

# EXPAT MORTGAGES FOR UK BUY TO LET



## Are you a British expat looking to purchase a buy-to-let property in the UK?

If you are seeking an investment property, perhaps as part of your pension planning, then Skipton International could help.

With UK housing demonstrating long-term price inflation, purchasing a property whilst living abroad often makes financial sense.

Skipton International is a leading Guernsey bank, and a subsidiary of Skipton Building Society. We are one of the Channel Islands' favourite lenders and serve savings customers resident in more than 100 countries around the world.

Skipton International prides itself on fast processing times and an understanding of the needs of British Expatriates. We offer a very personal service from experienced staff who will guide you through the house purchasing process.

Completo



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INTERNATIONAL**

## Obtaining a mortgage as an expat isn't always easy, but if you're currently working and living outside of the UK, want to purchase a property back home as an investment and can say YES to all the following questions, then we would love to talk with you about your requirements:

- Are you or your joint applicant a British passport holder with 'British Citizen' noted in the nationality section of your passport?
- Are you or your partner (if applicable) a UK expat and will you still be expat at the time the mortgage completes?
- Do you want to buy in England or Wales?
- Is the property for buy-to-let purposes only and not for you or a family member to live in, or to support a property purchase for a UK resident?
- Can you confirm that you do NOT plan to live in the property in the future?
- Are you looking to borrow between £100k and £1.5m, per property, up to a maximum lending amount of £1.5m per customer?
- The type of property you're looking to purchase is not on our 'unacceptable properties'\* list?
- If in employment are you or your joint applicant employed by a clearly identifiable well established employer?
- Is your earned income or pension income over £40k or the equivalent of £50k p.a. if paid in a local currency? Any probationary period must be passed prior to applying.
- If self employed, can you provide evidence that annual income is in excess of £60k p.a. sterling/ £75k p.a. currency equivalent, and confirmed by one of Skipton's accountancy firms\*\*?
- Can you provide 3 months of pay slips and your employment or pension contract in English?
- Can you provide 3 months of bank statements into which your salary/pension is paid?
- Do you have a UK bank or building society account from which direct debits can be arranged to pay your mortgage?
- Will the property be let on a short / long term Tenancy Agreement and not used as a holiday let, House in Multiple Occupancy or bedsit?
- If you currently own other properties which are mortgaged, can you provide 12 months of mortgage statements for each property?
- Can you provide 5 years of consecutive address history and your last UK address?
- Have you never been declared bankrupt, insolvent, or equivalent or no such action is pending?
- Can you confirm that you have never entered into any arrangement with creditors or are party to a voluntary arrangement?
- Can you confirm that you have not had a Court Order (or equivalent) made against you for debt or that no such action is pending?
- Can you confirm that you have not (voluntary or otherwise) had a property repossessed by a lender or entered into an arrangement for mortgage arrears?
- Are you currently living or working in a country which does not appear on our restricted list?\*\*\*

If you can answer "yes" to all of the above and you would like a mortgage on a property with a maximum loan to value of 75%, which you want to rent out, the next step is to complete the mortgage application form, collate the supporting documentation and send to us at the address at the end of this leaflet.



## Example

Graeme and Sally Clark are currently living in Germany where Graeme works for a large international car manufacturer.

At present they don't have a property in the UK and although Graeme has some pension plans in place, he's keen to purchase a house which will acquire rental income and hopefully appreciate in value providing a good investment for his retirement.

They want to purchase a house in Cardiff for £200,000 to rent out. To purchase this property with a Skipton International mortgage of £150,000 (75% LTV) will require an annual rental income of £11,250 per annum to cover mortgage payments. If the rental was lower a smaller mortgage would be

available or a 5 year fixed rate mortgage might be suitable, as its interest rate may support a larger mortgage (please ask for details).

They will also need deposit of at least 25% or £50,000 (or more if the rent was insufficient to support a loan of 75% LTV).

Prior to purchase, the property value and rental yield will be confirmed by a Skipton International surveyor and confirmation of Graeme's salary will also be needed, written in English.

