptable:

- Housing associations
- Local authorities
- Student lets
- Company lets
- Educational establishments

The following are not acceptable:

- Holiday lets
- Asylum seekers
- Defective tenancies e.g. sub-let clauses, missing notices etc

### HMOs/MUFBs

A minimum of 2 years' experience as a landlord is required.

The maximum number of bedrooms for a HMO is 10 rooms with a minimum bedroom size requirement of 10sqm. A HMO which is required to be licensed must have the appropriate license in place on completion.

There is a maximum number of 10 flats for multi-unit properties.

## Product Rates

	Term	Rate	ERC	Reversion Rate	Fee	ICR
<b>Standard</b>						
5 Year Fixed	5 Years until (or 30/06/2021)	4.99%	N/A	N/A	2%	125% @ 4.99%
Tracker	10 Years	4.57% (4% + Libor)	N/A	N/A	2%	125% @ 5.00%
<b>Expat</b>						
5 Year Fixed	10 Years	5.24%	3%/2%	5.23% (4.75% + Libor)	2%	135% @ 5.24%
<b>HMO/MUFB</b>						
5 Year Fixed	5 Years until (or 30/06/2021)	4.99%	N/A	N/A	2%	140% @ 4.99%
Tracker	10 Years	4.57% (4% + Libor)	N/A	N/A	2%	140% @ 4.57%

<sup>1</sup> Libor reset dates – 1 January / 1 April / 1 July / 1 October.

<sup>2</sup> 2% product fee of the total agreed advance at completion – this may be added to the loan (subject to it not exceeding the maximum permitted LTV).

## Application Fees

Property Value	Standard	Small HMO	Large HMO
Up to £150,000	£335.00	£580.00	£850.00
£150,001 - £200,000	£375.00	£605.00	£850.00
£200,001 - £250,000	£400.00	£605.00	£900.00
£250,001 - £300,000	£440.00	£605.00	£1,000.00
£300,001 - £400,000	£495.00	£665.00	£1,100.00
£400,001 - £500,000	£545.00	£710.00	£1,200.00
£500,001 - £600,000	£595.00	£770.00	£1,300.00
£600,001 - £700,000	£645.00	£810.00	£1,400.00
£700,001 - £800,000	£700.00	£910.00	£1,500.00
£800,001 - £900,000	£755.00	£975.00	£1,600.00
£900,001 - £1,000,000	£820.00	£1,020.00	£1,800.00
Over £1,000,000	Quote	Quote	Quote

<sup>1</sup> Application fee includes a £150 administration fee which is non-refundable.

<sup>2</sup> An application will not be accepted until the application fee has been paid.

## Legal Fees

	Remortgage	Purchase
<b>Standard</b>	£150	£350
<b>HMO</b>	£300	£550

<sup>1</sup> Legal fees based on dual representation using a firm of solicitors on Landbay's approved panel.

<sup>2</sup> Legal fees stated above are for individual applications. Ltd Company applicants will incur a further £200 fee.

<sup>3</sup> Legal fees quoted above is an estimate which excludes VAT and disbursements – the total fees for conveyancing may be higher.

<sup>4</sup> These fees are payable on completion and are non-refundable.

<sup>5</sup> Other charges may be applied subject to the property and client requirements.

### **Application process**

To ensure that we can issue a prompt Decision in Principle, we require all information to be submitted at the same time. The application process is simple and as follows:

1. Landbay receives the mortgage application pack, payment, reviews the details and issues a Decision in Principle within 24 hours where applicable. Application pack should include: application form, details of income, bank statements and property portfolio;
2. Once Landbay has received confirmation from the applicant that they wish to proceed to the valuation stage, we will instruct our panel manager to arrange the valuation;
3. The offer will be issued by email to the applicant and solicitor within 24 hours of receipt of an acceptable valuation report assuming all further required information has been received.
4. Solicitors will be instructed once a signed copy of the mortgage offer has been received.

### **About Landbay**

Landbay is a buy-to-let mortgage lender which operates using a peer-to-peer finance mechanism in order to maximise returns for UK property investors. Since launching into the market, Landbay has challenged the way traditional banks and building societies lend by bringing borrowers and investors closer together. Landbay's vision is to be the UK's most innovative mortgage marketplace, providing a suite of products for customers to meet their goals of prospering from British homes, both from an investor and borrower side.