

# Product Guide

Buy to let mortgages

**Smarter. Faster. Simpler.**

Correct as at: 2 May 2025

## Welcome to ModaMortgages

**We're a specialist mortgage lender making buy to let smarter, faster and simpler for brokers and landlords.**

All our processes are designed to help you, and we're 100% dedicated to the intermediary market with a willingness to lend thanks to our diverse and secure funding model.

Our personalised application process is stripped back to the essentials, offering speed of service, saving time for everyone. With clear criteria up front and a 100% online application, we consistently offer quick processing, backed by a dedicated, straight-talking support team.

That means you can always stay on top of cases and keep your clients up-to-speed too.

## Our mortgages

### Competitive mortgages for a variety of landlords

Our products are underpinned by clear criteria with no surprises, so you'll always know where you stand.



Support for a range of landlords and property types

Small or large portfolios, limited companies, individuals, first-time buyers and first-time landlords.



More certainty earlier

Quick and consistent decisions with our instant DIP, plus our buy to let calculator includes a background portfolio check.



100% online

Our simple online application process will speed you up, not slow you down.



Excellent service delivery on each case

We know your time is precious, so our broker support team is here when you need them through live chat or on the phone.

### Criteria highlights:

- **Provide up to 80% LTV**
- **No minimum income for loans less than £1m\*** – Applicants can be employed, self-employed, contractors or receiving pension income.  
\*Minimum income for first-time buyers is £30,000 per annum.
- **Top slicing gives more affordability options** – Top slicing available for non first-time buyer prime borrowers.
- **Accept a range of property types** – Including houses, flats, new builds, HMOs (up to 6 bedrooms) and MUFBs (up to 6 units).
- **£ for £ remortgages** – Assessed at pay rate, helping your clients with affordability constraints on short-term fixed rate products.
- **We value the experience of portfolio landlords** – No extra forms to fill in, just a few additional questions in the application to ensure we fully understand your client.

## Top slicing

Providing flexibility for your client to use their income to top up a rental shortfall.

We pride ourselves on having a smarter, faster, simpler approach to lending, applying common sense to help brokers help their clients.

One of the ways we demonstrate this is by allowing a borrower to use surplus disposable earned income to 'top up' a rental shortfall if the rental income generated by the property is insufficient to meet the minimum rental cover requirement.

This gives your clients more flexibility around the amount they can borrow.



### Additional information

- Top slicing is available across all buy to let products, including limited company applications.
- Top slicing is available to all prime customers.
- The interest coverage ratio based on rental income only must be a minimum of 110% when calculated using the pay rate of the selected product.
- The repayment method must be interest only.
- Proof of earned income is required.
- Not available on first-time buyer applications.

# Our product range

All products available for all landlords and property types.

From single dwellings to HMOs and MUFBs with up to 6 bedrooms or units, and single property personal ownership to large portfolio limited companies, our simple range covers all bases.

## Our limited edition range

### 2 year fixed rates

LTV	Initial rate	Product fee	Product specific loan amounts	Features	Reversion rate	ERCs	Stress rate*	Product code
75%	3.44%	5.50%		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	5.44%	BLE001-020525
	4.69%	3.00%					6.69%	BLE002-020525
	4.94%	2.50%					6.94%	BLE003-020525
	6.19%	£0					8.19%	BLE004-020525
80%	6.34%	£0		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	8.34%	BLE005-020525

### 5 year fixed rates

LTV	Initial rate	Product fee	Product specific loan amounts	Features	Reversion rate	ERCs	Stress rate*	Product code
75%	4.84%	5.50%		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	4.84%	BLE006-020525
	5.44%	3.00%					5.44%	BLE007-020525
	5.54%	2.50%					5.54%	BLE008-020525
	6.19%	£0					6.19%	BLE009-020525
80%	6.34%	£0		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	6.34%	BLE010-020525

\* £ for £ remortgages are stressed at the initial pay rate.

