

# Buy to Let Product Guide

## 26th March 2024

For limited company, individual, portfolio and non-portfolio landlords.

- **New** F1 Limited Edition 5 Year Fixed product up to 75% LTV with a 1% fee, one free valuation and rate of 5.74%
- F1 Limited Edition 2 Year Fixed product up to 75% LTV with a 1% fee and rate of 5.79%
- Buy to Let Special products for Portfolio Landlords - options include 5 year fixed rates from 5.09% with one free standard valuation and no application fee



For intermediary use only.

BBR is set at 5.25% as of 3rd August 2023.

# Products at a glance

## 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 (including large portfolio £5m+) | ✓          | ✓<br>Large portfolios of £5m+ on F2 only    | ✓          |
| First time landlord                                 | ✓          | ✓<br>(standard BTL & HMO up to 6 occupants) | ✗          |
| PROPERTY TYPE                                       |            |   |            |
| Standard buy to let                                 | ✓          | ✓   | ✓          |
| HMO up to 6 occupants                               | ✗          | ✓<br>(HMO specific products only)           | ✗          |
| Short term let                                      | ✗          | ✓<br>(STL specific products only)           | ✗          |
| Holiday Lets  | ✗          | ✓<br>(Holiday Let specific products only)   | ✗          |

| CREDIT CRITERIA   | F1   | F2   | F3   |
|---|--|--|--|
| All defaults and CCJs/Court Decree must be satisfied irrespective of when they occurred | No defaults or CCJs/Court Decree registered in the last 72 months, regardless of whether they have been satisfied. | No defaults or CCJs/Court Decree registered in the last 24 months, regardless of whether they have been satisfied. | A maximum of one satisfied CCJ/Court Decree or default up to the value of £2,000 registered 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/Sequestration/ IVA/CVA/Admin Order   | None registered.   |  |  |

# Limited Edition products | For Purchase and Remortgage

## F1 Products

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

| F1            | Initial Rate % | Max LTV | Fee   | Max Loan | ICR   | ERCs               |
|---------------|----------------|---------|-------|----------|---|--------------------|
| 2 Year Fixed  | 5.79%          | 75%     | 1.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed* | 5.74%          | 75%     | 1.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

\*Includes one free standard valuation.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

## F1 Products

For portfolio landlords only with an almost clean credit history

| F1 Portfolio Landlords | Initial Rate % | Max LTV    | Fee   | Max Loan | ICR  | ERCs              |
|------------------------|----------------|------------|-------|----------|--|-------------------|
| 5 Year Fixed           | 4.79%<br>4.89% | 65%<br>75% | 6.00% | £1m      | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%,1% |
| 5 Year Fixed*          | 5.09%<br>5.19% | 65%<br>75% | 5.00% | £1m      | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%,1% |

\*includes one free standard valuation and no application fee.

## F1 Products

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

| F1           | Initial Rate % | Max LTV    | Fee   | Max Loan | ICR   | ERCs              |
|--------------|----------------|------------|-------|----------|---|-------------------|
| 2 Year Fixed | 5.19%<br>5.39% | 65%<br>75% | 3.00% | £1m      | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%            |
| 5 Year Fixed | 5.64%<br>5.74% | 65%<br>75% | 3.00% | £1m      | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%,1% |

Maximum aggregate borrowing on Special products is £3m.

Early remortgaging is not available on Special products.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

## F2 Products

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

| F2 Standard HMO* | Initial Rate % | Max LTV    | Fee   | Max Loan | ICR   | ERCs               |
|------------------|----------------|------------|-------|----------|---|--------------------|
| 2 Year Fixed     | 5.34%<br>5.54% | 65%<br>75% | 3.00% | £1m      | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed     | 5.74%<br>5.84% | 65%<br>75% | 3.00% | £1m      | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

\*Standard HMO up to 6 occupants.

Maximum aggregate borrowing on Special products is £3m.

