



Secured loans

PRODUCT GUIDE | JUNE 2024

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Selina Finance Limited is authorised and regulated by the Financial Conduct Authority (FRN 820183). Our Registered address is HYLO, 103-105 Bunhill Row, London EC1Y 8LZ.

Product matrix

Selection of flexible (HELOC) and traditional options (Homeowner Loan)

Plan	Product name	Rate type	Rates for LTVs up to						Max term	Flexible period	Product fee	ERCs
			60%	65%	70%	75%	80%	85%				
Status 0	Selina HELOC	Variable	+4.24%	+4.24%	+4.34%	+4.44%	+5.64%	+7.54%	30 years	5 years	£1,395	None
	Selina Homeowner Loan	Variable	+3.99%	+3.99%	+4.09%	+4.19%	+5.39%	+7.29%	30 years	n/a	£995	None
		2 Yr Fixed (reversion rate)	8.19% (+3.99%)	8.19% (+3.99%)	8.29% (+4.09%)	8.39% (+4.19%)	9.59% (+5.39%)	11.49% (+7.29%)			£995	2%, 1%
		5 Yr Fixed (reversion rate)	7.79% (+3.99%)	7.79% (+3.99%)	7.89% (+4.09%)	7.99% (+4.19%)	9.19% (+5.39%)	11.09% (+7.29%)			£995	5%, 4%, 3%, 2%, 1%
		5 Yr Fixed WOERC (reversion rate)	8.49% (+3.99%)	8.49% (+3.99%)	8.59% (+4.09%)	8.69% (+4.19%)	9.89% (+5.39%)	11.79% (+7.29%)			£995	None
Gross loan amount (min - max)	£10k - £500k						£25k - £250k					
Available on			Second charge only									

Notes:

Variable and reversion rates expressed as a margin over the Bank of England Base Rate.

Adverse criteria

Status 0 and Status 1 plans

Plan	Secured arrears	Other arrears	CCJs/Defaults		Payday loans	Bankruptcy/IVA	DMP	DRO/DAS	Repossession
			Satisfied	Unsatisfied					
Status 0	0 missed payments in 12m	2 missed payments in 12m (allowed on multiple items of credit)	0 > £500 in 24m		0 in 24m	Not accepted	Accepted if in place for 12 months with no missed payments and being consolidated	Not accepted if in current DRO/DAS (see Note 1)	0 in 72m
	UTD	Must be consolidated if outstanding arrears	Excludes individual CCJs/ Defaults below £500 subject to total in last 72 months of no more than £5,000						
Status 1 (one element allowed)	0 missed payments in 12m	Ignored if UTD or being consolidated	1 > £500 in 24m		0 in 12m	Not accepted	Accepted if in place for 12 months with no missed payments and being consolidated	Not accepted if in current DRO/DAS (see Note 1)	0 in 72m
	Max 1 outstanding		Excludes individual CCJs/ Defaults below £500 subject to total in last 72 months of no more than £5,000						
<i>Excludes communications, utilities, mail order</i>									

Minimum credit accounts

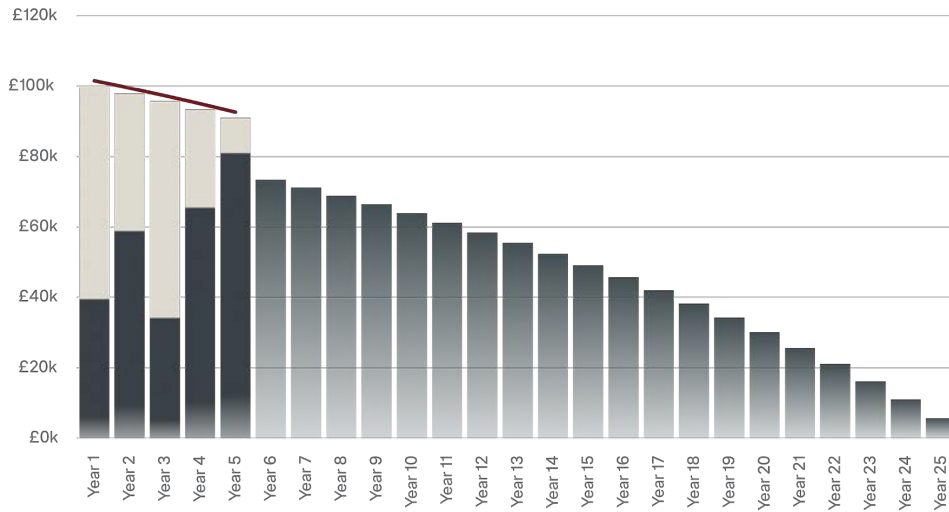
Second charge	1 bank account, 1 mortgage
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Notes:

