

# Product guide

## Specialist buy to let mortgages

Limited company, HMO and multi-unit



### **New!** Helping landlords with improved affordability

- ▶ Simplification of minimum ICR calculations
- ▶ Higher rate and additional rate taxpayers now calculated at 140%
- ▶ Reduction in assessment rates
- ▶ Short-term fixed rates now assessed at pay rate plus 1.55% (minimum 5.50%)

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# Tier 1

## Limited company products



Key criteria						
Acceptable adverse		Income	Loan amount/LTV limits	Term	Portfolio	Rental calculation
<b>Defaults:</b> 0 in 72 months <b>CCJs:</b> 0 in 72 months <b>Missed mortgage/secured payments:</b> 0 in 36 months <b>Unsecured arrears:</b> 1 in 12 months, 2 in 36 months (worst status)  All qualifying directors/shareholders will be required to guarantee the loan and their credit history will be taken into account when determining product eligibility.		No minimum income requirements on loans up to and including £1,000,000. For loans over £1,000,000 a minimum income of £100,000 is required. The main applicant must be employed/self-employed.	<b>Minimum loan size:</b> £40,000  <b>Maximum loan size:</b> £3,000,000 60% £1,000,000 70% £750,000 75% £500,000 80% (unless otherwise stated)	<b>Minimum:</b> 5 years <b>Maximum:</b> 35 years	► 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 £10,000,000.  ► Unlimited with other lenders.	Interest Cover Ratio (ICR) calculated at 125%.  <b>Top slicing</b> available across the entire product range. Not available to first-time buyers or remortgage applications. Please see our criteria guide for more information.
						<b>Guarantor (applicant)</b>  <b>Minimum age:</b> 21 years <b>Maximum age:</b> 80 at the date of application (maximum term of 35 years) <b>Maximum number of guarantors:</b> 4

LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
70%	2-year fixed	4.29%	5.00%	4% in year 1 3% in year 2	BBR + 3.25%	5.84%	UZN94
	5-year fixed	4.39%	7.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.39%	UZN95
75%	2-year fixed	5.29%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	6.84%	UZN96
		5.79%	2.00%			7.34%	UZN97
	5-year fixed	4.79%	5.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.79%	UZN98
		5.19%	3.00%			5.19%	UZN99
		5.39%	2.00%			5.39%	UZN01
80%	2-year fixed	6.29%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	7.84%	UZN02
		6.79%	2.00%			8.34%	UZN03
	5-year fixed	6.29%	3.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	6.29%	UZN04
		6.49%	2.00%			6.49%	UZN05

### \*Assessment rate

2-year fixed rates	Pay rate plus 1.55%. Minimum 5.50%.
5-year plus fixed rates	Pay rate.

# Tier 1

## HMO and multi-unit products



Key criteria							
Acceptable adverse		Income	Loan amount/LTV limits	Term	Portfolio	Rental calculation	Applicant
Defaults:	0 in 72 months	No minimum income requirements. The main applicant must be employed/ self-employed.	<b>Minimum property values apply.</b> See our criteria guide for full details.  <b>Minimum loan size:</b> £40,000  <b>Maximum loan size:</b> £1,000,000      70% £750,000        75% £500,000        80% (unless otherwise stated)	<b>Minimum:</b> 5 years <b>Maximum:</b> 35 years	▶ 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 £10,000,000.  ▶ Unlimited with other lenders.	Rental calculation is based on individual circumstances.  <b>Top slicing</b> available across the entire product range. Not available to first-time buyers or remortgage applications. Please see our criteria guide for more information.	<b>Minimum age:</b> 21 years <b>Maximum age:</b> 80 at the date of application (maximum term of 35 years) <b>Maximum number of applicants:</b> 2  <b>Experience:</b> Applicants must have held a current buy to let for at least 12 months prior to application
CCJs:	0 in 72 months						
Missed mortgage/ secured loan payments:	0 in 36 months						
Unsecured arrears:	1 in 12 months, 2 in 36 months (worst status)						

HMO and multi-unit							
LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
70%	2-year fixed	4.49%	5.00%	4% in year 1 3% in year 2	BBR + 3.25%	6.04%	UZM06
	5-year fixed	4.59%	7.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.59%	UZM07
75%	2-year fixed	5.49%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	7.04%	UZM08
		5.99%	2.00%			7.54%	UZM09
	5-year fixed	4.99%	5.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.99%	UZM10
		5.39%	3.00%			5.39%	UZM11
		5.59%	2.00%			5.59%	UZM12

HMO							
LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
80%	2-year fixed	6.49%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	8.04%	UZM13
		6.99%	2.00%			8.54%	UZM14
	5-year fixed	6.49%	3.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	6.49%	UZM15
		6.69%	2.00%			6.69%	UZM16

### \*Assessment rate

2-year fixed rates	Pay rate plus 1.55%. Minimum 5.50%.
5-year plus fixed rates	Pay rate.

Multi-unit properties accepted in England and Wales.  
HMOs accepted in England, Wales and Scotland.

