

A guide to our system changes

Buy to Let Mortgages

In order to better align our portal screens with our overall Buy to Let proposition we have made some changes. We believe that these changes are intuitive and self-explanatory, but for those of you who want to know what's changed this booklet provides that information.

1 Top Slicing

Instead of asking you whether you want to use top slicing at the start of the application, we provide you with product options at the end which clearly show whether top slicing is or isn't required and you make your choice then.

2 Main income earners

Now that top slicing can be used for limited companies, we ask you to make sure that you key the first 2 applicants as the main income earners. This could help you to access a wider range of products (including 2 year fixed) and help you to maximise the available loan size.

3 Residential Mortgage

As an improvement we now collect details of the repayment type of your customer's Residential mortgage. This enables us to more accurately calculate affordability which could help your customer achieve a higher loan size on the Buy to Let property.

4 Portfolio Details

In order to help progress your case more quickly and to help you provide portfolio information more efficiently we have improved the collection of details of the customer's existing portfolio.

5 Decision Results

The decision result page has been changed slightly to help clarify the options available for your customer. The product grid continues to clearly show which products and loan sizes are available using rental income from the subject property only and/or top slicing.

Reminder: Do not copy to new DIP

As with any change to our portal, we ask that you do not attempt to copy to new DIP using information that was input prior to the portal change (2 May 2019) as this will create an error message.

1 Top Slicing

Instead of asking you whether you want to use top slicing at the start of the application, we provide you with product options at the end which clearly show whether top slicing is or isn't required and you make your choice then.

OLD

DIP

Applicant: Smith

Application Reference: M2201242702

Intermediary Declaration

Submission Details

Applicant 1 Details

Applicant Details

Address Details

Applicant Employment

Adverse Details

Applicant Commitments

Applicant Mortgage Details

Applicant 2 Details

Loan Details

Property Details

Declaration

Fees

Application Summary

Current Address Search

Name or Number

Postcode: *

[Find Address](#)

Select Address

Charter Court Financial Services, 1, Charter Court, Broadlands, Wolverhampton, WV10 6TD, United Kingdom

Residential Status *

From * To *

Do you wish to include details for Earned Income? * ☒ Yes ☐ No [?](#)

* Mandatory fields

[Previous](#) [Save](#) [Next](#)

NEW

DIP

Applicant: Test LTD

Application Reference: M2201247111

Intermediary Declaration

Submission Details

Company Details

Applicant 1 Details

Applicant Details

Address Details

Applicant Employment

Adverse Details

Applicant Commitments

Applicant Mortgage Details

Loan Details

Property Details

Declaration

Fees

Application Summary

Current Address Search

Name or Number

Postcode: *

[Find Address](#)

Residential Status *

From * To *

* Mandatory fields

[Previous](#) [Save](#) [Next](#)

We have removed the question that asks if you want to use top slicing. This does not mean that you will have to use top slicing, or that you will now need to provide any additional information, it simply means that we will present you with product and loan amount options for both rental income and top slicing later in the process.

Of course, you will then have the choice of which option to choose.

2 Main income earners

DIP

Applicant: Test LTD

Application Reference: M2201247111

Intermediary Declaration

Submission Details

Company Details

Applicant 1 Details

Applicant Details

Address Details

Applicant Employment

Adverse Details

Applicant Commitments

Applicant Mortgage Details

Loan Details

Property Details

Declaration

Fees

Application Summary

Applicants

Number of Applicants * ☐ 1 ☒ 2 ☐ 3 ☐ 4

Personal Details

Please always key the highest income earners as applicants 1 and 2 [?](#)

Title *

First Name *

Middle Name

Surname *

Date of Birth *

Expected Retirement Age

Nationality *

Rights to Reside in the UK * ☐ Yes ☒ No

Currently resident in UK? * ☐ Yes ☒ No

Length of Residency * years months ☐ From Birth

Marital Status *

Number of Child Dependents *

Number of Adult Dependents * [?](#)

Do you currently hold a mortgage or own a property? * ☐ Yes ☒ No

Company Association

Company *	Role within business *	% Shareholding *	Delete

Now that top slicing can be used for Limited Companies, we ask you to make sure that you key the first 2 applicants as the main income earners.

