Buy to Let for Individuals Product Guide

New
Buy to let
limited edition products
with a £1,995 flat fee

Individuals Buy to Let Product Guide

9th September 2021

For portfolio and non-portfolio landlords.

Foundation
Home Loans

For intermediary use only. All loans revert to BBR+4.99%. BBR is set at 0.10% as of March 19th 2020.

Products at a glance

Foundation Home Loans

Quick Overview

F1 Product Range – For clients with an almost clean credit history

F2 Product Range – For clients financing a more specialist property type and/or those with some historical blips on their credit rating

F3 Product Range – For clients with more recent blips on their credit rating

Applicant Type	F1 product	F2 product	F3 product
Individual	✔	✔	✔
Portfolio landlord	✔	✔	✔
First time landlord	✔	✔ (standard property only)	✘
Property Type			
Standard buy to let	✔	✔	✔
HMO	✘	✔	✘
MUB	✘	✔	✘
Short-term let	✘	✔	✘

Credit Criteria	F1	F2	F3
All defaults and CCJs must be satisfied irrespective of when they occured	No defaults or CCJs registered in the last 72 months, regardless of whether they have been satisfied.	No defaults or CCJs registered in the last 24 months, regardless of whether they have been satisfied.	A maximum of one satisfied CCJ or default up to the value of £2000 within the last 24 months with 0 registered in the last 12 months.
Secured loans	A worst status of 0 in the last 72 months.	A worst status of 0 in the last 24 months.	A worst status of 1 in the last 24 months with 0 in the last 6 months.
Unsecured arrears	A worst status of 0 in the last 72 months.	A worst status of 2 in the last 24 months with a status of 0 in the last 12 months.	A worst status of 2 in the last 24 months. Must be up to date at the time of application.
Credit Cards, Mail Order, Comms and Utilities	A worst status of 2 in the last 24 months. Up to date on application.	A worst status of 3 in the last 24 months. Up to date on application.	A worst status of 4 in the last 24 months. Up to date on application.
Bankruptcy/IVA/Admin order	None registered.		

F1 Green Product Range

helping landlords to improve energy efficiency

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F1 Green Reward Remortgage - with a reduced product fee and £750 cashback

For portfolio & non-portfolio landlords improving the energy efficiency of their properties

PRODUCT GROUP F1 GREEN REWARD	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
Remortgage Only 5 Year Fixed	3.39% 3.49%	65% 75%	0.75%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

All loans revert to BBR+4.99%.

Green Reward Criteria

Property must have been issued with an Energy Performance Certificate (EPC) rating of 'C' or above within the last 12 months.

Re-mortgaging within 6 months allowed subject to our standard early re-mortgage criteria (see Criteria Guide for more details).

The Green Reward is only available on standard properties and we cannot accept applications for listed properties.

F1 Green ABC Purchase - with no ERCs

For portfolio & non-portfolio landlords purchasing energy efficient properties

PRODUCT GROUP F1 GREEN ABC	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Variable EPC A	1.99% (Reversion - 3.10%)	75%	2%	£1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	None
2 Year Variable EPC B	2.29% (Reversion - 2.80%)					
2 Year Variable EPC C	2.49% (Reversion - 2.60%)					

All loans revert to BBR+4.99%.

Green ABC Criteria

Green ABC is only available on standard properties and we cannot accept applications for listed or exempt properties.

F1 Limited Edition Products

£1,995 fee for purchase and remortgage

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For portfolio & non-portfolio landlords with an almost clean credit history

NEW: F1 Limited Edition Purchase and Re-mortgage Products

PRODUCT GROUP F1 LIMITED EDITION	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	2.94%	75%	£1,995	£1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	3.14%	75%	£1,995	£1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

All loans revert to BBR+4.99%.

F1 Buy to Let products
with an almost clean credit history

Foundation Home Loans

For portfolio & non-portfolio landlords with an almost clean credit history

F1 Fee Assisted Purchase and Remortgage Products

PRODUCT GROUP F1 FEE ASSISTED	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
Fee Assisted* 2 Year Fixed	3.29% 3.49%	65% 75%	£1,495	£1.5m £1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
Fee Assisted* 5 Year Fixed	3.49% 3.64%	65% 75%	£1,495	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

* Fee assisted - One free standard valuation. No application fee.

F1 Purchase and Remortgage Products

PRODUCT GROUP F1	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	2.89% 3.09% 3.79%	65% 75% 80%	1%	£1.5m £1m £500k	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	3.09% 3.19% 3.99%	65% 75% 80%	1.5%	£1.5m £1m £500k	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
2 Year Variable	3.04% (Reversion - 2.05%) 3.24% (Reversion - 1.85%)	65% 75%	2%	£1.5m £1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	None
5 Year Fixed Large Loan	2.99%	65%	2%	£2m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
5 Year Fixed Early Remortgage	3.39%	75%	1.5%	£1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
5 Year Fixed with 3 Year ERC	3.59%	75%	1.5%	£1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%

All loans revert to BBR+4.99%.