1. Debt Recovery Scheme/Debt Arrangement Scheme.

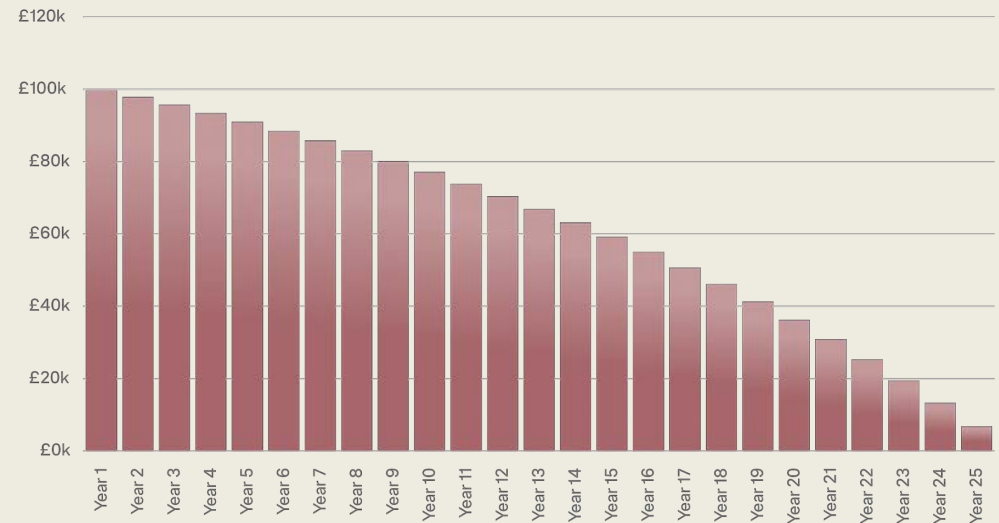
Products available

Selina HELOC



- HELOC balance**
Can flex up and down as needed over the first 5 years
- Available funds**
Interest paid on funds drawn down, not full credit limit
- Credit limit**
Gradually reduces over the term (amortisation)

Selina Homeowner Loan



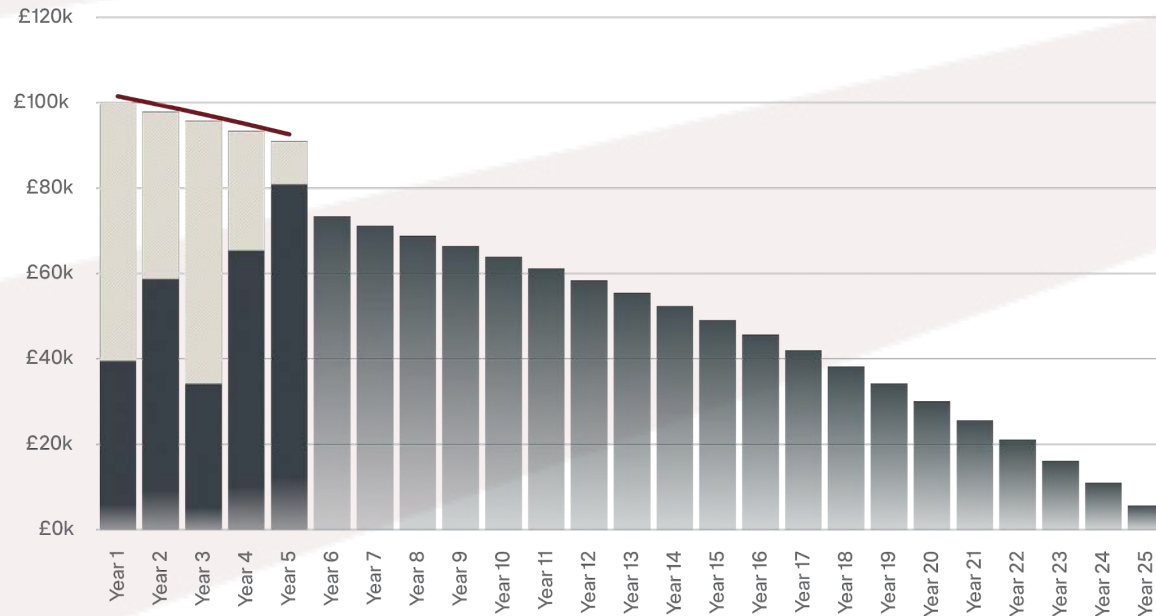
- Homeowner loan balance**
Reduces as monthly repayments are made