#### Loan amounts and LTV limits

- Minimum loan size: £25,000
- Maximum loan sizes: £2m up to 70% LTV | £1m up to 75% LTV | £750,000 up to 80% LTV

The above are subject to specific product restrictions that may apply

BANK OF ENGLAND BASE RATE (BBR): 4.50%

# Our core range

## 2 year fixed rates

LTV	Initial rate	Product fee	Product specific loan amounts	Features	Reversion rate	ERCs	Stress rate*	Product code
55%	3.39%	5.50%		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	5.39%	BTL001-020525
	4.89%	2.50%					6.89%	BTL002-020525
65%	3.49%	5.50%		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	5.49%	BTL003-020525
	4.99%	2.50%					6.99%	BTL004-020525
75%	3.59%	5.50%		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	5.59%	BTL005-020525
	5.09%	2.50%					7.09%	BTL006-020525
	6.39%	£0					8.39%	BTL007-020525
80%	6.44%	£0		Free valuation No application fee	BBR + 4.99%	3% year 1 2% year 2	8.44%	BTL008-020525

## 5 year fixed rates

LTV	Initial rate	Product fee	Product specific loan amounts	Features	Reversion rate	ERCs	Stress rate*	Product code
55%	4.89%	5.50%		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	4.89%	BTL009-020525
	5.59%	2.50%					5.59%	BTL010-020525
	5.84%	£4,999	Minimum £300,000 Maximum £750,000				5.84%	BTL011-020525
	5.89%	£1,999	Maximum £300,000				5.89%	BTL012-020525
65%	4.99%	5.50%		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	4.99%	BTL013-020525
	5.64%	2.50%					5.64%	BTL014-020525
	5.94%	£4,999	Minimum £300,000 Maximum £750,000				5.94%	BTL015-020525
	5.99%	£1,999	Maximum £300,000				5.99%	BTL016-020525
75%	5.09%	5.50%		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	5.09%	BTL017-020525
	5.79%	2.50%					5.79%	BTL018-020525
	6.04%	£4,999	Minimum £300,000 Maximum £750,000				6.04%	BTL019-020525
	6.39%	£0					6.39%	BTL020-020525
	6.09%	£1,999	Maximum £300,000				6.09%	BTL021-020525
80%	6.44%	£0		Free valuation No application fee	BBR + 4.99%	5% years 1 and 2 4% years 3 and 4 3% year 5	6.44%	BTL022-020525

\* £ for £ remortgages are stressed at the initial pay rate.

### Loan amounts and LTV limits

- Minimum loan size: £25,000
- Maximum loan sizes: £2m up to 70% LTV | £1m up to 75% LTV | £750,000 up to 80% LTV

The above are subject to specific product restrictions that may apply

## Criteria highlights:

### Applicant criteria

Applicant profile	Personal ownership	Limited company
<b>Minimum age</b>	21. 18 is acceptable where the principal applicant is aged 21+.	
<b>Maximum age</b>	85 at the end of the mortgage term	
<b>Maximum number of applicants</b>	2	4
<b>First-time buyers</b>	Yes. The principal applicant must have a minimum income of £30,000.	

### Maximum allowable adverse

We'll verify any information relating to adverse credit on the individuals' credit bureau record and in the case of limited company applications, the commercial bureau record. The below criteria apply to both.

Allowable adverse: Consumer	Prime	Non-prime (maximum advance £1m)
<b>Bankruptcy</b>	Nil	Nil
<b>Individual Voluntary Arrangement (IVA)</b>	Nil	Nil
<b>Active Debt Management Plan</b>	Nil	Nil
<b>Repossession/secured default</b>	Nil	Nil
<b>County Court Judgment (CCJ)</b>	Nil	0 in 24 months, 1 in 36 months
<b>Defaults</b>	Nil	0 in 12 months, 2 in 24 months
<b>Missed mortgage/secured loan repayments</b>	Nil	0 in 12 months, worst status of 1 in 36 months
<b>Missed unsecured loans/products</b>	Worst status of 1 in 12 months, 2 in 36 months	Worst status of 1 in 12 months, 3 in 36 months
<b>Active Payment Arrangements</b>	Nil	Nil

## Maximum allowable adverse: Limited company

Allowable adverse: Commercial

<b>Derogatory item</b>	Nil
<b>Active Debt Management Plan</b>	Nil
<b>Repossession/secured default</b>	Nil
<b>County Court Judgment (CCJ)</b>	0 in 24 months, 1 in 36 months
<b>Defaults</b>	0 in 12 months, 2 in 24 months
<b>Missed mortgage/secured loan repayments</b>	0 in 12 months
<b>Missed unsecured loans/product repayments</b>	0 in 12 months
<b>Active Payment Arrangements</b>	Nil

**Additional exclusions:** borrowers currently in arrears or have historically defaulted on a product supplied by any other Chetwood Financial Limited brand.

