

# YOUR GUIDE TO OUR PRODUCTS & PROCESSES

May 2024

YBS Intermediary use only



**CompleteFS**  
Your specialist packager distributor

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Business  
**Moneyfacts®**  
Awards 2023

**Best Service from a Commercial  
Mortgage Provider**

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*YBS Commercial Mortgages is a relationship-led lender, with a focus on a dedicated personal service. Backed by the Yorkshire Building Society, we are a strong and stable lending partner, helping you deliver your clients long-term mortgage solutions”*

Mike Davies, Head of Business Development



Best Service from a Commercial  
Mortgage Provider

# COMMERCIAL FIXED RATE £1M+



Borrower Type	Asset Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <i>Paid by YBS</i>	Min. Loan	Max. Loan	Repayment Type	ERCs	Serviceability Assessment <i>Lower of Market / Passing Rent</i>
Commercial												Fixed Rate Product
Individual, Partnership, Limited Company, LLP	We have broad sector interest, we are particularly interested in the warehousing and distribution sectors, clean manufacturing businesses and good quality offices.	65%	5 Year Fixed Rate	Up to 25 Years	7.25%	2%	1%	£1m	£3m	Interest Only  <i>Reverts to C&amp;I / Repayment</i>	5%, 4%, 3.5%, 2.5%, 2%	Rent to provide 125% ICR at 6% OR Pay Rate +1.5%  &  Rent to provide 100% Debt Service at higher of 7% OR Pay Rate + 1.5%
	Contact your Relationship Director or BDM to discuss full sector eligibility and max LTV.  We seek to support deals that involve: Properties which compare well against local assets, yields between 6% and 8.5%, good quality tenants and leases, modern construction	75%			6.99%					C&I / Repayment	5%, 4%, 3.5%, 2.5%, 2%	
Key Criteria												
• All borrowers must comprise 100% UK ownership and UK residency							• All products will revert to commercial SVR rate at the end of the 5 year fixed term • YBS do not lend against specialist properties which may include, but are not limited to: Properties with no alternative use, specialist leisure, developments or partially built property, properties with restrictions on place that could affect future resale, agricultural, nursing/care homes, nightclubs, hotels/B&B’s/hostels and sale of motor vehicles (car showrooms) • Properties with and EPC lower than an E are not acceptable					
• Maximum 10-year commitment for loans over £2m												
• A 0.25% commitment fee must be paid to secure the rate												
• All asset types on interest only loans will be capped at 65% LTV												

# COMMERCIAL FIXED RATE £300K-£1M



Borrower Type	Asset Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <i>Paid by YBS</i>	Min. Loan	Max. Loan	Repayment Type	ERCs	Serviceability Assessment <i>Lower of Market / Passing Rent</i>
Commercial												Fixed Rate Product
Individual, Partnership, Limited Company, LLP	We have broad sector interest, we are particularly interested in the warehousing and distribution sectors, clean manufacturing businesses and good quality offices.	65%	5 Year Fixed Rate	Up to 25 Years	7.55%	2%	1%	£300K	£1m	Interest Only  <i>Reverts to C&amp;I / Repayment</i>	5%, 4%, 3.5%, 2.5%, 2%	Rent to provide 125% ICR at 6% OR Pay Rate +1.5%  &  Rent to provide 100% Debt Service at higher of 7% OR Pay Rate + 1.5%
	Contact your Relationship Director or BDM to discuss full sector eligibility and max LTV.  We seek to support deals that involve: Properties which compare well against local assets, yields between 6% and 8.5%, good quality tenants and leases, modern construction	75%			7.40%					C&I / Repayment	5%, 4%, 3.5%, 2.5%, 2%	
Key Criteria												
• All borrowers must comprise 100% UK ownership and UK residency							• All products will revert to commercial SVR rate at the end of the 5 year fixed term • YBS do not lend against specialist properties which may include, but are not limited to: Properties with no alternative use, specialist leisure, developments or partially built property, properties with restrictions on place that could affect future resale, agricultural, nursing/care homes, nightclubs, hotels/B&B’s/hostels and sale of motor vehicles (car showrooms) • Properties with and EPC lower than an E are not acceptable					
• Maximum Loan of £1m												
• A 0.25% commitment fee must be paid to secure the rate												
• All asset types on interest only loans will be capped at 65% LTV												

