

Responsive residential mortgages



Plan and Criteria Changes

Bridging Finance

New demerit point matrices
Maximum loan amount £200,000 (over £200,000 considered)
Minimum valuation £75,000
Terms 1 to 12 months
Bankrupts and IVA qualifying periods introduced
Property types redefined
Arrears, CCJs and Defaults, redefined
Payment Holiday option removed
Early Payment Plan now for only 3 months
Short Term Plan option removed
New rate matrix
New remuneration structure
Valuation Bypass Schemes updated
Reaffirmed income plausibility and lending into retirement affordability
Revised Acceptance Fee scale

Core Products & Criteria

Short term Interest Only funding; 3 months Early Payment Plan option

All status

All types of income source accepted;
employed; self-employed; self-cert; DSS; additional income

All property types accepted; including high rise, defective, ex-council

Bridging Finance & Short Term Funding

Residential & Owner-occupied Semi-commercial

Bridging Finance & Short Term Funding Residential & Owner-occupied Semi-commercial

Case outside criteria? We'll always take a view!

100% Funding available with additional security	Standard Plan	Early Payment Plan (by referral only)
		for 3 months
Maximum LTV	65% (MV)	60% (MV)
Demerit Points	See term loan plans for maximum against LTV	
Loan Amount	Minimum £26,000. See relevant term plans for maximum loan amount and LTV	
Maximum Term	12 months	12 months
Minimum Term	1 month	1 month
Monthly Interest Accrual	n/a	0.85%
Monthly Rate	1.50%	0.85%
Acceptance Fee	See term plans	See term plans
Broker Fee	Can be applied	Can be applied
Exit Fee in months	1	1
Commission	0.50%	0.50%
Stages Funding	Available. Please discuss with underwriter.	

Notes for Bridging Finance

All other term loan underwriting criteria applies. LTVs Up to 100% funding available. Higher LTVs considered dependent on the merits of the case or for those who have a proveable exit route. **All Loan to Values** & maximum advance strictly subject to underwriter approval. **Qualifying Contracts** residential and semi-commercial with >40% immediate family residential occupancy. **Property Types A type** Standard construction houses and bungalows including ex-council. **B type** Standard construction flats and maisonettes (up to maximum of 6 floors including ex-council), purpose built apartments and flats that are not ex-council and properties detailed on our standard construction acceptable property list. **C type** All other property types including defective, high rise ex-council flats, properties below £75,000 and any poor remarks on valuation, etc. **Bankrupts** discharged more than 1 year and **IVAs** with satisfactory conduct more than 1 year accepted. **CCJs** if a CCJ amount is £3,000 or more, or more than £5,000 in total has been registered in the last 6 months, the case is strictly subject to approval. **Defaults** Registered in last 6 months: individual defaults less than £500 ignored; individual defaults up to £1,000 accepted and total defaults up to £2,000 accepted. All other defaults strictly subject to underwriter approval. **Arrears** cannot be last consecutive months, includes first or second charge arrears or a combination, and cannot be deducted from the redemption figure. Explanations required for arrears and large defaults/CCJs. **Early Payment Plan** strictly by Underwriter approval only. **Account Management** Should the client wish to extend the loan period a renewal fee of 5% of the gross outstanding balance is payable. If an Early Payment Plan is taken, payments will be required on renewal. Standard plans only available on renewal without underwriter agreement. Difficult and unusual cases dependent on the merits of the case. An account management fee of 0.25% may be applied if the account accrues arrears. **All other standard terms and conditions apply. See overleaf for more details.**



Your Notes

Bridging Finance & Short Term Funding

Terms & Conditions

Acceptable Security

All property structures including land considered in England, Scotland and Wales. Minimum of 50 years + term of loan for leasehold properties. See plans for details. **B Type Property Accepted:** Traditional Standard Construction Property, No Fines Carolite, BTS Type 4 No Fines, O'Sullivan No Fines, Craft Cast Concrete, Prometo, Fidler Repaired PRC, Forrester - Marsh No Fines, Sectra, Incast Houses, Shepherd No Fines, Laidlaw Thornton, Spacemaker, Laing Easiform, Storiform, Maxim, Wimpey No Fines, No Fines, (excluding high rise).

Acceptance Fee

Not included in LTV. Will be applied to all loans and mortgages. Please refer to Quick Quote Calculator.

Loan Amount	Fee
>£0 - £50,000	£595
£50,001 - £100,000	£995
£100,001 - £150,000	£1,495
£150,001 - £200,000	£1,995

Then an extra £500 will be charged for every additional £50,000.

Bankruptcies/IVAs/CVAs

See plans. It may be possible to clear the IVA/bankruptcy/CVA by underwriter referral.

Bridging Finance & Short Term Funding

Please provide details of how the capital will be repaid at the end of the term.

Broker Fees

May be charged on all plans and must have been agreed with the client.

Clients Solicitors

If the mortgage is a purchase or the mortgage is over £250,000, solicitors must act for the client. All solicitors acting for clients must have 3 or more solicitors within the practice, with a Law Society membership of 5 years or more.

Commissions

All commission and packager allowance is capped at £1,000 for bridging finance.

Demerit Points - Arrears, CCJs, etc.

Demerit points are defined as 1 months arrears or a CCJ. Current arrears are equivalent of 1 full calendar month payment. 'Arrears' are defined as current arrears as detailed on the credit bureaux or confirmation from the mortgage lender at the time of completion. Maximum arrears is the total of the first and second charge arrears. CCJs defined as unsatisfied if >£250 or <2 years old. Also see plan. Defaults - see plans.

