

EXPAT BTL PRODUCT GUIDE PURCHASE AND REMORTGAGE



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SUMMARY

Expat applications are subject to additional, enhanced underwriting and further information may be requested to support the application.

If any of the applicant's are UK based, the application will be processed as per the additional, enhanced Expat criteria.

Up to 75% LTV available to Individuals, Ltd Companies and HMO/MUB's.

RATES	LTV	EXPAT
2 year fixed	70%	3.95%
2 year fixed	75%	4.15%
5 year fixed	70%	4.35%
5 year fixed	75%	4.49%
Revert Rate	-	LIBOR + 5.25%
Completion Fee	-	2%
Application Fee	-	£150
TT Fee	-	£30
Valuation Fee	-	Variable

CREDIT STATUS

All credit profiles are assessed at an individual applicant level.

- CCJs – maximum 1 (max £250) in 36 months, 0 in 12 months. Must be satisfied at time of application.
- Secured arrears – 0 in 12 months, 1 in 24 months
- Unsecured arrears – 0 in 6 months, 1 in 24 months
- Defaults – 0 in 24 months
- Pay day loans – 0 in 6 years
- Bankruptcy/IVA – must be discharged or satisfied for a minimum of 6 years.

LIBOR

LIBOR is 0.85%, effective from 12th March 2019. Rates are based off 3-month LIBOR, rounded up to 2 decimal places.

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EXPAT CRITERIA

Unless stated below, all existing buy-to-let criteria apply to Expat applications.

Applicant	
Definition of an Expat	<p>Applicant(s) must be UK Nationals, living or working abroad in any FATF member country and must have owned at least one BTL property in the UK for a minimum of 12 months.</p> <p>If one of the applicants is UK based, the overall application will still be underwritten as an Expat case.</p> <p>*FATF - Financial Action Task Force. Acceptable countries can be found at the end of this guide.</p>
Maximum number of applicants	<p>Four.</p> <p>For Limited Company applications, details of up to four directors or shareholders as applicants will be captured. The applicants must cover a minimum of 75% of total shareholding.</p> <p>If any applicant is a UK resident, the application will be underwritten as an Expat case.</p>
Minimum age	21 years at application.
Maximum age	80 years at application, 95 years at end of term.
Spouses	A non-expat spouse can be accepted but where one/more of the applicants is UK based, the overall application will still be processed as an Expat case.
Nationality, ID and location	
Current country of residence	UK Nationals working in a FATF member countries or Confederations, excluding high risk countries.
Acceptable proof of ID and Proof of Residence in current country.	<p>Valid, in-date UK Passport is required for ALL applicants.</p> <p>TML will also attempt to validate all applicants by EID where possible.</p> <p>The passport copy supplied must be certified by a suitable person e.g. lawyer, legal professional, Embassy, accountant who must certify by signing, and in clear, block capitals, confirm their name, profession, business address and state they have “seen the original” and that it is a “true likeness” of the applicant.</p> <p>Proof of Current residency is required on all cases. Ideally this should be provided in English or we may require additional evidence (for example an employment reference in English).</p> <p>1 item dated within the last month.</p> <p>The local equivalent of the following item showing their current address;</p> <ul style="list-style-type: none"> • Bank/building society statement • Utility bill (excluding mobile phone and catalogue/mail order) • Credit card statement • Most recent lender statement • Equivalent local authority notification of local rates or tax <p>The certifier must be a suitable person e.g. lawyer, legal professional, Embassy, accountant who must certify by signing, and in clear block capitals, confirm their name, profession, business address and state they have “seen the original”.</p>

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First time landlord / existing BTL's	First time landlords are not permitted, all Expat applicants must have owned, and still own an existing UK BTL property for a minimum of 12 months. Evidence will be required. HMO: Expats must already own a HMO or a MUB and we require evidence of the existing HMO/ MUB properties.
Credit File and Profile	
Active UK credit profile	Must have an active UK credit profile.
UK bank account	Must have an active UK current bank account, this is the account from which the monthly mortgage payment will be made. Proof of the account is required in the form of the most recent statement.
Income and evidence	
Minimum income	Minimum income is £40,000 GBP equivalent for employed and retired. Minimum Income is £60,000 GBP equivalent for self-employed and contractors.
Employed	1 month's payslip required (or P60) plus 1 month's bank statement. The employer must be a recognisable, traceable company abroad. If a reference is to be supplied, this should be in English. 12 months employment history required.
Self-employed	Self-employed applicants must be professionals (e.g. professional consultants, professional contractors, lawyer/partner). Business owners will be required to have an accountant with internationally accepted qualifications). PO Box addresses will not be accepted. Evidence should be provided in English.
Contractors	Professionals who work for recognisable and traceable companies. 1 month's payslips or contract, plus one month's bank statement.
Retired	Accepted. Minimum income £40,000. Latest pension statement or evidence of other income source, plus one month's bank statement.
Loan	
Purpose	Purchase and remortgage.
Remortgage	For remortgage within 6 months of purchase please refer. Contact our Intermediary Business Consultants for more information.
Repayment method	Capital and interest. Interest only. Part & part.
Minimum loan	£25,001
Maximum loan	£750,000. (Aggregate £1 million).
Porting	Our loans are not portable.
Offer validity	3 months. New build offers will be valid for 6 months.

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Deposit	Funds are expected to be in the UK.
Acceptable deposits	Individual savings. Limited Company/LLP reserves or working capital. Sale of property or pending sales. Sale of shares or investment. Inheritance. Equity from another property. Evidence must be in English.
Vendor/Builder gifted deposit	New build properties can have up to 5% builder gifted deposit. Converted properties up to 5% considered on a case by case basis.
Gifted deposit	All gifted deposits must be disclosed and are subject to a gift letter from deposit provider, identification and evidence of funds. Gifted deposits must be from a UK donor source and held in a UK bank account.
Family gifted equity	Up to a maximum 75% LTV and satisfaction that the transaction does not constitute Consumer BTL. Any gifted equity donor must be UK based and capable of receiving independent legal advice.
Property	
UK property management	Must be able to demonstrate family member or management company who can oversee the property. Provide company name & address (if a property company) or family member name, address & relationship.
Minimum valuation	£50,000. For converted properties, HMO or any in London and the South East £120,000.

ERCs	YEAR				
	1	2	3	4	5
2 year products	3%	2%	-	-	-
5 year products	5%	5%	4%	4%	3%

AFFORDABILITY

Minimum ICR - 140% on Expat applications.

Interest coverage rate (ICR) test will apply on all cases on an interest only basis.
The interest rate used to calculate the ICR test will be:

5 or more years fixed rate products: the initial rate.

All other products: A nominal rate (currently 5.5%) or the initial rate + 2%, whichever is higher.

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ACCEPTABLE COUNTRIES

We will consider expat applications from UK Nationals, working or residing in the following countries:

LIST OF ACCEPTABLE COUNTRIES		
Argentina	Hong Kong, China	Oman
Australia	Hungary	Poland
Austria	Iceland	Portugal
Bahrain	India	Qatar
Belgium	Ireland	Republic of Korea
Brazil	Israel	Romania
Bulgaria	Italy	Singapore
Canada	Japan	Slovakia
China	Kuwait	Slovenia
Croatia	Latvia	South Africa
Cyprus	Lithuania	Spain
Czech Republic	Luxembourg	Sweden
Denmark	Malaysia	Switzerland
Estonia	Malta	Turkey
Finland	Mexico	United Arab Emirates
France	Netherlands	United States
Germany	New Zealand	
Greece	Norway	

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