Drawdown	Withdraw and repay funds during 5 year flexible period*	One up-front lump sum
Flexible period	5 years	Not applicable
Typical loan purposes	Business purposes, school fees, large scale home improvements, contingency	Debt consolidation, home improvements, BTL purchase, vehicle purchase
Term	5 - 30 years	5 - 30 years
Monthly repayments	Calculated of funds withdrawn	Calculated on full loan amount
Interest paid	Only paid on funds withdrawn	On full loan amount
ERCs	None	Product dependent

*Minimum withdrawal at completion is equal to any fees added to the loan

How it works: HELOC

Flexible borrowing with a Home Equity Line of Credit



HELOC balance
Can flex up and down as needed over the first 5 years

Available funds
Interest paid on funds drawn down, not full credit limit

Credit limit
Gradually reduces over the term (amortisation)

Reasons a HELOC could be a great option for your customers

Flexibility

Draw, repay and redraw funds during the first 5 years. Perfect for:

- School fees
- Business purposes
- Large scale home improvements
- Contingency

Savings

Only pay interest on funds drawn down, not the full credit limit. Monthly repayments adjust up/down when customers draw/repay.

Planning

Add some headroom on the HELOC. Draw additional funds if needed (e.g. going over budget on home renovations).

Notes:

Contingency purpose can be included subject to underwriting.



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Product terms

Property

Location	Minimum ownership	Minimum value	Second homes	Tenure	Referral
England, Wales, Mainland Scotland	No minimum	£100k, except where: <ul style="list-style-type: none"> • Flats with 5 or more floors: min value £150k • Flats above commercial properties: min value of £150k and maximum LTV of 60% 	Accepted	<ul style="list-style-type: none"> • Freehold • Leasehold (subject to 55 years remaining at end of the term) 	Non standard construction, properties requiring major renovation, and self builds

Affordability

Income types accepted	Assessment
<p>Employed Guaranteed income: 100% Bonus/overtime/commission: 100% Zero-hour contract income (2nd job only): 100%</p> <p>Self-employed Contractor annualised day rate: 100% Sole trader: 100% of net profit Limited company: 100% director salary, dividends</p> <p>Pension: 100% Property income: 90% Acceptable benefits: 100%</p>	<p>Minimum income No minimum income</p> <p>Max DTI 45%</p> <p>Max LTI 6.5x (6.0x for Status 1 applications)</p>

Commission

Procuration fee	Clawbacks
HELOC: up to 2% on net drawdowns made in first 12 months	Non-ERC products: 100% on overpayments/early redemption in first 12 months
Homeowner Loan: up to 2% on net loan amount	ERC products: 100% on overpayments/early redemption in first 6 months; 50% in months 7-12

Valuations

Second charge

Property value	Hometrack confidence	Valuation and AVM criteria for LTVs up to					
		50%	65%	70%	75%	80%	85%
Up to £500k	<4	Full RICS inc drive-by					Full RICS only
	4 - 4.9	✔ Hometrack	Full RICS inc drive-by				
	5 - 5.9	✔ Hometrack			Full RICS inc drive-by		
	6+	✔ Hometrack					
Up to £1m	< 4	Full RICS inc drive-by					Full RICS only
	4 - 4.9	✔ Hometrack	Full RICS inc drive-by				
	5 - 5.9	✔ Hometrack			Full RICS inc drive-by		
	6+	✔ Hometrack					Full RICS inc drive-by
£1m+	< 5	Full RICS only					
	5 - 5.9	✔ Hometrack	Full RICS only				
	6+	✔ Hometrack			Full RICS only		

Notes:

Drive-bys accepted where Hometrack accepted except on £1m+ properties (can be referred if located within Inner London and valued no greater than £1.5m).

Where Hometrack confidence is up to 0.2 below the required level, we may accept the lowest value in the Hometrack valuation range on referral.



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