

# Criteria guide

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## Buy to Let Mortgages

**Important information:** Please ensure that this information is read in conjunction with the long term lending submission guide and product guide which can be found at [precisemortgages.co.uk](http://precisemortgages.co.uk).

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| <b>Applicant profile</b> (please see page 9 for Limited Company/LLP applicant profile) |  |
|--|--|
| <b>Minimum age</b>   | 25   |
| <b>Maximum age</b>   | 80 at the date of application (maximum term of 35 years).            |
| <b>Maximum number of applicants</b>  | 2  |
| <b>Guarantors</b>  | Not allowed.   |
| <b>First time buyers</b>   | First time buyers not acceptable. First time landlords are accepted. |

| <b>Allowable adverse - please refer to the relevant product guide for further details</b> |   |
|---|---|
| <b>Defaults</b>   | 0 in 12 months, no more than 2 in 24 months (unlimited).    |
| <b>CCJs</b>   | 0 in 12 months, no more than 1 in 24 months (max £2,500).   |
| <b>Mortgage arrears</b>   | 0 in 12 months, no more than 1 in 36 months (worst status). |
| <b>IVA and bankruptcy</b>   | Are not accepted.   |
| <b>Debt management plans</b>  | Are not accepted.   |
| <b>Repossessions</b>  | Are not accepted.   |

| <b>Nationality and residency</b> |  |
|----------------------------------|--|
| <b>Residential status</b>        | In all cases we require a 3 year UK residential address history.   |
| <b>All UK / EEA Nationals</b>    | <p>EEA Nationals:</p> <ul style="list-style-type: none"> <li>▶ Austria</li> <li>▶ Belgium</li> <li>▶ Bulgaria</li> <li>▶ Croatia</li> <li>▶ Cyprus (Greek Cypriots only)</li> <li>▶ Czech Republic</li> <li>▶ Denmark</li> <li>▶ Estonia</li> <li>▶ Finland</li> <li>▶ France</li> <li>▶ Germany</li> <li>▶ Greece</li> <li>▶ Hungary</li> <li>▶ Iceland</li> <li>▶ Ireland</li> <li>▶ Italy</li> <li>▶ Latvia</li> <li>▶ Liechtenstein</li> <li>▶ Lithuania</li> <li>▶ Luxembourg</li> <li>▶ Malta</li> <li>▶ Netherlands</li> <li>▶ Norway</li> <li>▶ Portugal</li> <li>▶ Poland</li> <li>▶ Romania</li> <li>▶ Slovakia</li> <li>▶ Slovenia</li> <li>▶ Spain</li> <li>▶ Sweden</li> <li>▶ Switzerland</li> </ul> |
| <b>Non EEA Nationals</b>         | Must have been resident in the UK for the last 3 years and have permanent rights to reside in the UK.  |
| <b>Diplomatic immunity</b>       | Are not accepted if diplomatic immunity applies to immunity from UK law.   |

Please refer to the relevant submission guide for documentation requirements.

|                              |  |
|------------------------------|--|
| <b>Minimum earned income</b> | <ul style="list-style-type: none"> <li>▶ No minimum income requirements on loans under £1,000,000 (proof of income required if ICR is less than 145%).</li> <li>▶ For loans over £1,000,000 a sole minimum income of £100,000 is required and proof of income must be provided.</li> </ul>   |
| <b>Employed</b>              | <ul style="list-style-type: none"> <li>▶ A minimum of 3 months in current job, with 12 months continuous employment.</li> <li>▶ Less than 3 months in the current job will be considered subject to underwriter approval. The reason for the latest change of employment should be established and confirmation dates must be obtained from current / previous employers.</li> <li>▶ Employment must be permanent.</li> <li>▶ Probation periods are not accepted.</li> <li>▶ Applicant(s) on a fixed term contract basis are acceptable (agency workers or zero hours contracts are not accepted).</li> <li>▶ If the applicant(s) are responsible for their overall payment of tax and national insurance, we classify them as self-employed.</li> <li>▶ If a director with a 25% or more share holding, they will also be classified as self-employed.</li> </ul> |
| <b>Self-employed</b>         | Self-employed applicants must have been trading for a minimum of 12 months.  |
| <b>Retired</b>               | <ul style="list-style-type: none"> <li>▶ Personal / occupational pension income can be considered as the sole source of income subject to a full review of the application.</li> <li>▶ State pension is not accepted as a sole source of income.</li> </ul>  |