Early remortgaging is not available on Special products.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# Green Product Range | Helping landlords to improve energy efficiency



Green ABC+ for purchase and re-mortgage - with one free standard valuation and no application fee.  
For portfolio & non-portfolio landlords improving the energy efficiency of their properties

| F1 Green              | Initial Rate % | Max LTV | Fee   | Max Loan | ICR  | ERCs               |
|-----------------------|----------------|---------|-------|----------|--|--------------------|
| 5 Year Fixed EPCs A-C | 6.19%          | 75%     | 1.25% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%, 1% |
| F2 Green              | Initial Rate % | Max LTV | Fee   | Max Loan | ICR  | ERCs               |
| 5 Year Fixed EPCs A-C | 6.24%          | 75%     | 1.25% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%, 1% |

## Green ABC+ Criteria

Property Energy Performance Certificate (EPC) must show the rating applicable to the product.

You can check the property EPC rating on the government EPC site [here](#) | You can check the EPC rating for properties in Scotland [here](#)

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# F1 Buy to Let products | For purchase and remortgage

## F1 Products

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

| F1                | Initial Rate %           | Max LTV           | Fee   | Max Loan              | ICR  | ERCs               |
|-------------------|--------------------------|-------------------|-------|-----------------------|--|--------------------|
| 2 Year Discount   | 7.49% (reversion -2.75%) | 75%               | 1.50% | £1.5m                 | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below | None               |
| 2 Year Fixed      | 6.49%<br>6.54%<br>6.94%  | 65%<br>75%<br>80% | 1.50% | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below | 3%, 2%             |
| 5 Year Fixed      | 6.14%<br>6.19%<br>6.54%  | 65%<br>75%<br>80% | 1.50% | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                       | 5%, 4%, 3%, 2%, 1% |
| 5 Year Fixed ERC3 | 6.29%                    | 75%               | 1.75% | £1.5m                 | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                       | 5%, 4%, 3%         |

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# F1 and F2 Remortgage | For remortgage only

Remortgage only Fixed Rates for F1 & F2 eligible clients.

| F1            | Initial Rate %          | Max LTV           | Fee    | Max Loan              | ICR  | ERCs              |
|---------------|-------------------------|-------------------|--------|-----------------------|--|-------------------|
| 5 Year Fixed* | 6.29%<br>6.34%<br>6.69% | 65%<br>75%<br>80% | £1,295 | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%,1% |

| F2            | Initial Rate %          | Max LTV           | Fee    | Max Loan              | ICR  | ERCs              |
|---------------|-------------------------|-------------------|--------|-----------------------|--|-------------------|
| 5 Year Fixed* | 6.39%<br>6.44%<br>6.79% | 65%<br>75%<br>80% | £1,295 | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%,1% |

\*all products include one free standard valuation, no application fee and £500 cashback.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.



## F2 & F3 Buy to Let products | Purchase and re-mortgage for portfolio & non-portfolio landlords with some historic credit blips.

### F2 Products

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

| F2           | Initial Rate %          | Max LTV           | Fee   | Max Loan              | ICR  | ERCs               |
|--------------|-------------------------|-------------------|-------|-----------------------|--|--------------------|
| 2 Year Fixed | 6.59%<br>6.64%<br>7.04% | 65%<br>75%<br>80% | 1.50% | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below | 3%, 2%             |
| 5 Year Fixed | 6.24%<br>6.29%<br>6.64% | 65%<br>75%<br>80% | 1.50% | £2m<br>£1.5m<br>£750k | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                       | 5%, 4%, 3%, 2%, 1% |

### F3 Products

For portfolio and non-portfolio landlords with more recent credit blips

| F3           | Initial Rate % | Max LTV | Fee   | Max Loan | ICR   | ERCs               |
|--------------|----------------|---------|-------|----------|---|--------------------|
| 2 Year Fixed | 7.09%          | 75%     | 2.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed | 6.74%          | 75%     | 2.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# Large Portfolios and Large Loans