## Affordability

### Interest coverage ratio (ICR)

The minimum amount of rental cover (ICR) is dependent on the borrower's income tax band (highest tax band on joint applications) at the rates shown below:

Tax band*	ICR rate
<b>Basic rate</b>	125%
<b>Higher and additional rate</b>	140%
<b>Limited companies</b>	125%

\*The customer's tax band should be based on all validated current income plus gross rental income (excluding any deductions) from all rental properties, including the security. Please refer to our online buy to let calculator for further guidance.

The interest rate used in the ICR calculation is determined by the chosen product as follows:

- 5 year fixed rates assessed at product rate.
- Variable rates or short-term fixed rates assessed at product rate plus 2%. Minimum 5.50%.
- Where the borrower is remortgaging an existing buy to let loan without additional capital raising, then the ICR can be calculated using the product rate.

Where more than the rental income is needed to meet the minimum rental cover requirements, we may reduce the loan amount accordingly.

### Top slicing

- Where the property rental income alone is insufficient to meet the minimum ICR requirement borrowers can use surplus disposable earned income to supplement the rental shortfall.
- Proof of earned income is required.
- To qualify for top slicing, the property must achieve a minimum ICR of 110% when calculated using the pay rate of the selected product.
- Top slicing is available across all buy to let products, including limited company applications.
- Not available on first-time buyer applications.
- Top slicing is only available to prime customers.
- The repayment method must be interest only.

## Portfolio landlords

A portfolio landlord is a borrower with four or more distinct mortgaged buy to let properties (or has three, plus one pending purchase application with ModaMortgages).

The following should be included in the number of properties a portfolio landlord holds:

- All mortgaged buy to let properties owned by the applicant, whether jointly, in their sole name or by a company of which they're a director or shareholder.
- Any property owned on a residential basis with consent to let
- If the application is for a limited company, properties owned by the company's directors and shareholders, or owned by other companies of which the directors/shareholders are a shareholder or director.

As part of our underwriting process, we'll assess an applicant's portfolio based on their circumstances and consider the impact of future interest rate increases. ICR and LTV requirements are as follows:

	Personal ownership	Limited company
<b>Minimum portfolio ICR% @ 5%</b>	140%	125%
<b>Maximum portfolio LTVs</b>	80%	80%

### Portfolio lending limits

- Aggregated buy to let exposure (with ModaMortgages): £5m.
- Maximum buy to let portfolio size (with ModaMortgages): 20 loans.
- Maximum buy to let portfolio size (external): Unlimited.