# COMMERCIAL TRACKER



Borrower Type	Asset Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan	Repayment Type	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
Commercial Investment												Tracker Product
Individual, Partnership, Limited Company, LLP	Non-essential retail businesses, real estate activities, wholesale retail, cafes/coffee shops, maintenance of motor vehicles, pubs and restaurants, arts, entertainment and recreation e.g. gyms and soft play, travel agencies, professional practices, children’s day-nurseries, cafés/coffee shops, takeaways, essential retail businesses, offices, warehouses & industrial properties.	75%	Term Tracker	Up to 25 Years	Bespoke	2%	1%	£300K	£5m	C&I Repayment (standard) Part & Part (refer) Interest Only (refer)	3%, 3%, 3%, 2.5% 2%	Rent to provide 125% ICR at 6% OR Pay Rate +1.5%.  &  Rent to provide 100% Debt Service at higher of 7% / Pay Rate +2.25.%
Key Criteria												
• All borrowers must comprise 100% UK ownership and UK residency						• Interest Only up to max. 5 years and not available for pure retail assets • The maximum LTV on a retail investment property where the sole rental income is from a tenant in the retail, financial services or bookmakers sector must not exceed 65% • Also available for semi commercial assets • Properties with and EPC lower than an E are not acceptable						
• LTVs are subject to sector specific criteria, properties need to have an alternative use												
• Maximum 10 year commitment for loans over £2m												
• All products will revert to commercial SVR rate												

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# SEMI-COMMERCIAL FIXED RATE



Borrower Type	Asset Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee Paid by YBS	Min. Loan	Max. Loan	Repayment Type	ERCs	Serviceability Assessment Lower of Market / Passing Rent
Semi-Commercial												Fixed Rate Product
Individual, Partnership, Limited Company, LLP	Semi-Commercial with more than 50% capital value from residential element	70%	5 Year Fixed Rate	Up to 25 Years	6.60%	3%	1%	£500k	£5m	Interest Only  Reverts to C&I Repayment	5%, 4%, 3.5%, 2.5%, 2%	Rent to provide 125% ICR at 6% OR Pay Rate +1.1% & Rent to provide 100% Debt Service at higher of 7% / Pay Rate + 1.5%
		60%			6.55%	2%						

## Key Criteria

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• All borrowers must comprise 100% UK ownership and UK residency</li> </ul>         | <ul style="list-style-type: none"> <li>• Occupational or business leases are not permitted</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Maximum 10-year commitment for loans over £2m</li> </ul>                          | <ul style="list-style-type: none"> <li>• YBS do not lend against specialist properties which may include, but are not limited to: Properties with no alternative use, specialist leisure, developments or partially built property, properties with restrictions on place that could affect future resale, agricultural, nursing/care homes, nightclubs, hotels/B&amp;B's/hostels and sale of motor vehicles (car showrooms)</li> </ul> |
| <ul style="list-style-type: none"> <li>• Maximum 10 year term for interest only loans on the fixed rate product</li> </ul> |   |
| <ul style="list-style-type: none"> <li>• Property must be located in England and Wales</li> </ul>                          |   |

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# BUY TO LET: £1M +



Borrower Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
Corporate BTL											
Limited Company / LLP	65%	5 Year	Up to 25 Years	4.90%	3%	0.75%	£1m +	£20m	SVR	5%, 4%, 3.5%, 2.5%, 2%	125% ICR at higher of 4% or Pay Rate
				5.10%	2%						
	75%	5 Year		5.10%	3%						
				5.30%	2%						
Large Personal BTL											
Personal Name <small>Up to 4 applicants</small>	65%	5 Year	Up to 25 Years	4.90%	3%	0.75%	6+ Properties or £3m or 11+ mtg properties in personal portfolio.	£20m	SVR	5%, 4%, 3.5%, 2.5%, 2%	140% ICR at higher of 4% or Pay Rate +0.5%
				5.10%	2%						
	75%	5 Year		5.10%	3%						
				5.30%	2%						