|   |  |                             |                             |                              |
|---|--|-----------------------------|-----------------------------|------------------------------|
| <b>Portfolio</b> <i>IMPROVED</i>            | <ul style="list-style-type: none"> <li>▶ A single customer can have up to 20 individual Precise Mortgages buy to let loans (including buy to let second charge loans and mortgages they guarantee) with a maximum combined value of £5,000,000.</li> <li>▶ Unlimited with other lenders.</li> <li>▶ Portfolio criteria will be assessed at underwriting stage and as a result we may reduce the amount we will lend below that stated in any DIP to reflect these maximum LTV limits.</li> </ul> |                             |                             |                              |
| <b>Maximum LTV</b>                          | <b>Loan amount</b>   | <b>Up to 5 applications</b> | <b>6 to 10 applications</b> | <b>11 to 20 applications</b> |
|   | Up to £500,000   | 80%                         | 75%                         | 70%                          |
|   | Up to £750,000   | 75%                         | 75%                         | 70%                          |
|   | Up to £1,000,000   | 70%                         | 70%                         | 70%                          |
|   | Up to £3,000,000   | 60%                         | 60%                         | 60%                          |
|   | The maximum loan size will vary by product; please check the relevant product guide for further information, and page 9 for the maximum LTV applicable to mortgages secured on HMOs.   |                             |                             |                              |
| <b>Minimum loan term</b>                    | 5 years.   |                             |                             |                              |
| <b>Maximum loan term</b> <i>IMPROVED</i>    | 35 years.  |                             |                             |                              |
| <b>Minimum loan</b>                         | £25,001  |                             |                             |                              |
| <b>Maximum loan</b>                         | <ul style="list-style-type: none"> <li>▶ £3,000,000 subject to product restrictions (see product guides for full details).</li> <li>▶ Maximum loan size in Scotland is £1,000,000.</li> </ul>  |                             |                             |                              |
| <b>Portable</b>                             | All products are non-portable.   |                             |                             |                              |
| <b>Remortgage applications</b>              | We are unable to accept remortgage applications within 6 months of either the original purchase date or the last remortgage date. Precise Mortgages' bridging borrowers can remortgage on to a Precise Mortgages buy to let product after 1 month.   |                             |                             |                              |
| <b>Repayment method</b>                     | <ul style="list-style-type: none"> <li>▶ Capital and interest.</li> <li>▶ Interest only.</li> </ul>  |                             |                             |                              |
| <b>Interest only and repayment vehicles</b> | <ul style="list-style-type: none"> <li>▶ Sale of property.</li> <li>▶ Endowment, stocks and shares ISA, unit trusts / OEICs, pension, UK stocks and shares, savings (inc. peps/tessas), premium bonds.</li> </ul>  |                             |                             |                              |
| <b>Offer validity</b>                       | <ul style="list-style-type: none"> <li>▶ 3 months from valuation.</li> <li>▶ New build: 6 months from valuation.</li> </ul>  |                             |                             |                              |
| <b>Let to buy</b>                           | Where we are remortgaging a residential property onto a buy to let, there must be an ongoing residential purchase. The remortgage and purchase must complete simultaneously.   |                             |                             |                              |

|                                      |  |                 |
|--------------------------------------|--|-----------------|
| <b>Interest Coverage Ratio (ICR)</b> | The monthly rental income must be a percentage of the monthly interest payment (ICR). This must be a minimum of between 125%-160% based on <b>gross</b> loan inclusive of capitalised fees.  |                 |
|                                      | <b>Tax band*</b>   | <b>ICR rate</b> |
|                                      | Basic rate   | 125%            |
|                                      | Higher rate  | 145%            |
|                                      | Additional rate  | 160%            |
|                                      | Limited companies  | 125%            |
|                                      | Bespoke ICR  | 125%-160%       |
|                                      | * 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 one that's being purchased/remortgaged.  |                 |
| <b>Bespoke ICR</b>                   | <p>Bespoke ICR will be applied when:</p> <ol style="list-style-type: none"> <li>1. Rental income from property being purchased moves the applicant into a higher tax band.</li> <li>2. Joint applicants are in differing tax bands.</li> <li>3. Joint ownership is set up as tenants in common with unequal shares in the property.</li> </ol> <p>The loan amount available will be confirmed following manual underwriting assessment in the above situations.</p>  |                 |
| <b>Refinancing assessment rate</b>   | <p>The interest rate used in the ICR calculation is driven by the product type, as follows:</p> <ul style="list-style-type: none"> <li>▶ Tracker – The higher of pay rate +2%, or revert rate +2%, at a minimum of 5.5%.</li> <li>▶ Short term fixed rate – The higher of pay rate, or revert rate +2%, at a minimum of 5.5%.</li> <li>▶ 5yr+ fixed rate – The initial pay rate. Extra checks will be required when the LTV is greater than 60% and the minimum ICR is not met at an interest rate of 5.5%. Checks will include consideration of earned income, assets and liabilities, or net worth, and will require the following: <ul style="list-style-type: none"> <li>▶ Earned income – Evidence of applicant's income. This can be the latest payslip or P60 for PAYE; or latest set of accounts or SA302 for self-employed applicants. The customer must have sufficient validated excess disposable income to cover the difference between the monthly interest payment at the fixed pay rate and at a rate of 5.5%.</li> <li>▶ Assets and liabilities – A fully completed Assets and Liabilities form, together with supporting validation. The customer must have sufficient validated liquid assets (eg cash savings, ISAs, PEPs, investment bonds) to cover the difference between 60 months' payments at the fixed pay rate and at a rate of 5.5%.</li> <li>▶ Net worth – A fully completed Existing Property Portfolio. The customer must have validated net worth in fixed assets, such as property. Typically, this will be at least £250,000 equity in a residential home or a minimum of £500,000 equity across a property portfolio.</li> </ul> </li> </ul> |                 |