# Tier 1

## Limited company HMO and multi-unit products



Key criteria						
Acceptable adverse		Income	Loan amount/LTV limits	Term	Portfolio	Rental calculation
<b>Defaults:</b> 0 in 72 months <b>CCJs:</b> 0 in 72 months <b>Missed mortgage/secured payments:</b> 0 in 36 months <b>Unsecured arrears:</b> 1 in 12 months, 2 in 36 months (worst status)  All qualifying directors/shareholders will be required to guarantee the loan and their credit history will be taken into account when determining product eligibility.		No minimum income requirements. The main applicant must be employed/self-employed.	<b>Minimum property values apply.</b> See our criteria guide for full details.  <b>Minimum loan size:</b> £40,000  <b>Maximum loan size:</b> £1,000,000 70% £750,000 75% £500,000 80% (unless otherwise stated)	<b>Minimum:</b> 5 years <b>Maximum:</b> 35 years	► 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 £10,000,000.  ► Unlimited with other lenders.	Interest Cover Ratio (ICR) calculated at 125%.  <b>Top slicing</b> available across the entire product range. Not available to first-time buyers or remortgage applications. Please see our criteria guide for more information.
						<b>Guarantor (applicant)</b>  <b>Minimum age:</b> 21 years <b>Maximum age:</b> 80 at the date of application (maximum term of 35 years) <b>Maximum number of guarantors:</b> 4 <b>Experience:</b> Applicants must have held a current buy to let for at least 12 months prior to application

HMO and multi-unit							
LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
70%	2-year fixed	4.49%	5.00%	4% in year 1 3% in year 2	BBR + 3.25%	6.04%	UZM17
	5-year fixed	4.59%	7.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.59%	UZM18
75%	2-year fixed	5.49%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	7.04%	UZM19
		5.99%	2.00%			7.54%	UZM20
	5-year fixed	4.99%	5.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	4.99%	UZM21
		5.39%	3.00%			5.39%	UZM22
		5.59%	2.00%			5.59%	UZM23

HMO							
LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
80%	2-year fixed	6.49%	3.00%	4% in year 1 3% in year 2	BBR + 3.25%	8.04%	UZM24
		6.99%	2.00%			8.54%	UZM25
	5-year fixed	6.49%	3.00%	5% in years 1 and 2, 4% in years 3 and 4, 3% in year 5	BBR + 3.25%	6.49%	UZM26
		6.69%	2.00%			6.69%	UZM27

### \*Assessment rate

2-year fixed rates	Pay rate plus 1.55%. Minimum 5.50%.
5-year plus fixed rates	Pay rate.

Multi-unit properties accepted in England and Wales.  
HMOs accepted in England, Wales and Scotland.

# General information

For details of all our qualifying criteria please see our online criteria guide.

Affordability	
<b>ICR</b> Interest Coverage Ratio (ICR) will be calculated between 125%-140% dependent on the applicant's tax band and individual circumstances.	
<b>Personal ownership ICRs</b>	
Basic rate taxpayers	125%
Higher rate taxpayers	140%
Additional rate taxpayers	140%
<b>Limited company ICR</b>	
Limited company applications	125%
<b>Top slicing</b> The rental income for the property must be a minimum of 110% of the payment when calculated at the pay rate of the chosen product. Surplus income from an applicant's existing property portfolio, earned income, or a combination of the two can then be used to demonstrate affordability against the ICR required for the loan based on our current lending criteria at the assessment rate for the chosen product. Not available to first-time buyers or for remortgage applications.	

Repayment methods	
<ul style="list-style-type: none"> <li>▶ Capital and interest.</li> <li>▶ Interest only.</li> </ul>	

Portfolio lending limits	
<ul style="list-style-type: none"> <li>▶ 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 £10,000,000.</li> <li>▶ No limit on the number or value held with other lenders.</li> </ul>	

Experienced landlords	
Some of our products are available to experienced landlords only. Applicants must have held a current buy to let for at least 12 months prior to application.	

Legal representation	
Full details of our conveyancing options can be found at <a href="http://precisemortgages.co.uk/ConveyancerPanel">precisemortgages.co.uk/ConveyancerPanel</a> .	

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	£700,000	£750	£1,155
£150,000	£410	£600	£800,000	£810	£1,205
£200,000	£445	£650	£900,000	£920	£1,255
£250,000	£465	£705	£1,000,000	£975	£1,405
£300,000	£485	£770	£1,250,000	£1,090	£1,655
£350,000	£525	£815	£1,500,000	£1,200	£1,955
£400,000	£560	£900	£1,750,000	£1,315	£2,055
£450,000	£590	£955	£2,000,000	£1,540	£2,205
£500,000	£630	£1,045	£2,000,000+	Refer to: <a href="http://www.precisemortgages.co.uk/Fees">http://www.precisemortgages.co.uk/Fees</a>	
£600,000	£695	£1,105			
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.					
* Homebuyers valuations are not available for HMO properties.					

Other fees			
Telegraphic transfer fee	£25	Post offer product switch fee	£70
Redemption administration fee	£40		
<div><div>▶</div><div>Please refer to 'Tariff of mortgage charges' document for full details. A downloadable version is available on the Precise Mortgages website under 'Document downloads'</div></div> <div><div>▶</div><div>All fees include VAT (where applicable)</div></div>			

Bank of England Base Rate (BBR) and the reversion rate	
BBR reversion rates are variable rates that are linked to the Bank of England base rate. For new applications, any change to BBR will apply on our systems and documentation the next day. For existing accounts, any change to BBR will apply on the day of the change.	
All of our BBR reversion rates have a floor. This means that if BBR were to fall to 0.00% or less the rate payable will be 0.00% plus the agreed set percentage above BBR. This means that the rate payable will never go below 0.00% plus the additional percentage rate of the reversion rate.	