

# Buy to Let Mortgages Product Guide

First Charge

Our revamped buy to let range  
- simple, streamlined and built for  
the modern world.

**This information is for intermediaries only**



# Buy to let. Redefined and re-built for the modern world

Buy to let needed a re-think. So we've re-thought it. Unique across the sector and designed to give you and your customers an easy-to-understand suite that meets real need, this is buy to let - but not as you might know it.



## 3 Three simple products

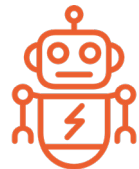
We don't have scores of complex buy to let products.

We've just got three really simple ones.

**Specialist Standard** - your go-to product for straightforward buy to let cases.

**Specialist Property** - properties come in all shapes and sizes. Here's a product that can help you.

**Specialist Landlord/Tenant** - got a tenant or landlord that's a little different? This is the product for you.



## Modern, flexible criteria

We live in modern times, so we've made sure our criteria reflects the world we live in.

From Airbnb and holiday lets to HMOs and student accommodation, our three buy to let products offer flexible property options in tune with modern life.

And unlike the high street, we know that life is rarely straightforward, which is why we don't put tenants in boxes. We help you put them in homes.



## Human underwriting

Specialist lending means you have to work harder to get the right result for your customer.

So we've recruited leading underwriters who are well-equipped to tackle even the most complex buy to let.

And you'll have full access to our mandated team of Lending Specialists - friendly and experienced, they'll be on hand to help you every step of the way.

# The new buy to let product range

Buy to let. In just three products. Simple.



## Specialist Standard Product

Specialist Standard Product - up to 75% LTV			
Plan	2 Year Fixed	5 Year Fixed	5 Year Fixed
Initial Rate	3.09%	3.39%	3.69%
Lenders Fee (£995 minimum)	2.00%	2.00%	£995
Reversion Rate	5.50%	5.50%	5.50%
Stress Rate	5.50%	3.39%	3.69%

### Key Features:

- Individual or professional landlord
- Portfolios up to 8 properties, maximum value £2m with Masthaven
- Limited companies no personal guarantee if <50% LTV
- HMO/student accommodation 6 or fewer rooms on one single AST
- Flats up to 10 floors, ex-local authority up to 6 floors
- Corporate tenants
- Unlimited gifted cash deposit from family members
- Gifted equity from family



## Specialist Property Product

Specialist Property Product - up to 70% LTV			
Plan	2 Year Fixed	5 Year Fixed	5 Year Fixed
Initial Rate	3.63%	3.99%	4.29%
Lenders Fee (£995 minimum)	2.00%	2.00%	£995
Reversion Rate	5.50%	5.50%	5.50%
Stress Rate	5.63%	3.99%	4.29%

### Key Features:

- Individual or professional landlord
- Multiple unit freehold blocks up to 4 units up to 65% LTV
- HMO/student accommodation, 7-10 rooms, on single or multiple AST up to 65% LTV
- Flats 11-20 floors, ex-local authority up to 6 floors
- Residential property above commercial premises which are not food, drink or late opening up to 65% LTV
- Retirement accommodation
- Modular housing



## Specialist Landlord/Tenant Product

Specialist Landlord/Tenant Product - up to 70% LTV			
Plan	2 Year Fixed	5 Year Fixed	5 Year Fixed
Initial Rate	3.89%	4.39%	4.79%
Lenders Fee (£995 minimum)	2.00%	2.00%	£995
Reversion Rate	5.50%	5.50%	5.50%
Stress Rate	5.89%	4.39%	4.79%

### Key Features:

- Individual or professional landlord
- Holiday lets
- Airbnb lets
- DWP tenants
- Asylum tenants
- Remortgage <6 months ownership
- HMO/student accommodation 6 or fewer rooms on single or multiple AST
- Let of own home for any reason



# Specialist Standard Product

For less complicated buy to let applications, Specialist Standard is flexible and competitively priced.



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Plan		Specialist Standard Product	
Maximum LTV	75%		
Minimum Loan	£40,000		
Maximum Loan	Up to 70% LTV = £1,000,000	Over 70% LTV = £600,000	
Application Fee (non-refundable)	£150		
Product Type			
2 Year Fixed	3.09%		
Reversion Rate	5.50% (MBAVR +0.25%)		
Lender Fee (£995 minimum)	2.00%		
ERC	2.00%, 1.00%		
5 Year Fixed	3.39%		
Reversion Rate	5.50% (MBAVR +0.25%)		
Lender Fee (£995 minimum)	2.00%		
ERC	2.00%, 1.00%, 1.00%, 1.00%, 1.00%		
5 Year Fixed	3.69%		
Reversion Rate	5.50% (MBAVR +0.25%)		
Lender Fee	£995		
ERC	2.00%, 1.00%, 1.00%, 1.00%, 1.00%		

Reversion Rates change by tracking the movement in the Masthaven Bank Administered Variable Rate (MBAVR) which is currently 5.25%.