## Large Portfolio Products - For Portfolio borrowing above £5m

| F2 Large Portfolios | Initial Rate % | Max LTV | Fee   | Max Loan | ICR   | ERCs               |
|---------------------|----------------|---------|-------|----------|---|--------------------|
| 2 Year Fixed        | 6.69%          | 70%     | 1.50% | £2m      | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed        | 6.49%          | 70%     | 1.50% | £2m      | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

Products designed for landlords who wish to grow their aggregate borrowing with Foundation Home Loans above the usual £5m limit

## Large Loan Products

| F2 Large Loans | Initial Rate % | Max LTV    | Fee   | Max Loan   | ICR  | ERCs               |
|----------------|----------------|------------|-------|------------|--|--------------------|
| 5 Year Fixed   | 6.49%<br>6.59% | 60%<br>70% | 2.00% | £5m<br>£3m | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate | 5%, 4%, 3%, 2%, 1% |

Note: for full criteria relating to all our products please see our Criteria Guide and pages on the website.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# Specialist Property Types | For portfolio & non-portfolio landlords financing a more specialist property type

## HMO Products (Up to 6 occupants) - Fee Assisted

| F2 HMO*      | Initial Rate % | Max LTV | Fee   | Max Loan | ICR   | ERCs               |
|--------------|----------------|---------|-------|----------|---|--------------------|
| 2 Year Fixed | 6.89%          | 75%     | 1.25% | £1.5m    | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed | 6.54%          | 75%     | 1.25% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

\*all products include one free standard valuation and no application fee.

## HMO Products (Up to 6 occupants)

| F2 HMO       | Initial Rate % | Max LTV    | Fee   | Max Loan     | ICR   | ERCs               |
|--------------|----------------|------------|-------|--------------|---|--------------------|
| 2 Year Fixed | 6.69%<br>6.79% | 65%<br>75% | 2.00% | £2m<br>£1.5m | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed | 6.34%<br>6.44% | 65%<br>75% | 2.00% | £2m<br>£1.5m | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

## First Time Landlord HMO Products (Up to 6 occupants)

| F2 FTL HMO   | Initial Rate % | Max LTV | Fee   | Max Loan | ICR   | ERCs               |
|--------------|----------------|---------|-------|----------|---|--------------------|
| 2 Year Fixed | 6.84%          | 75%     | 2.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed | 6.49%          | 75%     | 2.00% | £1.5m    | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

Note: for full criteria relating to all our products please see our Criteria Guide and pages on the website.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# Specialist Property Types | For portfolio & non-portfolio landlords financing a more specialist property type

## Short Term Let Products

| F2 Short Term Lets | Initial Rate % | Max LTV    | Fee   | Max Loan     | ICR   | ERCs               |
|--------------------|----------------|------------|-------|--------------|---|--------------------|
| 2 Year Fixed       | 6.79%<br>6.89% | 65%<br>75% | 2.00% | £2m<br>£1.5m | Ltd Co/Basic rate tax payer: 125%. Higher rate tax payer: 145%.<br>And both stress tested as per table below. | 3%, 2%             |
| 5 Year Fixed       | 6.44%<br>6.54% | 65%<br>75% | 2.00% | £2m<br>£1.5m | Ltd Co/Basic rate tax payer: 125% x pay rate<br>Higher rate tax payer: 145% x pay rate                        | 5%, 4%, 3%, 2%, 1% |

Short Term Let products are assessed on AST income only.

## Holiday Let Products

| F2 Holiday Lets | Initial Rate % | Max LTV | Fee   | Max Loan | ICR  | ERCs               |
|-----------------|----------------|---------|-------|----------|--|--------------------|
| 5 Year Fixed    | 6.64%          | 70%     | 2.00% | £3m      | Ltd Co/Basic rate taxpayer/<br>Higher rate taxpayer: 125% x pay rate | 5%, 4%, 3%, 2%, 1% |

Products for holiday lets where the holiday let income can be utilised

Note: for full criteria relating to all our products please see our Criteria Guide and pages on the website.

| AFFORDABILITY ASSESSMENT                  |                             |
|---|-----------------------------|
| Short term fixed rates and variable rates | Higher of pay rate+2% or 6% |
| 5+ year fixed rates                       | Pay rate                    |

All loans revert to BBR+4.99%.