F2 & F3 Buy to Let products for individuals with some blips

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For portfolio & non-portfolio landlords with some historic credit blips.

F2 Products

PRODUCT GROUP F2	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	3.19% 3.34%	65% 75%	1%	£1.5m £1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	3.39% 3.54%	65% 75%	1.5%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
	3.54% 3.69% 4.14%	65% 75% 80%	£1,495	£1.5m £1m £500k	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

F3 Products

PRODUCT GROUP F3	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	3.69% 3.89%	65% 75%	1%	£1.5m £1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	4.14% 4.44%	65% 75%	2%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

All loans revert to BBR+4.99%.

HMO, Large HMO and Short Term Let products

For those financing specialist property types

Foundation Home Loans

For portfolio & non-portfolio landlords financing a more specialist property type.

HMO Products (Up to 6 occupants)

PRODUCT GROUP F2	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	3.39%	75%	1%	£1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	3.34% 3.44%	65% 75%	2%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
	3.74% 4.24%	75% 80%	£1,495	£1m £500k		
5 Year Fixed Early Remortgage Special	3.65%	75%	2%	£1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%

Large HMO and all MUB products*

PRODUCT GROUP F2	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed	3.49%	75%	1%	£1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
5 Year Fixed	3.44% 3.54%	65% 75%	2%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
	3.84% 4.34%	75% 80%	£1,495	£1m £500k		

*Larger HMOs to a max 8 bedrooms; all Multi-Unit Blocks (MUB) to a max 10 units.

Short Term Let Products

SHORT TERM LET PRODUCTS	Rate	Max LTV	Fee	Max Loan	ICR	ERCs
2 Year Fixed Short Term Let	3.59% 3.99%	65% 75%	1%	£1.5m £1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	3%, 2%
2 Year Variable Short Term Let	3.89% (Reversion - 1.20%)	75%	2%	£1m	Basic rate tax payer: 125% x 5.5% High rate tax payer: 145% x 5.5%	None
5 Year Fixed Short Term Let	3.74% 4.09%	65% 75%	2%	£1.5m £1m	Basic rate tax payer: 125% x pay rate High rate tax payer: 145% x pay rate	5%, 4%, 3%, 2%, 1%
	3.94% 4.29%	65% 75%	£1,495	£1.5m £1m		

All loans revert to BBR+4.99%.

General and credit criteria

Foundation Home Loans

Application criteria	
Application Fee (non-refundable)	£125.
Overpayments	Yes, up to 10% in any one year.
Maximum number of applicants	2.
Age	21 years at inception to 85 years at term end.
Location	England & Wales.
Minimum valuation	£75,000.
Exposure	Maximum 3 properties in any one postcode.
New build	Leasehold flats to a max of 65% LTV. Additional criteria applies. Houses accepted.
Loan criteria	
Purpose	Purchase/Remortgage.
Repayment type	Interest Only/Capital & Interest/Part & Part.
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* Minimum £500,000 on Large Loan products *may vary dependent on product.
ICR	Basic rate tax payer 125% High rate tax payer 145%
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.
Portfolio landlord criteria	
Portfolio Size	Unlimited properties in portfolio. Up to a max £5,000,000 exposure with Foundation Home Loans/ Paratus AMC.
Portfolio Landlords	For background portfolios, we require a maximum aggregate LTV of 80%. Minimum rental cover is calculated using an ICR of 125%, but the stress rate will vary to a maximum of 5.5% dependent on portfolio LTV. Calculations include unencumbered properties.

Valuation fees

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Valuation fee scale			
Property value up to	Standard Property	HMO (up to 6 occupants)	Large HMO (up to 8 beds and all MUBs*)
£100,000	£190	£660	£875
£150,000	£250	£660	£875
£200,000	£285	£700	£875
£250,000	£315	£700	£980
£300,000	£330	£700	£1,065
£350,000	£340	£785	£1,275
£400,000	£405	£785	£1,275
£450,000	£435	£900	£1,400
£500,000	£465	£900	£1,400
£600,000	£550	£955	£1,555
£700,000	£640	£1,035	£1,690
£800,000	£705	£1,130	£1,835
£900,000	£795	£1,230	£1,965
£1,000,000**	£905	£1,320	£2,130
£1,500,000	£1,480	-	-
£2,000,000***	£2,050	-	-

*Larger HMOs to a max 8 bedrooms; all Multi-Unit Blocks (MUB) to a max 10 units.

** Fees for HMO/MUB properties in excess of £1m are by agreement.

*** Fees for standard properties in excess of £2m are by agreement.

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