# Specialist Property Product

Taking a modern view of buy to let properties.



## Key Features:

- Individual or professional landlord
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- HMO/student accommodation, 7-10 rooms, on single or multiple AST up to 65% LTV
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Lender Fee	£995
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Reversion Rates change by tracking the movement in the Masthaven Bank Administered Variable Rate (MBAVR) which is currently 5.25%.

Specialist Property Specific Criteria			
HMO/student accommodation 7 - 10 rooms	Single or multiple AST accepted. Maximum 65% LTV.	Retirement accommodation	Self-contained with no shared facilities. No restriction that prohibits the property from being let out.
Multiple unit freehold blocks	Maximum 65% LTV. Up to 4 units. Each unit must be self-contained with no shared facilities.	Flats 11-20 floors	Purpose-built (including new-build) flats in blocks. Up to and including 20 floors, except ex-local authority flats which are limited to 6 floors.
Modular housing	Modern standard, built by recognised provider with established track record.	Residential property above commercial premises	Maximum 65% LTV. Excludes commercial properties which are food, drink or late opening. Flat must have a street-facing entrance. Valuation based on residential property only.



# Specialist Landlord/Tenant Product

Specialist Landlord/Tenant is designed for the modern needs of landlords and tenants.



## Key Features:

- Individual or professional landlord
- Holiday lets
- Airbnb lets
- DWP tenants
- Asylum tenants
- Remortgage <6 months ownership
- HMO/student accommodation 6 or fewer rooms on single or multiple AST
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Plan	Specialist Landlord/Tenant Product
Maximum LTV	70%
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## Specialist Landlord/Tenant Specific Criteria

Holiday lets	Usage must be residential with no restrictive covenant which limits use to holiday letting only.  Rental assesment based on higher of an unfurnished property on AST basis (as confirmed on the surveyors report) or 24 months' rental income minus any paid for services evidenced on bank statements, tax returns and accounts up to a maximum of 125% of the surveyors figure.  Properties on holiday parks not accepted.  Applicant must own their current residence.  The owner and immediate family can occupy the property for up to 30 days per year.	Remortgages with less than 6 months ownership	Loan based on original purchase price or current value, whichever is lower, unless the property is under a Masthaven bridging loan and there is evidence of substantial renovation to justify uplift in value.  Existing ownership must be registered at Land Registry.
HMO/Student accomodation 6 rooms or fewer	Single or multiple AST accepted.	Family member tenants	Only available if the property is a student let and where the family member makes up no more than 40% occupancy.
Let of home for any reason	Details of where applicant will be living needed. If they intend to move back in we will offer a regulated mortgage with consent to let.	Airbnb lets	Applicant must not reside in the property.  Rental assesment based on higher of an unfurnished property on AST basis (as confirmed on the surveyors report) or 24 months' rental income minus any paid for services evidenced on bank statements, tax returns and accounts up to a maximum of 125% of the surveyors figure.  Evidence of sucessful letting of the property required.  The owner and immediate family can occupy the property for up to 30 days per year.
DWP/asylum tenants	If remortgage, evidence of last 6 months of rental income is needed.		Whole property must be available on Airbnb, not partial/room let.



# Buy to let mortgages underwriting criteria

Applies to all applications unless where indicated.