# Deposit criteria

|  |   |
|--|---|
| <b>Source of funds</b>                           | The deposit must come from the applicant(s) own resources and have originated from within the EEA and without recourse to additional borrowing.   |
| <b>Capital raising remortgage / secured loan</b> | Is acceptable to raise funds on an existing property.   |
| <b>Family gift</b>                               | Is acceptable unless the property is being purchased from the family member who is providing the gift.<br><br>Where the property is being purchased from a family member at a discounted price, this is acceptable providing the family member will not continue to reside. Our lending and LTV will be based on the reduced price and the vendor relinquishing all rights to the property. |
| <b>Builder's second charge</b>                   | Is acceptable, providing the customer is providing a 15% deposit from their own funds. Payments will be taken in account for affordability.   |
| <b>Forces Help to Buy</b>                        | Is acceptable - monthly repayments will be included as a commitment.  |
| <b>Unacceptable sources of deposit</b>           | <ul style="list-style-type: none"> <li>▶ Vendor deposit (any vendor deposit will be deducted from the lower of purchase price / valuation and lending and LTV is to be based on the net figure).</li> <li>▶ Purchase from a company that the applicant has an interest in.</li> <li>▶ Ministry of Defence loan.</li> <li>▶ Builder's incentive.</li> <li>▶ Unsecured borrowing.</li> </ul>  |



# Limited Company/LLP criteria

|                                     |   |
|-------------------------------------|---|
| <b>Company profile</b>              | <ul style="list-style-type: none"> <li>▶ Must be a limited company or limited liability partnership (LLP) set up solely to own/buy/sell/let property.</li> <li>▶ The company/LLP should have the following SIC codes (Standard Industrial Classification): (a) Buying and selling of own real estate (b) Other letting and operating of own or leased real estate (c) Management of real estate on a fee or contract basis.</li> <li>▶ All members of an LLP must be designated members.</li> <li>▶ All directors/shareholders/members must guarantee the loan.</li> <li>▶ Maximum 4 directors/shareholders/members none of which may be another limited company or LLP.</li> </ul> |
| <b>Guarantor profile</b>            | All directors/shareholders and designated members will be required to guarantee the loan and their credit history will be taken into account when determining product eligibility. Please refer to the relevant product guide for further information.  |
| <b>Maximum number of guarantors</b> | 4   |
| <b>Maximum term</b>                 | 35 years (maximum guarantor/director age at application 80 years).  |
| <b>Portfolio</b>                    | Maximum of 20 buy to let loans per individual (including buy to let loans which the individual has guaranteed), with Precise Mortgages up to a combined value of £5,000,000.  |

# Houses in multiple occupation (HMOs) criteria

|                                   |   |                                   |                                   |                                    |
|-----------------------------------|---|-----------------------------------|-----------------------------------|------------------------------------|
| <b>Definition</b>                 | <p>A HMO is defined as any property where both of the following conditions are met:</p> <ul style="list-style-type: none"> <li>▶ There are at least 3 tenants who form more than one household.</li> <li>▶ The tenants share toilet, bathroom or kitchen facilities.</li> </ul>   |                                   |                                   |                                    |
| <b>Applicant profile</b>          | <ul style="list-style-type: none"> <li>▶ Available to experienced landlords only; no first time landlords.</li> <li>▶ Products are available to business applicants.</li> <li>▶ All products available are tier 1 – please see the product guide for further information.</li> <li>▶ Available in England and Wales.</li> </ul> |                                   |                                   |                                    |
| <b>Maximum loan size and LTV</b>  | <b>Loan amount</b>  | <b>Up to 5 applications/loans</b> | <b>6 to 10 applications/loans</b> | <b>11 to 20 applications/loans</b> |
|                                   | Up to £500,000  | 80%                               | 75%                               | 70%                                |
|                                   | Up to £750,000 <b>NEW!</b>  | 75%                               | 75%                               | 70%                                |
|                                   | Up to £1,000,000  | 70%                               | 70%                               | 60%                                |
| <b>Minimum valuation</b>          | <ul style="list-style-type: none"> <li>▶ £250,000 in London.</li> <li>▶ £150,000 for all other allowable locations.</li> </ul>  |                                   |                                   |                                    |
| <b>Maximum number of bedrooms</b> | The number of bedrooms is limited to a maximum of 8.  |                                   |                                   |                                    |
| <b>Licensing requirements</b>     | Where applicable, an application for any HMO Licence required by the Local Authority, must have been made prior to completion.  |                                   |                                   |                                    |

