



Criteria Guide Buy-to-Let Mortgages

A range of buy-to-let products available to individual, portfolio, limited company SPV and first time landlords.

We aim to help with specialist buy-to-let requirements such as unusual property types including flats that are high rise and over commercial premises, HMOs, multi unit freehold properties and holiday lets.

Using our fully on line broker portal and client app, we can provide quick decisions and underwriter flexibility.

We are always happy to discuss cases that do not 'fit the box'.



PERSONAL FINANCE AWARDS 2022
BEST SECOND CHARGE MORTGAGE LENDER



MONEYFACTS AWARDS 2022
BEST SECURED LOAN PROVIDER



MORTGAGE INTRODUCER AWARDS 2021
SECURED LOAN LENDER OF THE YEAR



MORTGAGE STRATEGY AWARDS 2021
BEST SECOND CHARGE LENDER



FINANCIAL REPORTER AWARDS 2021
BEST SECOND CHARGE MORTGAGE LENDER



SFI AWARDS 2021
SECURED LOAN LENDER OF THE YEAR

Enquiries: 020 7031 1551 or email: mortgage.enquiries@utbank.co.uk | utbank.co.uk | [utb_mortgages](https://twitter.com/utb_mortgages)



LOAN

MAX LTV

80% Standard, 80% Specialist, 80% Non Standard.

MINIMUM LOAN

£50,000.

MAXIMUM LOAN

£1.5m up to 65% LTV, £1.0m up to 75% LTV and £500,000 up to 80% LTV.

MAXIMUM WITH UTB

Total borrowing of up to £5m per individual with a 20 loans maximum.

TERM

From 5 – 25 years.

REMORTGAGE

Property must have been owned for at least 3 months and must be registered in the borrowers name at Land Registry.

OFFER VALIDITY

3 months.

CONSUMER BTL

We do not allow Consumer BTL. If the client is already a landlord with other rental property this is acceptable. Contact us if the subject property is the client's only BTL.

PORTFOLIO LANDLORDS

APPLICANTS

Any applicant, either individually or in a Ltd. Company (SPV), owning other BTL properties.

PORTFOLIO REQUIREMENTS

BTL portfolio entered in to the portal or via the 'BTL Hub' system.

BACKGROUND PORTFOLIO ICR

The portfolio ICR must be at least 125% at a mortgage rate of 5%. UTB may request further assurance over the mortgage serviceability for portfolios that are highly geared.

CAPITAL REPAYMENTS

MORTGAGE REPAYMENT

Capital repayment can be applied for with the same ICR as interest only mortgages. The actual mortgage payment must be covered by the assessed rental income.

An amount of 10% of the outstanding balance of the mortgage can be repaid as a lump sum in any year without penalty.

PROPERTY

VALUES

Houses: Minimum value £100,000 with maximum value £5M
Flats: Minimum value £125,000.

FLATS

Various types of flats up to 30 floors (Where the security is on the 4th floor or above the block needs to have a lift). All flats must be at at least 30 Sq.M in size.

LEASE TERM

Minimum term 60 years left on the lease on completion.

EXPOSURE LIMITS

Single blocks, greater of 10 units or 25% of the total.

Subject to overall maximum of 15 units.

A charge over the freehold may be requested where there is common/related ownership with the subject leasehold.

HOLIDAY LETS

In areas where demand exists for short term holiday lettings.



MUB

APPLICANTS

At least 1 applicant must have 1 years letting experience.

MINIMUM VALUATION

£150,000.

NUMBER OF UNITS

Six self contained units with their own utilities on specialist and ten on non standard products.
All units must be at least 30sq.M in size

HMO

APPLICANTS

At least 1 applicant must have 1 years letting experience.

MINIMUM VALUATION

£150,000.

NUMBER OF LETTABLE ROOMS

Six on specialist and ten on non standard products.

LICENCE REQUIREMENTS

Licence would be needed if required by the local authority.
This will be confirmed by the solicitor.

NEW BUILD

DEFINITION

Will only lend on new properties which are built and ready for occupation.

WARRANTY

A new build warranty should be in place confirmed by the solicitor.

