

# Summary of Secured Loan Products

Applies to all new business from 12 May 2015



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Please call us with questions at **01483 661 100** or email us at **brokersubmissions@steponefinance.co.uk**. Referrals outside of standard plans or for larger loans will always be considered promptly.

I. REGULATED		OWNER OCCUPIED				
Lender Fee		3.00% of Net Loan (£395 Minimum)				
Adverse Units		0	1	2	3	4+
Maximum LTV	65%	8.90%	9.90%	10.90%	12.90%	14.90%
	70%	9.90%	10.90%	11.90%	13.90%	15.90%
	75%	10.90%	11.90%	12.90%	14.90%	16.90%
	80%	11.90%	12.90%	13.90%	15.90%	18.90%
	85%	12.90%	13.90%	14.90%	17.90%	
	90%	14.90%	15.90%	17.90%		
95%		17.90%	18.90%			
Large Loans		Loans over £100,000 on a referral basis, additional loading may apply.				
High LTV Conditions		Loans > 85% LTV must have repayment first mortgage (no IO) and no ex Council Properties.				
Valuation		AVMs up to 75% LTV, loan < £50,000, property < £500,000. Min confidence 5.				

II. NON REGULATED		BUY-TO-LET				
Lender Fee		4.00% of Net Loan (£795 Minimum)				
Adverse Units		0	1	2	3	4+
Maximum LTV	65%	10.90%	11.90%	12.90%	14.90%	16.90%
	70%	11.90%	12.90%	13.90%	15.90%	17.90%
	75%	12.90%	13.90%	14.90%	16.90%	
	80%	14.90%	15.90%			
	85%	17.90%				
Large Loans		Loans over £100,000 on a referral basis, additional loading may apply.				
Affordability		Minimum 120% rental coverage or full I&E. Full I&E required over 75% LTV.				
Valuation		Full internal valuations are required on all non owner occupied properties.				

KEY FEATURES
SIZE → From £5,000 to £500,000. Over £100,000 on referral.
TERM → 3 to 25 Years. (Max term must equal first mortgage if IO and LTV > 75%).
FIXED RATES AT NO ADDITIONAL COST → 3 year fixed rate available at no additional cost.
ERCs → None other than 28 days notice of repayment.
PURPOSE → Loans generally available for any legal purpose.
NO COMMISSION CAP → 2.00% of net loan.
BROKER FEE → Up to 15.00% of net loan (£5,000 max).
PROPERTY LOCATION → Loans available for properties in England, Scotland (Max 85% LTV) and Wales.
VALUATION → AVMs on most loans up to 75% LTV (Excluding BTL and Scotland).

ADVERSE UNIT GUIDELINES	
All activity within the past 2 years will be considered. One adverse unit per account.	
	Adverse Unit
A. Mail Order Communications Current Account Utilities Credit Card Hire Purchase Any Other Unsecured	Max 4 to 6 missed payments (max status 4).
B. All Mortgage Credit	1 or 2 missed payments. 0 in last 6 months.
C. CCJs and Defaults	Unsatisfied < £500 and Satisfied < £10,000.
D. IVA / DMP	Up to date and satisfactory conduct for 2 Years
E. Discharged Bankruptcy	Ignore if discharged more than 2 years ago.

## OTHER INFORMATION

Applicants in IVA's or in Debt Management Plans will be considered as having 1 adverse unit in absence of any other missed payments. Maximum permitted LTV is 85%. Must be up to date and with satisfactory conduct for 2 years.

Affordability is based on individual I&E, no credit score. A final cushion of £50 is required including an interest rate stress test of 1st mortgage and SOFL payment. I&E assumes 3% on any remaining credit and store cards and loan/HP payments as per credit search.

Adverse unit example: 101010321000 = 6 missed payments with a max status of 3.

**NB: This summary is not intended to be a definitive guide and any questions should be directed to the underwriting team or consulted in the full Step One Lending and Underwriting Policy.**