|   |   |
|---|---|
| <b>New Build definition</b>             | Precise Mortgages define 'new build' as a property that has never been occupied.  |
| <b>Maximum LTV</b>                      | 80% LTV accepted.   |
| <b>Flats</b>                            | <ul style="list-style-type: none"> <li>▶ Borrowing is available on flats up to 20 storeys.</li> <li>▶ New builds flats with a commercial ground floor are considered.</li> </ul>  |
| <b>Offer validity</b>                   | <p>All new build property offers are valid for 6 months.</p> <p><b>We can consider extending the offer by a further 3 months subject to the following:</b></p> <ul style="list-style-type: none"> <li>▶ Confirmation in changes of circumstance are received in month 5 of the mortgage offer, before the expiry of the initial 6 month offer period.</li> <li>▶ A new credit search and affordability assessment.</li> <li>▶ All supporting documentation to be updated and resubmitted.</li> <li>▶ The case will be re-underwritten and must still be acceptable to us in line with our prevailing mortgage lending policy and products.</li> <li>▶ A re-inspection of the property by the valuer (subject to a £95 fee).</li> </ul>  |
| <b>Section 106 planning obligations</b> | <p><b>Section 106 planning obligations are accepted as detailed below:</b></p> <ul style="list-style-type: none"> <li>▶ <b>Financial obligations</b> - are acceptable subject to the conveyancer confirming that the monies due under the agreement have been paid in full or an indemnity exists within the agreement to indemnify any successors in title for any liability to repay any monies due.</li> <li>▶ <b>In kind obligations (e.g. provision of open space, recreation facilities, education facilities, transportation plans, etc.)</b> - are acceptable.</li> <li>▶ <b>Restrictions on who can purchase the property</b> - where the property is subject to a restriction that only allows it to be purchased or occupied by someone living or working in a specified area this should be referred to us for individual consideration. Restrictions relating to purchasers being in housing need, not being able to afford to purchase on the open market or having income less than a certain amount are not acceptable.</li> <li>▶ <b>Affordable housing</b> - it is acceptable for a development to be subject to a requirement to provide a proportion of affordable housing.</li> </ul> <p>For any other planning obligation, please contact us.</p> |
| <b>Warranty</b>                         | <p><b>Acceptable new build warranty providers:</b></p> <ul style="list-style-type: none"> <li>▶ Advantage HCI</li> <li>▶ Building Life Plans</li> <li>▶ Buildzone</li> <li>▶ Checkmate (Castle 10)</li> <li>▶ CRL Management Ltd</li> <li>▶ International Construction Warranties (ICW)</li> <li>▶ LABC</li> <li>▶ N.H.B.C. Guarantee</li> <li>▶ Premier Guarantee Scheme</li> <li>▶ Protek</li> <li>▶ Professional Consultants Certificate</li> <li>▶ Zurich Municipal "New build"</li> </ul>  |

Contact our dedicated New Build Priority Processing Service today on **0330 024 0349** to discuss a case.

