



September 2018

HMO & Multi-Unit Blocks Lending Criteria -2 (England & Wales)

This lender will allow a wide range of HMO's with most accommodation types, including studios/bedsits/flats/rooms to let. Properties above some commercial premises are acceptable. Blocks of flats up to 20 units accepted.

Up to 80% Mortgage

- Purchases - maximum advance of up to 80% of the purchase price
- Re-mortgages- maximum of up to 80% of the value of the property
- Capital raising only allowed for residential investment property purchase or improvements to residential investment property.
- Interest rates and arrangement fees – see table below
- Interest-only, or repayment basis up to 25 years
- Available for tenants on separate tenancy agreements, or on one joint tenancy
- Available for multiple self-contained flats/bedsits/studios in one freehold Title
- Minimum age 21 at application – maximum age 80 at end of term
- HMO Properties must have HMO licence, except where the property has been newly converted for HMO use in which case the licence application must be in progress
- Applicants for HMO and Multi-Unit Blocks must have at least 3 years letting experience
- Applicants (single or joint) must have minimum combined annual income of £25000
- Minimum property value £100,000
- Minimum loan is £30,000
- Lending to Ltd Co is available. Must be an SPV
- **Re-mortgages within 6 months of ownership.** The loan will be based on the lower of the original purchase price or the current valuation. Exceptions can be considered if it can be demonstrated that significant improvement works have been carried out, since the date of purchase, which have enhanced the property. The property must be registered at Land Registry as being owned by the applicant at the date of application.

See interest rates below



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Initial rate	Booking Fee	Type	Term	Lender fee	ERC	Incentives	Max LTV
3.20%	£150	Fixed	2yrs	1%	Yes	No	75%
3.50%	£150	Fixed	5yrs	2%	Yes	FV/500	75%
3.60%	£150	Fixed	2yrs	nil	Yes	No	75%
3.60%	£150	Fixed	2yrs	nil	Yes	FV/250	75%
3.69%	£150	Fixed	2yrs	0.5%	Yes	No	80%
3.70%	£150	Fixed	5yrs	£1,999	Yes	No	80%
3.75%	£150	Fixed	5yrs	0.5%	Yes	No	75%
3.80%	£150	Fixed	5yrs	1%	Yes	No	80%
3.84%	£150	Fixed	5yrs	0.5%	Yes	FV/500	75%
3.85%	£150	Fixed	5yrs	0.5%	Yes	FV/500	75%
3.86%	£0	Fixed	5yrs	nil	Yes	FV/400	75%
3.89%	£150	Fixed	5yrs	0.5%	Yes	FV/500	80%
3.90%	£150	Fixed	5yrs	nil	Yes	No	75%

FV= free property valuation

250 = £250 cashback

400 = £400 cashback

500 = £500 cashback

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