Early Payment Plan (EPP)

For the term of the loan 50% of the payment is required. The other 50% rolls up onto the loan balance. The re calculated balance will then need to be redeemed at the end of the term.

Ex-council Properties

Ignore all pre-emption.

Income Calculation

For cases that are submitted to Cheshire Mortgage Corporation the total debt to income is also assessed. This calculation is in addition to the standard income calculation and takes the applicants net income/take home pay minus all other outgoings including unsecured credit and household expenditure. Please ensure that the Declaration of Income and Affordability is completed in full with all outgoings declared. All income and outgoings will be assessed for plausibility and affordability; if we believe that either of these cannot be achieved we reserve the right to reject the case.

Income Proof

Employed - if monthly paid, 2 payslips dated within the last 3 months; if weekly paid, 4 payslips dated within the last 2 months. Additional income can be self-certified. **Self-Employed** - declaration of income and affordability with proof. Income up to a maximum of £5,000 per net month - must provide strong proof of self-employment e.g. Trade Invoice, 715 or SC60 certificate, VAT or Inland Revenue correspondence. Applicants self declaring income in excess of £5,000 per month must provide an original accountant's letter confirming employment status. **DSS** - declaration of income and affordability with proof. We will accept "Board" or "Lodgings" from family members up to a maximum of £250 per month. If "Board" or "Lodgings" exceeds this amount and it is required to make a case fit on income calculations then we will require proof in the form of regular sums seen on bank statements over a three month period. If an Early Payment Plan or Discounted Rate has been selected, the affordability will be calculated on the reversionary payment not the reduced payment.

All income and outgoings will be assessed for plausibility and affordability; if we believe that either of these cannot be achieved we reserve the right to reject the case.

Loan to Value (LTV)

LTVs based on market value or purchase price whichever is the lower. Right to Buys are based on market value. Shared Ownership properties are based on market value multiplied by client's share.

Maximum Age

No maximum (maximum term may be restricted for applicants of pensionable age). If the term will exceed the clients retirement date then a full assessment of the client's affordability in retirement will be conducted.

Maximum Loan Amount

Includes loan amount, all insurances and all fees.

Renewal

At the end of the term, the loan may be renewed by approval with a 5% renewal fee being incurred.

Shared Ownership Properties

By referral only. No Bypass Schemes accepted. For purchases a draft lease will be required which must include a Mortgagee Protection Clause (MPC). If there is no MPC then we are unable to complete the loan. Term loans and mortgages are subject to all approval conditions of the Housing Association. Once the lease has been reviewed your underwriter will provide you with a list of requirements to complete the case. Strictly subject to underwriter approval. If the mortgage is >80% of the client's share you cannot offer a Early Payment Plan option.

Solicitor's Costs

Charged on all cases. Solicitor's costs are payable when advance >£25,001 and include VAT where applicable. Please refer to Quick Quote Calculator.

Amount of Advance	Fee
≥£0	£588
≥£100,000	0.58750%

Solicitors to Witness and Advise

Up to £100,000 not required. Required on certain cases, e.g. loans >£100,000, clients of pensionable age, parent and child borrowers, etc. Independent Legal advice will be required if the loan is for business purposes and for a married couple where the business only relates to one of the applicants. All solicitors acting for clients must have 3 or more solicitors within the practice, with a Law Society membership of 5 years or more. If the client's solicitor does not fulfil these requirements please refer to the underwriter. Please refer to the General Underwriting and Processing Guide for more information.

Telegraphic Transfer

£30 fee.

Title Deeds

The Title Deeds to the property are always required when lending on a first charge in Scotland. Matrimonial Homes Affidavits must be obtained on all first charges where the applicant is single, divorced or widowed. This must be witnessed by a solicitor or notary public.

Title Insurance

Paid by client and added to the advance.

Loan Amount	Fee
>£0 - £25,500	£0
£25,501 - £75,000	£150
£75,001 - £150,000	£175
£150,001 - £500,000	£250
£500,001 - £550,001	£300

Then an extra £50 will be charged for every additional £50,000.

Underwriter Referral

Required if valuation <£75,000 or is a 'C' type property, semi-commercial, bridging finance, or the loan >£200,000.

Valuations

Residential Valuation Panel is available from your Business Development Executive. All valuers must be based within a 15 mile radius of the property. If a property is within these postcode areas we prefer to accept Ord Carmell & Kritzler valuations: AL, BR, CR, CT, DA, EC, EN, GU, HA, HP, IG, KT, LU, ME, N, NW, RG, RM, SE, SG, SL, SM, SW, TN, TW, UB, W, WC, and WD. Audit valuations may be required if the loan amount >£50,000, LTV >60% or property value >£500,000. We reserve the right to contact any valuers or other appropriate sources regarding the valuations of a property. Should any further information be discovered which is not reflected in the valuation or may have a detrimental effect on the value of the property, we reserve the right to reduce the loan amount or decline the case. **For Sale Details:** If the property is currently for sale with an estate agent, please supply a copy of the sales particulars.

PLEASE REFER TO GENERAL UNDERWRITING & PROCESSING GUIDE FOR FURTHER DETAILS

All fees include VAT where applicable.

Help us to help you

To ensure you contact the department you need we have devised this list of **'useful numbers'**. Please refer to it before contacting us so that you will access the department to suit your requirements. Many thanks!

New Enquiries & In Principle Decisions Team

Call: 0844 873 4180
Fax: 0844 873 4181
Email: applications@cheshiremortgage.co.uk

Processing Team

Call: 0844 873 4178
Fax: 0844 873 4179
Email: processingteam@cheshiremortgage.co.uk

Visit our websites at www.cheshiremortgage.co.uk or www.brokerVenue.co.uk