|   |  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
|---|--|-----------------------|----------|---------------------|----------|---------------|----------|-----------|----------|----------|--------------------|--------|----------|-----------------------|-------------------|------------|----------|---------|----------|----------|----------|
| <b>Minimum property value</b>           | £50,000 or £150,000 in London postcode districts.  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Allowable locations</b>              | <p>Mainland England, Wales and selected postcodes in Scotland.</p> <p>The following locations will not be accepted:</p> <table border="0"> <tr> <td>Aberdeen City &amp; Shire</td> <td>AB - All</td> </tr> <tr> <td>Dumfries &amp; Galloway</td> <td>DG - All</td> </tr> <tr> <td>Western Isles</td> <td>HS - All</td> </tr> <tr> <td>Highlands</td> <td>IV - All</td> </tr> <tr> <td>Ayrshire</td> <td>KA - KA27 and KA28</td> </tr> <tr> <td>Orkney</td> <td>KW - All</td> </tr> <tr> <td>Renfrewshire &amp; Argyll</td> <td>PA - PA20 to PA78</td> </tr> <tr> <td>Perthshire</td> <td>PH - All</td> </tr> <tr> <td>Borders</td> <td>TD - All</td> </tr> <tr> <td>Shetland</td> <td>ZE - All</td> </tr> </table> | Aberdeen City & Shire | AB - All | Dumfries & Galloway | DG - All | Western Isles | HS - All | Highlands | IV - All | Ayrshire | KA - KA27 and KA28 | Orkney | KW - All | Renfrewshire & Argyll | PA - PA20 to PA78 | Perthshire | PH - All | Borders | TD - All | Shetland | ZE - All |
| Aberdeen City & Shire                   | AB - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Dumfries & Galloway                     | DG - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Western Isles                           | HS - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Highlands                               | IV - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Ayrshire                                | KA - KA27 and KA28   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Orkney                                  | KW - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Renfrewshire & Argyll                   | PA - PA20 to PA78  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Perthshire                              | PH - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Borders                                 | TD - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| Shetland                                | ZE - All   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Retentions</b>                       | Are not accepted.  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Inherited properties</b> <i>NEW!</i> | No minimum period of property ownership applies.   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Acceptable tenancies</b>             | <ul style="list-style-type: none"> <li>▶ Properties in England and Wales must be let under a single assured shorthold tenancy or a common law tenancy (i.e. a company let or where the annual rent is greater than £100,000) up to a maximum of 36 months.</li> <li>▶ Properties in Scotland must be let under a single short assured tenancy up to a maximum of 36 months.</li> </ul>   |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Unacceptable tenancies</b>           | <p>Tenancy agreements for tenants in the following categories are not acceptable:</p> <ul style="list-style-type: none"> <li>▶ DWP supported tenants</li> <li>▶ Asylum seekers</li> <li>▶ Tenants who have the benefit of diplomatic immunity</li> <li>▶ Rental guarantee schemes</li> </ul> <p>Please contact us for full details of unacceptable tenancies.</p>  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |
| <b>Flats / maisonettes / apartments</b> | <ul style="list-style-type: none"> <li>▶ Must be self-contained with private facilities.</li> <li>▶ Must have direct access to the highway via covered common parts.</li> <li>▶ Up to a maximum of 20 storeys.</li> <li>▶ Flats above or adjacent to commercial premises may be considered on an individual basis.</li> <li>▶ Ex-local authority flats or maisonettes may be considered on an individual basis. The block in which the security is situated must be 100% privately owned as determined by the valuer. Please refer your case to the Intermediary support team.</li> </ul>  |                       |          |                     |          |               |          |           |          |          |                    |        |          |                       |                   |            |          |         |          |          |          |

| <b>Property criteria continued</b>   |  |
|--|--|
| <b>Unacceptable property types (if the construction is non traditional contact us for acceptability)</b> | <p><b>Commercial</b></p> <ul style="list-style-type: none"> <li>▶ Property where commercial usage exceeds 20%. The commercial element should not extend to light engineering, manufacturing, livestock, rearing or caring for domestic animals. “Home” office usage is acceptable however, such use should not include circumstances where clients are seen on the premises on a regular basis (e.g. dental surgery would not be acceptable).</li> <li>▶ Live / works units.</li> </ul> <p><b>Construction</b></p> <ul style="list-style-type: none"> <li>▶ Any property of modern method of construction (MMC) e.g. a POD type construction where units are built off site, craned onto site and secured and serviced connected etc, then externally clad</li> <li>▶ Any property of easiform construction.</li> <li>▶ Any property containing mundic concrete.</li> <li>▶ Any property containing no-fines concrete.</li> <li>▶ Flats or maisonettes in blocks exceeding 20 storeys.</li> <li>▶ Grade 1 listed buildings in England and Wales / Grades A and B in Scotland.</li> <li>▶ Mobile homes and houseboats.</li> <li>▶ Properties constructed with high-alumina cement, timber framed property with no brick skin or 100% steel or timber framed property.</li> <li>▶ Property designated defective under Part XVI Housing Act 1985, Housing (Scotland) Act 1987 or Pre-Cast Reinforced Concrete (PRC) property (irrespective of whether repaired under a licence repair scheme).</li> </ul> <p><b>Other</b></p> <ul style="list-style-type: none"> <li>▶ Purchase from a company that the applicant has an interest in.</li> <li>▶ Any property affected by Japanese knotweed.</li> <li>▶ Any property deemed unsuitable security by the valuer.</li> <li>▶ Any property where there is ongoing movement / monitoring is required.</li> <li>▶ Property where material environmental hazards are present.</li> <li>▶ Property where saleability may be adversely affected by local planning or by an unsatisfactory mining search.</li> <li>▶ We are unable to consider any property being purchased under any social housing schemes (e.g. Right to Buy, Shared Ownership, Key Worker etc.). Additionally, we are unable to consider remortgaging any property purchased under any such scheme where the original vendor retains any interest or where any pre-emption clause remains.</li> <li>▶ We will not lend where the property is affected by or within influencing distance of any significant factor which will have a negative impact on the property’s value or re-saleability (e.g. overhead pylons, sub stations, etc).</li> </ul> |
| <b>Restrictive covenants</b>   | <p>We are unable to consider any property that may have a restricted occupancy clause within the planning permission, for example, it can only be occupied for a maximum of 11 months in any one year. Property with unrestricted occupancy can be considered provided our normal requirements are met.</p> <p>Similarly, property that can only be used for retirement or sheltered accommodation are not accepted. This is the same for any property where a planning restriction (e.g. agricultural restriction) effectively limits a property’s appeal on the open market.</p> <p>Please note for new builds, we do consider Section 106 planning obligations. Please see page 9 of this guide for further information.</p>  |
| <b>Structural reports</b>  | <p>Reports may be accepted from members of the following bodies:</p> <ul style="list-style-type: none"> <li>▶ The Institution of Structural Engineers (<a href="http://www.istructe.org.uk">www.istructe.org.uk</a>)</li> <li>▶ The Institution of Civil Engineers (<a href="http://www.ice.org.uk">www.ice.org.uk</a>)</li> </ul> <p>The report must be referred to the valuer for comment. If the report is not addressed to the applicant, written confirmation must be obtained from the originator that its contents may be relied upon by the applicant(s).</p> <p>We will not lend on any property with either ongoing movement or where monitoring is required, where this is identified by either the valuer, or where evident in the structural engineer’s report.</p>   |