(A calculation rate of 6.0% and a rental cover of 125% was used, eg: £150,000 x 6.0% x 125% = £11,250.)

## \*Unacceptable properties

1. Properties in the course of construction. The property must be complete before a mortgage offer letter is issued.
2. Houses/Flats registered as houses in multiple occupancy (HMO).
3. Grade A / Grade 1 Listed properties.
4. Any properties affected by invasive plant species e.g. Knotweed.
5. Flats over 5 floors with no access to a lift.
6. Ex-local Authority flats exceeding 5 floors or exceeding 48 units in the block.
7. Studio flats / Deck Access flats / gallerised (mezzanine) flats / bed sits / student lets / holiday lets.
8. Thatched properties.
9. Properties that comprise more than one independent unit of accommodation (annexes, wings etc)



**\*\*If you are self employed, verification of your income is required. This can be done by one of the 13 leading accountancy firms and networks which are listed below:**

- Price Waterhouse Coopers (PwC)
- Deloitte
- Ernst & Young (EY)
- KPMG International
- BDO
- Grant Thornton International
- RSM International
- Baker Tilly International
- Crowe Horwath International
- PKF International
- Moore Stephens International
- HLB International
- UHY International

Two years accounts will be required and an average figure will be taken. However, if the second year's income figure is lower than the previous year's income figure, the latter figure will be used for the mortgage application.

### **Loan to value parameters**

Our criteria on maximum loans for residential properties are as follows (subject to product conditions):

<b>Loan Amount</b>	<b>Maximum LTV</b>
Up to £450,000	75%
£450,001 - £750,000	70%
£750,001 - £1,000,000	60%
£1 million - £1.5 million	50%

**\*\*\*Skipton will not accept applications from clients resident in the following countries:**

Afghanistan	Guinea (Republic of)	Nigeria
Albania	Guinea – Bissau	Pakistan
Algeria	Guyana	Palestine
Angola	Haiti	Panama
Argentina	Honduras	Papua New Guinea
Australia	Indonesia	Paraguay
Azerbaijan	Iran	Russia
Bangladesh	Iraq	Rwanda
Belarus	Ivory Coast	Serbia
Belize	Kazakhstan	Seychelles
Bolivia	Kenya	Sierra Leone
Bosnia	Kosovo	Somalia
Burkina Faso	North Korea	South Africa
Burundi	Kyrgyzstan	Sudan
Cambodia	Lao PDR	South Sudan
Cameroon	Lebanon	Swaziland
Cape Verde Islands	Lesotho	Syria
Central Africa	Liberia	Tajikistan
Chad	Libya	Tanzania
Comoros	Madagascar	Timor-Leste
Democratic Republic of Congo	Malawi	Togo
Cuba	Mali	Tunisia
Djibouti	Marshall Islands	Turkmenistan
Dominican Republic	Mauritania	Turks and Caicos
Ecuador	Moldova	Uzbekistan
Egypt	Mozambique	Uganda
Eritrea	Myanmar	Ukraine
Ethiopia	Namibia	Venezuela
Gambia	Nepal	Vietnam
Gaza	Nicaragua	Yemen
Equatorial Guinea	Niger	Zambia
Guatemala		Zimbabwe

Skipton reserves the right to adjust the restricted country list as necessary.

**023 8045 6999**  
**www.complete-fs.co.uk**



**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.**

This mortgage is for British nationals living abroad only; residents of the UK are not permitted to obtain a mortgage from Skipton International but should apply to Skipton Building Society ([www.skipton.co.uk](http://www.skipton.co.uk)). Also, Skipton International cannot provide mortgages where the applicants are planning to occupy the property on a future return to the UK, even if it is held as a Buy to Let investment in the interim. Registered Office: Tudor House, The Bodge, St. Peter Port, Guernsey, GY1 6DS. Minimum age 18 years. All mortgages are subject to status and valuation. Skipton International Limited requires a first charge on the property. To help maintain service and quality, telephone calls may be recorded and monitored.

Effective from: 14 September 2016