

Solutions Product Guide

31st October 2024

For Ltd Co, Ex-pats, individual, portfolio and non-portfolio landlords.

- Solutions by Foundation offers buy to let options for more complex applicant and property scenarios
- **New** 5 year fixed 75% LTV Expat products now available for HMO Plus and MPOTs with rates starting from 6.79% with a 2% fee



For intermediary use only.

BBR is set at 5.00% as of 1st August 2024.

Products at a glance

Quick Overview

S2 Product Range – For clients financing a more specialist property type and/or those with some historical blips on their credit rating

APPLICANT TYPE	S2 product
Individual	✓
Individual - Consumer Buy to Let	✓
Limited Company	✓
Portfolio landlord	✓
Ex-Pats	✓
PROPERTY TYPE	
HMO Plus up to 6 occupants/bedrooms	✓ (HMO Plus specific products only)
Multiple Properties One Title (MPoT)	✓ (MPoT specific products only)
Mixed Use	✓ (Mixed Use specific products only)

CREDIT CRITERIA	S2
All defaults and CCJs/Court Decree must be satisfied irrespective of when they occurred	No defaults or CCJs/Court Decree registered in the last 24 months, regardless of whether they have been satisfied.
Secured loans	A worst status of 0 in the last 24 months.
Unsecured arrears	A worst status of 2 in the last 24 months with a status of 0 in the last 12 months.
Credit Cards, Mail Order, Comms and Utilities	A worst status of 3 in the last 24 months. Up to date on application.
Bankruptcy/Sequestration/ IVA/CVA/Admin Order	None registered.

HMO Plus | For landlords requiring a more specialist property type



HMO Plus

S2 - HMO Plus	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	7.04% 7.14%	65% 75%	2.00%	£2m £1.5m	Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%. And both stress tested as per table below.	3%, 2%
5 Year Fixed	6.39% 6.59%	65% 75%	2.00%	£2m £1.5m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

Products designed for HMOs up to 6 Occupants requiring a Commercial valuation.

HMO Plus Expat

S2 - HMO Plus Expat	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
5 Year Fixed	6.79%	75%	2.00%	£1.5m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

For UK Expats applying either as individuals or through a Limited Company and looking to purchase or remortgage a property in the UK.

AFFORDABILITY ASSESSMENT	
Short term fixed rates and variable rates	Higher of pay rate+2% or 6%
5+ year fixed rates	Pay rate

All loans revert to BBR+4.99%.

Multiple Properties on One Title (MPOT) | For landlords requiring a more specialist property type



Multiple Properties on One Title

S2 - MPOT	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	6.94% 7.14%	65% 75%	2.00%	£3m £2m	Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%. And both stress tested as per table below.	3%, 2%
5 Year Fixed	6.59% 6.69%	65% 75%	2.00%	£3m £2m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

Products designed for Multiple Properties (max 4) on a Single Freehold Title | Minimum loan size £100,000 | Properties may be let on a standard AST, short-term or holiday let basis.

Holiday Lets max 65% LTV on all products.

MPOT Expat

S2 - MPOT Expat	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
5 Year Fixed	6.89%	75%	2.00%	£2m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

For UK Expats applying either as individuals or through a Limited Company and looking to purchase or remortgage a property in the UK.

AFFORDABILITY ASSESSMENT	
Short term fixed rates and variable rates	Higher of pay rate+2% or 6%
5+ year fixed rates	Pay rate

All loans revert to BBR+4.99%.

Mixed Use Products | For landlords requiring a more specialist property type

Mixed Use

S2 - Mixed Use	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	7.19%	70%	2.50%	£3m	Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%. And both stress tested as per table below.	3%, 2%
5 Year Fixed	7.04%	70%	2.50%	£3m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

For properties with Residential and Commercial components combined, where Residential Valuation and Rental Income are both in excess of 60% of total for the property.

Mixed Use Expat

S2 - Mixed Use Expat	Initial Rate %	Max LTV	Fee	Max Loan	ICR	ERCs
5 Year Fixed	7.24%	70%	2.50%	£3m	Ltd Co/Basic rate tax payer: 125% x pay rate Higher rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

For UK Expats applying either as individuals or through a Limited Company and looking to purchase or remortgage a Mixed Use property in the UK.

AFFORDABILITY ASSESSMENT	
Short term fixed rates and variable rates	Higher of pay rate+2% or 6%
5+ year fixed rates	Pay rate

All loans revert to BBR+4.99%.

General criteria

APPLICATION CRITERIA	INDIVIDUAL	LIMITED COMPANY
Application Fee (non-refundable)	£199.	
Overpayments	Yes, up to 10% in any one year.	
Maximum number of applicants	2.	4.
Age	21 years at inception to 85 years at term end.	At least 1 applicant must be aged over 21 years at application. Other applicants are acceptable provided aged 18 years or over. No maximum age for limited company applications.
First Time Buyers	At least one applicant must NOT be a first time buyer.	
Minimum valuation	£75,000. (£125k for 85% LTV products).	
Exposure	Maximum 3 properties in any one postcode.	
New build	Leasehold flats to a max of 65% LTV. Additional criteria applies. Houses accepted.	
Location	England, Wales and Scotland.	

PORTFOLIO LANDLORD CRITERIA	
Portfolio Landlords	For background portfolios we require a maximum aggregate LTV of 100%. Minimal rental coverage is calculated using an ICR of 100% at a stress rate of 5.5%. Calculations include unencumbered properties.

LOAN CRITERIA	
Purpose	Purchase/Remortgage.
Repayment type	Interest Only/Capital & Interest/Part & Part.
Early remortgage	Early remortgage is available on all Solutions products
Term	5 - 30 Years.
Gross monthly rental cover	Rental income calculated on lower of current rent or valuer estimate.
Loan size	Minimum £50,000* Maximum £2,000,000* *may vary dependent on product.
ICR	Basic rate tax payer 125% Higher rate tax payer 145% Limited Companies 125%
Product End Dates	All Foundation products have a rolling end date. This means upon completion customers will benefit from their fixed or discounted rate for the full period i.e a 2 year rate will run for 2 years from completion.

LIMITED COMPANY CRITERIA	
Limited Company Registration	Company to be registered in England and Wales or Scotland for the purposes of property rental.
Applications	Must be SPV for purpose of property rental. No trading companies.
Acceptable SIC codes	68100 - 68209 - 68320

Note: for full criteria relating to our Solutions products please see our Criteria Guide and pages on the website.

Valuation fee scales and contact details

VALUATION FEE SCALE	
Property value (not exceeding)	HMO Plus*
£100,000	£1,350
£150,000	£1,350
£200,000	£1,350
£250,000	£1,415
£300,000	£1,475
£350,000	£1,565
£400,000	£1,565
£450,000	£1,655
£500,000	£1,655
£600,000	£1,775
£700,000	£1,935
£800,000	£2,100
£900,000	£2,245
£1,000,000	£2,415
£1,250,000	£2,775
£1,500,000	by agreement
£2,000,000	by agreement
£2,500,000	by agreement
£3,000,000**	by agreement

*HMO Plus: HMO up to 6 Occupants requiring a Commercial valuation.

Note: Multiple Properties on One Title cases and Mixed Use properties will all be valued by agreement.

Please note that for lending in Scotland, we require a physical valuation on all cases - retypes of the Home Report cannot be accepted.

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