| Property criteria continued |   |
|-----------------------------|---|
| <b>Specialist reports</b>   | <p>We may require a specialist's report, specialist reports most commonly comprise of:</p> <ul style="list-style-type: none"> <li>▶ Timber and damp, electrical, trees, cavity wall tie;</li> <li>▶ Mining report (as these are obtained by the solicitors, a special condition is imposed at offer);</li> </ul> <p>Any such reports should be prepared by a reputable firm and should be forwarded to us for review and referral to the valuer.</p>  |
| <b>Other</b>                | <ul style="list-style-type: none"> <li>▶ We are unable to lend where the property has been purchased from a company that the applicant has an interest in.</li> <li>▶ We are unable to lend where the property is subject to either a back to back or sub sale agreement or subject to a Finder's Fee.</li> <li>▶ Properties built within the last 10 years must benefit from an acceptable warranty scheme, please refer to the Warranty section in the New build criteria on page 10 for more information.</li> <li>▶ We may consider, on an individual referral basis, properties with: <ul style="list-style-type: none"> <li>- 3 or more acres of land;</li> <li>- Deck access;</li> <li>- Majority flat roof;</li> <li>- Restrictive or unusual planning permission;</li> <li>- Overriding interests</li> </ul> </li> </ul> |

## Tenure

|                                      |   |
|--------------------------------------|---|
| <b>Freehold (except in Scotland)</b> | Unacceptable for flats / maisonettes.   |
| <b>Leasehold</b>                     | Minimum remaining lease term is 70 years at completion.   |
| <b>Flying freehold</b>               | Considered provided it does not exceed 10% of the total area. The valuer must comment and confirm total percentage. |
| <b>Commonhold</b>                    | Are not accepted.   |

## Fees

|  |   |
|--|---|
| <b>Fees that may be added to the loan (the customer should make a positive choice to do this)</b>  | Product fee and telegraphic transfer fee up to 88% LTV (any fees added will not be incorporated into LTV calculation, but will be included in our affordability calculation).   |
| <b>Product switching fee</b>   | If the applicant decides to change the product on the application after the mortgage product has been offered, the below non-refundable administration fee is payable prior to the amended mortgage offer being issued. <b>£120</b> |
| <b>Property re-inspection fee</b>  | Where a reinspection is necessary after the initial valuation is carried out, the following fee is payable. <b>£95</b>  |
| <b>Telegraphic transfer fee</b>  | <b>£35</b>  |
| <b>Redemption administration fee</b>   | <b>£120</b>   |
| <b>Valuation and assessment fee</b>  | Standard valuation and assessment fee payable on application. The valuation fee is refundable if the valuation is not carried out; the assessment fee of £180 is non-refundable.  |
| <ul style="list-style-type: none"> <li>▶ Please refer to the 'Tariff of mortgage charges' document for full details. A downloadable version is available on the Precise Mortgages website under 'Document downloads'</li> <li>▶ All fees include VAT (where applicable)</li> </ul> |   |