# Submission checklist

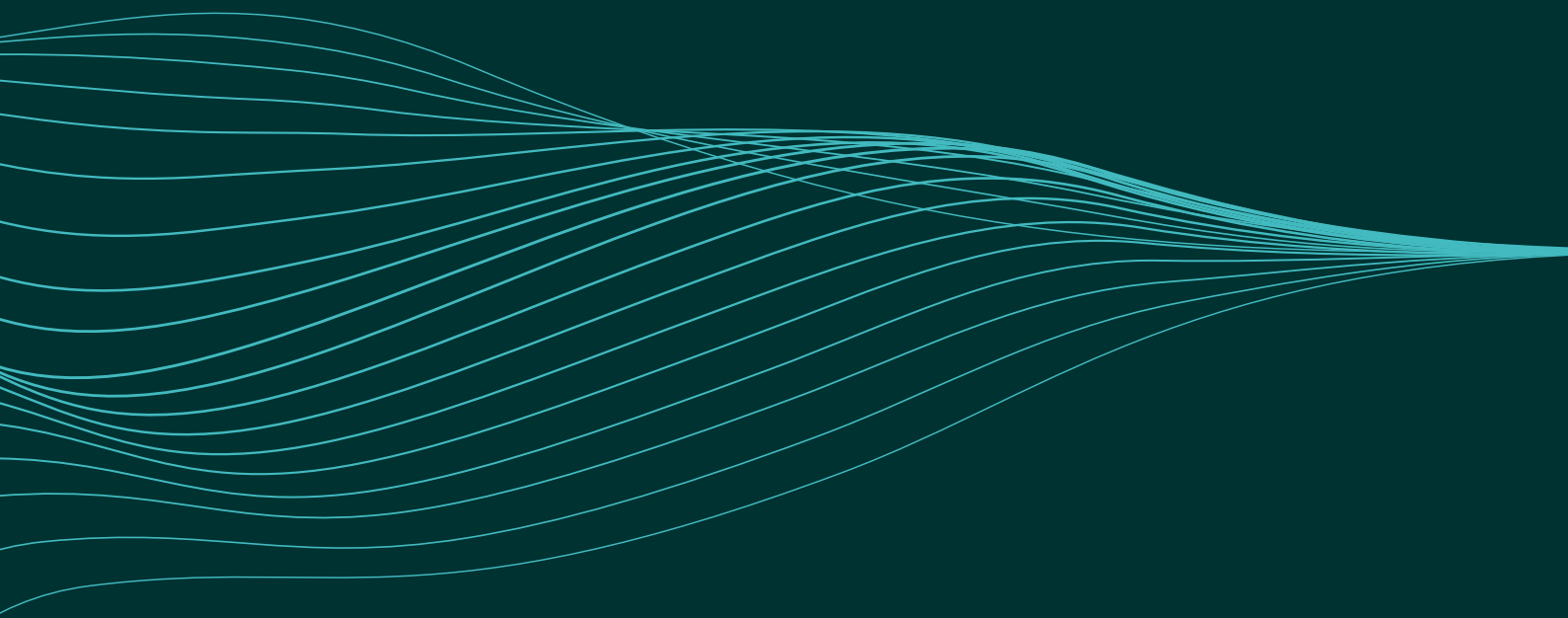
If you have any questions about submitting a case, please contact our sales team.

Documents required	Loan requirements		Landlord type					
			Portfolio landlord			Non-portfolio landlords		
	More than £1m	Using top slicing	Limited company	Prime personal ownership	Non-prime personal ownership	Limited company	Non-prime personal ownership	First-time buyer
<b>P60:</b> Must be most recent		✓ Latest						
<b>Payslips:</b> Must be most recent	✓ 1 month	✓ 3 months						✓ 1 month
<b>Bank statements:</b> Most recent and must show salary or pension credits, residential mortgage or rental payments, personal expenses and any rental credits and, where applicable portfolio cashflow	✓ 3 months		✓ 3 months	✓ 1 month	✓ 3 months	✓ 3 months	✓ 3 months	✓ 3 months
<b>Self-employed proof of income:</b> Most recent SA302 or tax calculations with corresponding tax year overview, or accounts	✓ 1 year	✓ 2 years						✓ 1 year
<b>Proof of pension income:</b> Most recent pension slip, annual pension statement or P60	✓	✓						✓
<b>Background portfolio details:</b> Can be keyed directly or uploaded using our portfolio template			✓	✓	✓			
<b>Proof of deposit</b>	✓							✓

We may ask you to provide additional documents. This could include, but is not limited to:

When required	Document required
If the applicant fails electronic ID checks	Certified proof of name and/or proof of current address dated within the last 3 months. Refer to our Anti-Money Laundering Guidelines for certification requirements and acceptable documents
If the applicant is a non-UK national	Proof of the right to reside in the UK
If an applicant's mortgage conduct is not visible on the credit search	We may request bank statements and/or a mortgage statement evidencing the previous 12 months payment history
If the deposit is gifted from a family member	Completed ModaMortgages gifted deposit form
If the deposit source is an intercompany loan	Signed intercompany loan agreement

**We reserve the right to request additional documentation not listed above during underwriting.**



We can provide this document in large print, Braille and audiotape.  
Please ask us for an alternative format if you need it.

ModaMortgages is a trading name of Chetwood Financial Limited, company number 09964966. Chetwood Financial Limited is a company registered in England and Wales.  
Registered office: Ellice Way Wrexham LL13 7YT. Chetwood Financial Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority under registration number 740551. Buy to let mortgages for business purposes are not regulated by the Financial Conduct Authority and you will not have any of the protections that the Financial Conduct Authority offers in respect of regulated mortgage contracts or consumer buy to let mortgages. If you wish, you may check the Financial Services Register on the Financial Conduct Authority's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the Financial Conduct Authority on 0800 111 6768.

© ModaMortgages 2023-2024. All rights reserved.