TENANCY TYPES

AST

Ordinary ASTs 6-12 months.

CORPORATE LET

To recognised companies.
Local Authorities and Housing Associations.
Up to 5 years with break clause.

TENANTS

Tenants must not be vulnerable or under POA.

DEPOSIT

GIFTED DEPOSITS

Gifted deposits considered from close relatives: Parents, Child, Grandparents, Brother, Sister, Step Parent, Spouse and Grand Children.

OVERSEAS DEPOSITS

These can be considered by referral (FATF and EEA only) .

CONCESSIONARY PURCHASE

Considered if purchasing from a close relative (as above).
Market value will be used as the purchase price and for LTV purposes.



APPLICANTS

MINIMUM AGE

21 for all applicants.

MAXIMUM AGE

At least one applicant must be under 85 years old at the end of the term.

MAXIMUM NUMBER OF APPLICANTS

Four.

ALLOWABLE ADVERSE CREDIT

UTB Status 0 criteria: Active unsecured credit – All accounts currently up to date (mail order and communications ignored).

Mortgages/Secured Loans – No missed payments in the last 12 months & nil outstanding.

CCJs and Defaults – None in the last 2 years with a maximum of 5 totalling £5,000 whether satisfied or not (less than £300, mail order and communications ignored).

PERSONAL INCOME REQUIREMENTS

There is no minimum income requirement. However, the primary applicant must be able to evidence income via a latest – payslip, SA302, signed accounts, pension statement. Alternatively an employment reference or accountants certificate can be obtained. Spousal maintenance accepted if by court order.

PROOF OF IDENTIFICATION

All Applicants will be requested to complete Biometric ID through the UTB Secure Chat Hub and we will send a link to them to complete this. The applicant must have a Drivers Licence, Passport or National ID Card to complete this check. If they do not have one of these documents please contact our BTL department.

Non-EU nationals will be accepted where a passport and proof of indefinite rights to reside in the UK is provided.

PROOF OF RESIDENCY

All applicants must provide a 3 year address history in the UK. This will be evidenced via a Voters Roll search. Where this does not cover the last 3 years then applicants may evidence UK residency with one item for each year from:

Latest Mortgage Statement, Council Tax bill, or Utility bill (Landline, Water, Gas or Electric). These can be online documents.

Bank statement (These can be online statements and must be dated within the last 90 days if evidencing for current year).

Active Credit that commenced within the year required on a Mortgage or Current Account.



ICR AFFORDABILITY

BASED ON RENTAL INCOME

Confirmed by the valuer or current rent if lower. Only exception is holiday lets (see holiday let section).

RENTAL COVER RATIOS IF LTV ≤ 70%

Basic Income Tax Rate	125%
Higher Income Tax Rate	140%
Combined Basic and Higher Income Tax Rate	130%
Ltd Companies	125%

RENTAL COVER RATIOS IF LTV > 70%

Basic Income Tax Rate	135%
Higher Income Tax Rate	140%
Combined Basic and Higher Income Tax Rate	135%
Ltd Companies	135%

RENT COVER RATES

2 YEAR FIXED – Higher of: Initial pay rate + 2% or 5.50%

5 YEAR FIXED – Initial pay rate %

--LENDING TO LIMITED COMPANIES

DEFINITION

Ltd Co's that have been formed for holding residential Buy to Let properties as assets. Trading companies are not permitted.

DIRECTORS OR SHAREHOLDERS

Up to a maximum of 4 individuals. The application must include all directors and sufficient shareholders who own a combined total of at least 80% of the company.

ACCEPTABLE SIC CODES

68100, 68209, 68320, 68201.

DEPOSITS

Gifted deposits/equity from close family members/blood relatives only.

PERSONAL GUARANTEES

All directors and shareholders are required to provide joint and several guarantees and take Independent Legal Advice.

CONNECTED APPLICANT

Where the property is registered in the name of one of the applicants, at least one of the owners must be a shareholder of the Ltd Co application.