# Valuation and assessment fee scale

| Valuation up to | Valuation and assessment fee | Homebuyers report and assessment fee | Valuation up to | Valuation and assessment fee | Homebuyers report and assessment fee |
|-----------------|------------------------------|--------------------------------------|-----------------|------------------------------|--------------------------------------|
| £100,000        | £370                         | £570                                 | £3,000,000      | £2,050                       | £3,750                               |
| £150,000        | £410                         | £600                                 | £3,200,000      | £2,165                       | £3,955                               |
| £200,000        | £445                         | £650                                 | £3,400,000      | £2,275                       | £4,155                               |
| £250,000        | £465                         | £705                                 | £3,600,000      | £2,390                       | £4,360                               |
| £300,000        | £485                         | £770                                 | £3,800,000      | £2,500                       | £4,560                               |
| £350,000        | £525                         | £815                                 | £4,000,000      | £2,615                       | £4,760                               |
| £400,000        | £560                         | £900                                 | £4,200,000      | £2,725                       | £4,965                               |
| £450,000        | £590                         | £955                                 | £4,400,000      | £2,840                       | £5,165                               |
| £500,000        | £630                         | £1,045                               | £4,600,000      | £2,975                       | £5,370                               |
| £600,000        | £695                         | £1,105                               | £4,800,000      | £3,090                       | £5,595                               |
| £700,000        | £750                         | £1,155                               | £5,000,000      | £3,200                       | £5,800                               |
| £800,000        | £810                         | £1,205                               | £5,500,000      | £3,480                       | £6,305                               |
| £900,000        | £920                         | £1,255                               | £6,000,000      | £3,765                       | £6,810                               |
| £1,000,000      | £975                         | £1,405                               | £6,500,000      | £4,045                       | £7,315                               |
| £1,250,000      | £1,090                       | £1,655                               | £7,000,000      | £4,325                       | £7,820                               |
| £1,500,000      | £1,200                       | £1,955                               | £7,500,000      | £4,610                       | £8,325                               |
| £1,750,000      | £1,315                       | £2,055                               | £8,000,000      | £4,890                       | £8,830                               |
| £2,000,000      | £1,540                       | £2,205                               | £8,500,000      | £5,170                       | £9,335                               |
| £2,200,000      | £1,600                       | £2,945                               | £9,000,000      | £5,450                       | £9,840                               |
| £2,400,000      | £1,715                       | £3,145                               | £9,500,000      | £5,730                       | £10,350                              |
| £2,600,000      | £1,825                       | £3,345                               | £10,000,000     | £6,015                       | £10,855                              |
| £2,800,000      | £1,940                       | £3,550                               | £10,000,000+    | On referral                  | On referral                          |

The limitations of each report is documented within our 'Customer information - about your mortgage' guide. You can read this information by clicking [here](#)

## Conveyancer fees

Full details of our conveyancing options can be found at [precisemortgages.co.uk/ConveyancerPanel](https://precisemortgages.co.uk/ConveyancerPanel)

# Submission requirements

|  | Loan amount less than £1,000,000   | Loan amount more than £1,000,000 |
|--|--|----------------------------------|
| <b>Signed declaration</b>                                | Yes  | Yes                              |
| <b>Proof of income</b>                                   | Yes, if ICR less than 145%   | Yes                              |
| <b>Bank statements</b>                                   | No for Tier 1 and Lifetime Tracker products<br>Yes for Tier 2 and 3 products | Yes                              |
| <b>Proof of deposit (savings/other)</b>                  | Underwriter discretion   | Yes                              |
| <b>Gifted deposit letter (where gift being provided)</b> | Yes  | Yes                              |
| <b>Asset and liabilities form</b>                        | Yes, if 5 year Fixed rate  | Yes                              |
| <b>Rent conduct</b>                                      | No   | No                               |
| <b>Identification</b>                                    | If applicant fails electronic identification check                           |                                  |
| <b>Proof of address</b>                                  | Where applicant has not been on the electoral register in the last 3 years   |                                  |
| <b>Mortgage conduct</b>                                  | Only if conduct is not on the credit search                                  |                                  |
| <b>CML Disclosure of incentives form</b>                 | Required for new build   |                                  |
| <b>5 Year Fixed Rate Submission Form</b>                 | Submitted for all 5 year Fixed rate cases greater than 60% LTV               |                                  |
| <b>Existing Property Portfolio Details Form</b>          | Submitted for all 5 year Fixed rate cases greater than 60% LTV               |                                  |
| <b>Anticipated exchange and completion dates</b>         | Information required for new build   |                                  |

You must provide this information when submitting the application. You must notify the applicant(s) of these requirements and that they need to provide correct and complete information. We will not be able to proceed with the mortgage application if they do not and as a result we are unable to assess affordability.