## Key Criteria

- |  |  |
|--|--|
| • All borrowers must comprise 100% UK ownership and UK residency | • Maximum number of security units within a single block of flats is value of £10m                 |
| • 65% LTV cap for new build flats                                | • We lend against a block value when lending to 5 or more properties in the same block or postcode |
| • Maximum 10-year commitment for loans over £2m                  |  |
| • 2% and 3% arrangement fees available                           | • Minimum flat size is 35sqm   |

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# BUY TO LET: £500K - £1M



Borrower Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
Corporate BTL											
Limited Company / LLP	65%	5 Year	Up to 25 Years	5.25%	2%	0.75%	£500k	£1m	SVR	5%, 4%, 3.5%, 2.5%, 2%	125% ICR at higher of 4% or Pay Rate
	75%	5 Year		5.45%							
Large Personal BTL											
Personal Name <small>Up to 4 applicants</small>	65%	5 Year	Up to 25 Years	5.25%	2%	0.75%	6+ Properties or 11+ mtg properties in personal portfolio.	£1m	SVR	5%, 4%, 3.5%, 2.5%, 2%	140% ICR at higher of 4% or Pay Rate +0.5%
	75%	5 Year		5.45%							

## Key Criteria

- |   |  |
|---|--|
| • All borrowers must comprise 100% UK ownership and UK residency    | • Maximum number of security units within a single block of flats is value of £10m                 |
| • 65% LTV cap for new build flats                                   | • We lend against a block value when lending to 5 or more properties in the same block or postcode |
| • Maximum 10-year commitment for loans over £2m                     |  |
| • Interest Only (can offer repayment or part and part if preferred) | • Minimum flat size is 35sqm   |

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# BUY TO LET TRACKER



Borrower Type	Max LTV	Tracker	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
Corporate BTL											
Limited Company / LLP	75%	3 Year	Up to 25 Years	BBR + 1.50%	2%	0.75%	500K	£20m	SVR	3% 2.5% 1%	125% ICR at higher of 4% or pay rate + 1%.
Large Personal BTL											
Personal Name <small>Up to 4 applicants</small>	75%	3 Year	Up to 25 Years	BBR + 1.50%	2%	0.75%	6+ Properties or £3m or 11+ mtg properties in personal portfolio.	£20m	SVR	3% 2.5% 1%	140% ICR at higher of 4% or pay rate + 1.50%.

Key Criteria	
<ul style="list-style-type: none"><li>• All borrowers must comprise 100% UK ownership and UK residency</li></ul>	<ul style="list-style-type: none"><li>• Maximum number of security units within a single block of flats is value of £10m</li></ul>
<ul style="list-style-type: none"><li>• 65% LTV cap for new build flats</li></ul>	<ul style="list-style-type: none"><li>• We lend against a block value when lending to 5 or more properties in the same block or postcode</li></ul>
<ul style="list-style-type: none"><li>• Maximum 10-year commitment for loans over £2m</li></ul>	
<ul style="list-style-type: none"><li>• Interest Only (can offer repayment or part and part if preferred)</li></ul>	<ul style="list-style-type: none"><li>• Subject to a floor of 1.50%</li></ul>

# HOLIDAY LET



Borrower Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan <small>Per Unit</small>	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
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## Holiday Let

Limited Company and Personal Names	75%	5 Year	Up to 25 Years	<b>5.55%</b>	2%	0.75%	£400k	£1.5m	SVR	5%, 4%, 3.5%, 2.5%, 2%	Net Income <sup>1</sup> to provide 125% ICR at higher of 5% or Pay Rate +1%
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<sup>1</sup>Net Income = Gross Holiday Let income, less actual letting agent costs, less business rates (if payable)

## Key Criteria

• All borrowers must comprise 100% UK ownership and UK residency	• Owner stays allowed up to 90 days p.a.
• 65% LTV cap for new build flats	• Properties can be let on an Airbnb basis as well as conventional weekly holiday lets
• Maximum 10-year commitment for loans over £2m	• Letting demand as a holiday let needs to be established
• Standard construction only	• The property should be able to be sold as a residential property
• Suitable for both AST & holiday let	• Acceptable locations, properties in established tourist destinations; affluent coastal areas, National Parks and city centres
• No occupancy restrictions	