HOLIDAY LETS

PROOF OF RENTAL INCOME

Remortgages – Income over the last 12 months from approved accounts, letting agency statements or filtered bank statements. If not available then a reputable letting agency letter

Purchases – From a reputable letting agency letter

LETTING AGENCY LETTERS

Must be presented on the agency letter head with their corporate details

Full Week Lettings – Show expected rental income for each of the low/medium/high seasons with the number of expected bookings/weeks/occupancy or void rate

Short Week Lettings (if applicable) – Show expected rental income for each of the low/medium/high seasons with the number of expected bookings/weeks/occupancy or void rate

Include the agent's commission rate and/or fees and VAT status. (If omitted UTB will default to 20% + VAT)

RENTAL INCOME CALCULATION – USING LETTING AGENCY LETTERS

The rental income for each of the low/medium/high seasons should be calculated as:

- The rental income as stated in the agency letter. If applicable use a weighted average of full & short week income
- Weekly figures should be converted into Monthly by multiplying by 4.3
- Deduct the agency fees & commission rate including any VAT
- Multiply by the Occupancy rate. The maximum permitted is 70% (equivalent to 36.4 weeks per annum).

RENTAL INCOME CALCULATION – USING LAST 12 MONTHS INCOME RECEIVED

The income received by the borrower net of commission/fees should be divided by 12. Input this into the portal for the low/medium/high seasons.

NON SINGLE DWELLING PROPERTY

For properties that are multi unit/shared accommodation the rental income should be declared on an AST basis which will be verified by the valuer

PROPERTY SIZE

- Properties should contain a maximum of 6 bedrooms.
- Any properties with 7 or 8 bedrooms will be referred for underwriter review.
- Properties with 9 bedrooms or more are not acceptable.



VALUE SCALE

BTL SINGLE DWELLING	
Property value up to	Fee
£200k	£220
£300k	£250
£350k	£275
£400k	£280
£500k	£350
£600k	£490
£700k	£600
£800k	£700
£900k	£775
£1m	£850
£1.2m	£1100
£1.4m	£1200
£1.6m	£1350
Over £1.6m	By request

BTL HMO/MUB (Small) 6 or less lettable rooms or units	
Property value up to	Fee
£150k	£500
£200k	£550
£250k	£650
£300k	£700
£350k	£775
£400k	£850
£500k	£900
£600k	£1000
£700k	£1100
£800k	£1200
£900k	£1300
£1m	£1400
Over £1m	By request

BTL HMO/MUB (Large) Up to 10 lettable rooms or units	
Property value up to	Fee
All	Fees are available upon application. Please contact UTB with the property details



Our Team, always on hand to help

Residential, buy to let or second charge



Caroline Mirakian –
Sales & Marketing Director
Nationwide
M: 07825 720 586
cmirakian@utbank.co.uk

Field Team for our club and network partners



Hannah Oades –
Corporate Account Manager
Club & Network Distribution
Nationwide
M: 07423 789 983
hoades@utbank.co.uk



Stewart Green –
London and East of England
M: 07557 311 615
sgreen@utbank.co.uk



Rachel Shackleton –
South East and South West
M: 07471 971 236
rshackleton@utbank.co.uk



Key Account Team for our Specialist Distributors



North Region
Chris Pedlar –
M: 07787 296 057
cpedlar@utbank.co.uk



South Region
Jigar Patel –
M: 07796 348 031
jpatel@utbank.co.uk

Other useful contact points

Division	Number	Email
Mortgage Enquiries Team (Pre submission)	0207 031 1551	Mortgage.enquiries@utbank.co.uk
Residential Underwriting (Post submission)	0207 031 1552	Dedicated email address provided on submission
BTL Underwriting (Post submission)	0203 862 1298	btlmortgages@utbank.co.uk

For Registration, procurator fee and sourcing queries please contact
Intermediary Support - on 0207 031 1551 Email: mortgage.enquiries@utbank.co.uk

QUICK LINKS

To register as new intermediary

[CLICK HERE](#)

To access online document library

[CLICK HERE](#)

To read our case studies for deals we've recently supported

[CLICK HERE](#)

To search our Criteria on the Knowledge Bank site

[CLICK HERE](#)



Residential Mortgages