

A guide to changes in our approach to short term lending

| Areas of Lending | 1st Charge Lending | 2nd Charge Lending | Maximum Term | Permissions |
|----------------------------|--------------------|--------------------|--------------|---|
| Regulated Bridging | Yes | Yes | 12 months | Advising and Arranging |
| Consumer Buy to Let | Yes | Yes | 18 months | CBTL Advisor CBTL Arranger |
| Property Investor | Yes | Yes | 18 months | Credit Broking if the security includes a second charge on home and is an unregulated loan for business purposes. Debt Counselling if debt consolidation sold on an advised basis. |
| Foreign Currency | No | No | N/A | N/A |

Changes to Terms of Business

We have updated our Terms of Business. To view them visit: pdf.precisemortgages.co.uk/01542_scl_terms_of_business_1.pdf
These will replace our existing terms of business with effect from 21 March 2016.

Changes to documents

Our Decision in Principle and Application Forms have been updated, both of which will be available on the Precise Mortgage website on Wednesday 2nd March.

- ▶ Decision in Principle Form (pdf.precisemortgages.co.uk/00376_bridging_loans_decision_in_principal_form_8_6.pdf)
- ▶ Application Form - Individual (pdf.precisemortgages.co.uk/00351_bridging_individual_application_form_9_7.pdf)
- ▶ Application Form - Company (pdf.precisemortgages.co.uk/00352_bridging_company_application_form_9_4.pdf)

It is imperative that you destroy any old stock to avoid any delay with issuing indicative terms and offer, as well as completing a bridging loan for your customer

Pipeline Management

The changes made to the DIP and Application Forms, earlier this year, mean we are well prepared and able to manage pipeline with minimal disruption.

Please note that for Buy to Let applications where the loan will be classed as consumer buy to let after 21 March 2016, the **Acceptance of Offer** must be returned to Precise Mortgages **no later than 18th March 2016**.

Our Underwriting team will liaise closely with you on all cases (pre & post offer), to ensure we have all the correct information and documentation required to complete within this timeframe.

Should you have any specific questions then please do not hesitate to contact your Underwriting Teams, Chris Parr, Nigel Robbins or Gareth Lewis.

Consumer Buy to Let

If you intend to offer consumer buy to let you must ensure that you have consumer buy to let advisor and consumer buy to let arranger permissions. You should make the necessary application to register with the FCA as a consumer buy to let credit intermediary to:

- ▶ Act as a consumer buy to let arranger (all sales); or
- ▶ Act as a consumer buy to let adviser (advised sales only)

For more information visit: www.fca.org.uk/firms/firm-types/mortgage-brokers-and-home-finance-lenders/mcd/cbtl

A buy to let mortgage will normally only be classed as 'consumer buy to let' if the security includes a single buy to let property and the applicant didn't purchase that property to let (e.g. inherited it or originally purchased it to live in and doesn't own other buy to let properties).

Useful websites

FCA - www.fca.org.uk/

FCA full permissions - <http://register.fca.org.uk/>

Mortgage Credit Directive - www.fca.org.uk/mcd

Mortgage Conduct of Business - www.handbook.fca.org.uk/handbook

We can provide literature in large print, Braille and audio tape. Please ask us for this leaflet in an alternative format if you need it.