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# HOUSES IN MULTIPLE OCCUPATION



Borrower Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan <small>Per Unit</small>	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
HMO											
Limited Company, LLP or Personal Names	65% MV & 75% VP	5 Year	Up to 25 Years	5.60%	2%	0.75%	£500k	£1.5m	SVR	5%, 4%, 3.5%, 2.5%, 2%	Ltd Co - 130% ICR at higher of 4% and Pay Rate  Personal - 150% ICR at Pay Rate +0.5%

Key Criteria	
• All borrowers must comprise 100% UK ownership and UK residency	• Minimum property value is £350,000
• 65% LTV cap for new build flats	• Property must have an alternative use, can not lend against purpose built student accommodation
• Maximum 10-year commitment for loans over £2m	
• Interest Only (can offer repayment or part and part if preferred)	• Rent serviceability excludes bills
• Maximum number of bedrooms is 12	• Funds to be secured against a good quality assets in locations with good rental demand

# ICR BOOST

Borrower Type	Max LTV	Fixed Term	Loan Term	Pay Rate	Arr. Fee	Proc. Fee <small>Paid by YBS</small>	Min. Loan	Max. Loan <small>Per Unit</small>	Reversion Rate	ERCs	Serviceability Assessment <small>Lower of Market / Passing Rent</small>
ICR Boost											
Limited Company only	65%	5 Year	Up to 10 Years	<b>5.10%</b>	2.5%	0.75%	£2m	£20m	SVR	5%, 4%, 3.5%, 2.5%, 2%	Net Income <sup>1</sup> to provide 110% ICR at higher of 4% & Pay Rate  Portfolio 125% ICR AT 6% Pay Rate

## Key Criteria

- |   |  |
|---|--|
| ▪ Available on BTL only .   | ▪ Wider portfolio max 65% LTV.   |
| ▪ All borrowers must comprise 100% UK ownership and UK residency. | ▪ Wider portfolio to meet 125% ICR at 6% pay rate after the deduction of the shortfall from the property borrowing is for. |
| ▪ Maximum 10-year commitment for loans over £2m.                  | • Customer needs to have investment property assets of at least £20m.  |
| ▪ Available for refinance and capital raise only.                 | ▪ 25% Personal Guarantee required.   |

# LANDLORD EXPERIENCE & EXPOSURE



Maximum Landlord Exposure			
Product Line	Borrower Status	YBS Definition	Maximum Exposure
Corporate BTL, Personal BTL and Holiday Lets	Non-Professional BTL Landlords	Applicants with less than 4 years BTL landlord experience or who own less than 4 residential investment properties/letting units	£2m
	Professional BTL Landlords	Applicants with 5+ years BTL landlord experience or who own 15 or more residential investment properties/letting units	£20m
HMO	Experienced HMO Landlords	Applicants with 1+ years HMO landlord experience (within the last 24 months)	£5m

Maximum Customer Exposure (by Product)				
Borrower Status	Corporate BTL / Large Personal BTL / Holiday Lets	HMOs	Semi-Commercial / Commercial Investment	Combined
New YBS Commercial Mortgages Customer	£20m	£5m	£20m	£20m
Existing YBS Commercial Mortgages Customer (<3 Years Track Record)	£20m	£5m	£20m	£20m
Existing YBS Commercial (>3 Years Track Record) Mortgages Customer	£20m	£5m	£20m	£20m



# DOCUMENTS NEEDED

## Initial Documents Needed:

**1. YBS Commercial  
Mortgages Application Form**

Fully complete, signed &  
dated submitted via  
our broker portal

**2. Last three  
months business bank  
statements**

Personal statements may be  
required upon  
request

**3. Latest three  
years full business accounts  
for Borrower & associated  
businesses**

from which income is  
derived from

**4. Copy of tenancies  
for proposed security  
properties**

**5. Evidence of source  
of deposit contribution**

**6. Existing mortgage  
statement (s)  
refinances**

**7. Source of Wealth  
Statement  
upon request**