# General criteria

| APPLICATION CRITERIA             | INDIVIDUAL  | LIMITED COMPANY  |
|----------------------------------|---|--|
| Application Fee (non-refundable) | £199.   |  |
| Overpayments                     | Yes, up to 10% in any one year.   |  |
| Maximum number of applicants     | 2.  | 4.   |
| Age                              | 21 years at inception to 85 years at term end.  | At least 1 applicant must be aged over 21 years at application.<br>Other applicants are acceptable provided aged 18 years or over.<br>No maximum age for limited company applications. |
| First Time Buyers                | At least one applicant must NOT be a first time buyer.  |  |
| Minimum valuation                | £75,000. (£125k for 85% LTV products).  |  |
| Exposure                         | Maximum 3 properties in any one postcode.   |  |
| New build                        | Leasehold flats to a max of 65% LTV.<br>Additional criteria applies. Houses accepted.   |  |
| Location                         | England, Wales and Scotland   |  |
|                                  |   |  |
| PORTFOLIO LANDLORD CRITERIA      |   |  |
| Portfolio Landlords              | For background portfolios we require a maximum aggregate LTV of 100%. Minimal rental coverage is calculated using an ICR of 100% at a stress rate of 5.5%.<br>Calculations include unencumbered properties. |  |

| LOAN CRITERIA                |   |
|------------------------------|---|
| Purpose                      | Purchase/Remortgage.  |
| Repayment type               | Interest Only/Capital & Interest/Part & Part.   |
| Early remortgage             | Early remortgage is available on all BTL products except for Specials.  |
| 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 £5,000,000.00*<br>*may vary dependent on product   |
| ICR                          | Basic rate tax payer 125%<br>Higher rate tax payer 145%<br>Limited Companies 125%   |
| Product End Dates            | All Foundation products have a rolling end date.<br>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. |
|                              |   |
| LIMITED COMPANY CRITERIA     |   |
| Limited Company Registration | Company to be registered in England and Wales or Scotland for the purposes of property rental.  |
| Applications                 | Must be SPV for purpose of property rental.<br>No trading companies.  |
| Acceptable SIC codes         | 68100 - 68209 - 68320   |

Note: for full criteria relating to our Buy to Let products please see our Criteria Guide and pages on the website.

# Valuation fee scale and contact details

| VALUATION FEE SCALE               |                      |                            |
|-----------------------------------|----------------------|----------------------------|
| Property value<br>(not exceeding) | Standard<br>Property | HMO<br>(Up to 6 occupants) |
| £100,000                          | £170                 | £450                       |
| £150,000                          | £215                 | £450                       |
| £200,000                          | £245                 | £465                       |
| £250,000                          | £275                 | £535                       |
| £300,000                          | £295                 | £535                       |
| £350,000                          | £315                 | £595                       |
| £400,000                          | £365                 | £595                       |
| £450,000                          | £390                 | £655                       |
| £500,000                          | £420                 | £655                       |
| £600,000                          | £500                 | £720                       |
| £700,000                          | £580                 | £780                       |
| £800,000                          | £645                 | £890                       |
| £900,000                          | £725                 | £965                       |
| £1,000,000                        | £840                 | £1,035                     |
| £1,250,000                        | £1,335               | £1,435                     |
| £1,500,000                        | £1,335               | £1,435                     |
| £2,000,000                        | £1,845               | by agreement               |
| £2,500,000                        | £2,375               | by agreement               |
| £3,000,000*                       | £2,930               | by agreement               |

\*Valuations exceeding the fee scale are by agreement.

Please note that for lending in Scotland, we require a physical valuation on all cases - retypes of the home report cannot be accepted.

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