

MORTGAGE LENDING JULY 2024



PLAN	MINIMUM NET MORTGAGE £	MAXIMUM GROSS MORTGAGE £	REPAYMENT PERIOD IN YEARS	VARIABLE ANNUAL RATE (MONTHLY)	2 YEAR FIXED ANNUAL RATE (MONTHLY)	5 YEAR FIXED ANNUAL RATE (MONTHLY)	MAX ADVERSE UNITS	MAX LTV	LENDER FEE (min £499 max £3750)	BROKER FEE- LOAN AMOUNT £3,000- £20,000	BROKER FEE- LOAN AMOUNT £20,000.01- £250,000
Optimal 1	£3000	£250000	1 - 30	11.75 (0.979)	11.16 (0.930)	10.58 (0.882)	No Units	75%	2.99%	15% (Max £4950)	12.5% (Max £4950)
Optimal 2	£3000	£250000	1 - 30	12.00 (1.000)	11.40 (0.950)	10.80 (0.900)	No Units	75%	2.99%	15% (Max £4950)	12.5% (Max £4950)
A	£3000	£250000	1 - 30	14.42 (1.202)	13.69 (1.141)	12.97 (1.081)	One unit	75%	5%	15% (Max £4950)	12.5% (Max £4950)
A HLTV	£3000	£150000	1 - 30	15.52 (1.293)	14.74 (1.228)	13.96 (1.163)	No Units	80%	5%	15% (Max £4950)	12.5% (Max £4950)
B	£3000	£70000	1 - 30	16.64 (1.387)	15.80 (1.317)	14.98 (1.248)	Two units	75%	5%	15% (Max £4950)	12.5% (Max £4950)

Optimal 1*

- Benefit income not accepted.
- No adverse units
- Credit cards, Loans or/and Hire Purchases highest status 1 in the last 12 months- 0 as current status
- Mail order, public utility and/ or communications highest status 1 in the last 12 months- 0 as current status

Optimal 2*

- Benefit income not accepted
- No adverse units
- Credit cards, Loans or/and Hire Purchases highest status 2 in the last 12 months- 0 as current status
- Mail order, public utility and/ or communications highest status 3 in the last 12 months- 0 as current status

Plan A**

- Employed & Pension applicants
- Self Employed considered
- One adverse unit

Plan A HLTV**

As for Plan A but:

- No adverse units
- Right to Buy Mortgages are NOT eligible on A HLTV.

Plan B**

As for Plan A but:

- Applicants on benefits income considered
- Maximum two adverse units but 1 month maximum mortgage/secured loan arrears in last 12 months

Adverse Units

- 1 unit = 1 CCJ/Default in last 12 months for £300 or more
- 1 unit = maximum of 1 months Mortgage/Secured Loan arrears in last 12 months
- 1 unit = Any Unsecured Credit for £300 or more with 3 or more current missed payments (excluding mail orders)

*Information for Plans Optimal 1 & Optimal 2

- Minimum income £25,000.00 from all sources (Benefit income not accepted)
- Minimum Equifax credit score of 200 applies
- Zero arrears on all Mortgage and Secured Loans in the last 12 months
- No current Debt management plans, IVAs or DAS'
- No payday loans in the last 12 months
- CCJ's and defaults in the last 12 months are ignored if they are £300 or less.

**Information for Plans A, A HLTV & B

- For joint incomes from £15k to £20k a minimum Equifax credit score of 350 applies
- For joint incomes from £20,000.01 upwards a minimum Equifax credit score of 200 applies
- IVAs & Debt Management Plans = normal rules apply in relation to units per defaults
- Ignore mail order and communications defaults
- Ignore satisfied defaults/CCJs less than £3K

Information for all plans

- We will use a maximum of 50% DTI calculation on all plans to include all secured and unsecured credit
- Minimum age 21 and mortgage to complete before age 85
- Child related income can be used for the full term of the loan where the children are below the age of 14 on application. Where child related income is received for children 14 and over and the loan term will take them beyond the end date of the child related income an explanation will be required to demonstrate future affordability
- Gambling debits on bank statements must not exceed 5% of monthly gross salary
- Binding offers now issued with consent to follow.
- £100 Minimum I&E surplus on all cases.

Early Repayment Charges (ERCs): Sliding Scale

Variable Plans :

- NO ERC.

NB. All plans are subject to a £150.00 Redemption Administration Fee as well as the stated ERC calculations.

2 Year Fixed :

- Year 1- 2% of the outstanding balance.
- Year 2- 1% of the outstanding balance.
- Year 3- Transfer to the Variable rate & no ERC.

5 Year Fixed :

- Year 1- 5% of the outstanding balance.
- Year 2- 4% of the outstanding balance.
- Year 3- 3% of the outstanding balance.
- Year 4- 2% of the outstanding balance.
- Year 5- 1% of the outstanding balance.
- Year 6- Transfer to the variable rate & no ERC.