Please note that further documents can be requested at the discretion of our underwriters if required to approve the mortgage. Where additional documentation is required, our underwriters will communicate these requirements to you and the associated time scale for their submission.

| All documents to be certified as a true copy of the original document must be signed and dated by the broker. |   |
|---|---|
| <b>Signed declaration</b>   | Must have both pages uploaded / be signed and dated / fees ticked correctly as per KFI.   |
| <b>Proof of income - employed</b>   | <ul style="list-style-type: none"> <li>▶ Most recent 3 months' payslips and P60.</li> <li>▶ If weekly – 12 weeks required.</li> <li>▶ If employed by a family member – letter from accountant to support.</li> <li>▶ Fixed term contract – a copy of contract (if less than 6 months to run, evidence of contract extension is required.)</li> </ul>  |
| <b>Proof of income - self-employed</b>  | <p>Latest 1 or 2 year's accounts</p> <p>We only accept accounts prepared by accountants with the following qualifications: ACA/FCA, CA, ACCA/FCCA, AAPA/FAPA, CIMA, CIPFA.</p> <p>OR latest 1 or 2 years' SA302 (or online tax calculation) PLUS corresponding tax year overview.</p>   |
| <b>Proof of income/other income</b>   | <ul style="list-style-type: none"> <li>▶ Tax credits - all pages of award letter and age(s) of children.</li> <li>▶ Pension - confirmation from pension provider.</li> <li>▶ Second job - 3 months' payslips and P60.</li> <li>▶ Maintenance - court order and 3 months' bank statements.</li> <li>▶ Rental income - SA302 (or online tax calculation) and tax year overview OR 3 months' bank statements/AST.</li> </ul> |
| <b>Bank statements</b>  | <ul style="list-style-type: none"> <li>▶ Latest 3 months' required.</li> <li>▶ Must show - salary/self-employed income, household utilities, daily expenditure, current mortgage or rent payments.</li> <li>▶ Statements always required for the account nominated for Precise Mortgages Direct Debit.</li> </ul>   |
| <b>Rent/mortgage conduct</b>  | Proof of latest 12 months' payments via bank statements OR rent reference/mortgage statement.   |
| <b>Gifted deposit</b>   | To be addressed to Precise Mortgages and must confirm:<br>Full name and address of the donor, the amount of gift, relationship to the applicant, whether the gift is repayable, if the donor intends to reside in the property or has any interest in the property.   |
| <b>Proof of deposit (savings/other)</b>   | <ul style="list-style-type: none"> <li>▶ Regular savings - 3 months' bank statements to evidence build up of funds.</li> <li>▶ Lump sum - latest statement plus evidence of the originating source.</li> <li>▶ Forces help to buy - personal information note.</li> </ul>   |
| <b>Identification</b>   | <ul style="list-style-type: none"> <li>▶ Refer to Anti-money laundering guidelines available at <a href="http://precisemortgages.co.uk">precisemortgages.co.uk</a> for certification requirements and acceptable documents.</li> <li>▶ Confirmation face to face identification has taken place. Where not face to face, 2 forms of identification are required from Group A/B.</li> </ul>                                |
| <b>Proof of address</b>   | ▶ Bank statement / utility bill / council tax bill / mortgage statement (see list C on Anti-money laundering guidelines).   |
| <b>CML Disclosure of incentives form</b>  | To confirm full details of all incentives being received.   |
| <b>Let to buy</b>   | Buy to let remortgage - Copy of the mortgage offer for the onwards residential purchase.  |





## Roger Morris Director of Sales

Call Roger if you would like to discuss our wide range of residential and buy to let mortgages, bridging and second charge loan products.

✉ roger.morris@precisemortgages.co.uk

☎ 07774 495810



## Jamie Pritchard Head of Sales

Call Jamie if you would like to discuss our wide range of residential and buy to let mortgage products.

✉ jamie.pritchard@precisemortgages.co.uk

☎ 07931 172422



## Richard Keen Head of Key Accounts

Call Richard if you are a member of a Network or Club and would like to discuss our wide range of residential and buy to let mortgage products.

✉ richard.keen@precisemortgages.co.uk

☎ 07930 236340



## Kevin Beale National Sales Manager - New Builds

Call Kevin if you have a new build query across our residential and buy to let mortgage products, or our **New Build Priority Processing Service** on **0330 024 0349** for enquiries and case updates

✉ kevin.beale@precisemortgages.co.uk

☎ 07901 712467



## Stephen Wrigley Business Development Manager

Call Stephen if you would like to discuss the products and services we offer and you are in the following postcode areas - NP, CF, BS, BA, GL.

✉ stephen.wrigley@precisemortgages.co.uk

☎ 07796 945995



## Rory Cleary Business Development Manager

Call Rory if you would like to discuss the products and services we offer and you are in the following postcode areas - AL, E, EC, EN, HA, N, NW, UB, W, WC, WD

✉ rory.cleary@precisemortgages.co.uk

☎ 07880 250212

Get in touch with our intermediary support team

 0800 116 4385 9am to 6pm, Mon to Fri

 [enquiries@precisemortgages.co.uk](mailto:enquiries@precisemortgages.co.uk)

 0800 131 3180

 [precisemortgages.co.uk](http://precisemortgages.co.uk)

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