Loan		Acceptable Deposits		Property	
Purpose	Purchase and remortgage available. Remortgage available for the following purposes: investment property; home improvements/maintenance; purchase of equity; transfer of equity; car purchase; debt consolidation.	Remortgage / Secured Loan	Yes	Minimum Property Value	£100,000
Min Term	5 years	Builders Incentive	Max 5% of the purchase price.	Location	England, Wales, mainland Scotland.
Max Term	35 years	Family Cash Gift Deposit	Unlimited - subject to satisfactory insolvency checks.	Length of Ownership	6 months for Standard product and less than 6 months for Specialist Landlord/Tenant products.
Maximum Portfolio Limit	Up to 8 mortgaged properties with a portfolio including the proposed mortgage with a maximum of £2,000,000 indebted with Masthaven. No restriction on total debt with other lenders or number of unemcumbered properties owned.	Family Gift Of Equity Deposit	Deed of gift indemnity, a declaration of solvency from the vendor and a clear bankruptcy search needed.	Ex-Local Authority Flats	Up to 6 floors. Pre-emption must have expired.
Portable	No			Ex-Local Authority Houses	Pre-emption must have expired.
Consumer BTL	Yes	Number of Applicants	Maximum of 2. For ltd companies and LLP up to 2 directors / partners.	Min years remaining on leasehold property	75 years at start of term, 50 years at term end.
Overpayments	Unlimited. Maximum of 10% of the balance at the start of the mortgage year before ERCs apply.	Min Age	21	New Build Flat	Yes
Repayment Types Accepted	Interest only, capital and interest, and part and part.	Max Age	85 (at end of term). No maximum age on application but anything over 70 at start is subject to referral and independent legal advice.	New Build House	Yes
Let to Buy	Yes - Masthaven can lend on both the BTL and residential loan.	Minimum Income	£20,000 gross per annum, combined for joint applicants.	Studio Flat	Floor area min 30m²
Limited Company		First Time Buyer	Yes - if joint application with owner-occupier.	Tenancy	
Max No. of Directors/ Partners	Maximum of 2 - must be UK residents.	First Time Landlord	Yes - subject to one applicant being a homeowner.	Max Tenancy	36 months
Non-Trading Investment Company	A Special Purchase Vehicle (SPV) can purchase a property from a related limited company or related individual subject to: <ul style="list-style-type: none"><li>Same ultimate owners</li><li>Transfer at full open market value</li><li>All shareholders within a shareholding of 10% or more are required to provide joint and several guarantees (unless &lt;50% LTV on Specialist Standard product)</li><li>Deposit can come from directors’ loan account</li><li>Debenture not required</li></ul>	UK Residency	Applicants must have resided in the UK for a minimum of 3 years.  UK citizens EU citizens - proof of residency required  Worldwide nationals - proof of identity, residency and evidence of rights to remain required	DWP/Asylum Tenants	Only on Specialist Landlord/Tenant product.
Trading Companies	Minimum 18 months trading. Most recent accounts required to evidence company is profitable. All shareholders with a shareholding of 10% or more are required to provide joint and several personal guarantees.	Lending into Retirement	Yes	Acceptable Tenancies	AST from 6 - 36 months considered. Corporate lets acceptable providing they are let directly to a ltd company, whose employees will reside at the property.
Adverse Criteria	Assessed on total combined adverse for all shareholders and the ltd company.			Family Letting	Only where student accommodation and family make up <40%, on Specialist Landlord/Tenant product.
Houses of Multiple Occupancy (HMO)		Interest Coverage Ratio (ICR)		Credit	
Definition	Minimum 3 tenants, forming more than 1 household, sharing facilities.	Required Rental Income	Tax Band	Total Adverse Credit Units	0 units in 24 months
Max Bedrooms	6 (10 with Specialist Property Product).		UK Basic Rate (20%)	Worst Status Mortgage Arrears	1 in 24 months
License requirements	As per council requirements, a copy will be required if applicable.		UK Higher Rate/Additional Rate	Max unsatisfied CCJs/defaults	1 in 36 months
			UK Ltd Co/LLP/SPVs	DMPs	Satisfied > 24 months
			HMO	IVA/Bankrupt/Sequestration	Satisfied or Discharged > 36 months
		Portfolio Landlord	140% on security property and portfolio. No single property can be below 100% ICR	Unit Definition	
		Rental Calculation	If 5 year fixed, use payrate. Otherwise, use payrate plus 2% (unless this is <5.5%, in which case use 5.5%).	A unit is defined as: <ul style="list-style-type: none"><li>1 missed mortgage payment</li><li>1 unsecured credit account &gt; £300 where the worst status is 3 or more regardless of whether the account has subsequently settled</li><li>1 CCJ or default over £300 registered whether satisfied or not</li></ul> Unsatisfied CCJs/defaults > £2,500 by referral. We ignore CCJ/defaults under £300, 3 years old or satisfied in months 24-36.	

# Buy to let Round-up



- Simplified product range for both individual and professional landlords
- Limited companies - no personal guarantees if <50% LTV
- HMO up to 10 rooms
- Holiday and Airbnb lets
- DWP/asylum tenants
- Remortgage < 6 months ownership
- Retirement accommodation
- Residential property above commercial premises

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Got a case to  
discuss?

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