If you do choose to use top slicing, completing this section correctly could help you to access a wider range of products (including 2 year fixed) and help you to maximise the available loan size.

3 Residential mortgage

DIP

Applicant:
Test LTD

Application Reference:
MZ201247111

Intermediary Declaration

Submission Details

Company Details

Applicant 1 Details

Applicant Details

Address Details

Applicant Employment

Adverse Details

Applicant Commitments

Applicant Mortgage Details

Loan Details

If the commitments are joint please only enter against one applicant

Mortgage/Rent

Monthly residential mortgage repayment £0

Current interest rate * %

Residential mortgage balance outstanding £0

Repayment Type * ?

Open market value of residential property *

Remaining term of mortgage years * months *

Mortgage to be redeemed on completion? ☐ Yes ☒ No

Mortgage & Secured Loan History

Does the applicant have any other non BTL mortgages or secured loans? ☐ Yes ☒ No

As an improvement we now collect more details about the customer's current residential mortgage, including the repayment type.

This enables us to more accurately calculate affordability which could help your customer achieve a higher loan size on the Buy to Let property.

Residential RepaymentType

If the Residential Mortgage Repayment Type is Part and Part with different mortgage rates key the Interest Only part in this section and the Capital Repayment part in the 'Mortgage & Secured Loan History' section.

Mortgage & Secured Loan History

Does the applicant have any other non BTL mortgages or secured loans? ☒ Yes ☐ No

Lender *	Outstanding Balance *	Monthly payment *	Repay On Completion?	Delete
			<input type="checkbox"/>	<input type="checkbox"/>

Remaining term years * months *

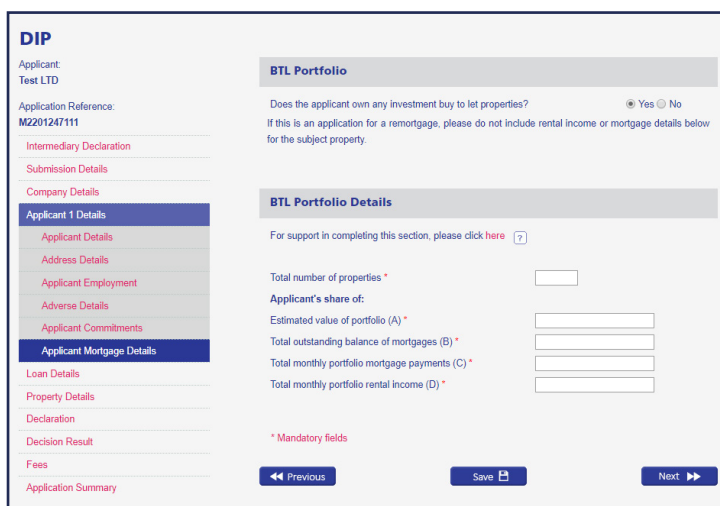
Current interest rate * %

Add + **Delete Selected X**

If the customer's current residential mortgage is Part & Part with different interest rates, only the Interest Only part should be added to the mortgage details. The rest of the loan should be entered in the 'Mortgage & Secured Loan History'.

4 Portfolio

In order to help progress your case more quickly and to help you provide portfolio information more efficiently we have improved the collection of details of the customer's existing portfolio.



The information that we request captures the share of the portfolio that each customer is responsible for.

To help with this we have created guidance within our portal to allow you to complete this section, [click here](#) to download a copy.

What hasn't changed?

Our portfolio lending process hasn't changed and we still only require two simple forms to complete the assessment. Remember we will add these details to the application for you, saving you valuable time.

Remember: top slicing is now available on portfolios. This allows portfolio landlords to use surplus rental income from their portfolio to demonstrate that the customer could meet any financial stresses on their new property application, rather than through the rental income of that property alone.

5 Decision Results

DIP
Applicant:
Test LTD
Application Reference:
M2201247/111
Intermediary Declaration
Submission Details
Company Details
Applicant 1 Details
Loan Details
Property Details
Declaration
Decision Result
Fees
Application Summary

Decision

Decision Result: **Pass:**
The table below shows the loan amounts available based on our assessment of this application at this stage.

Option 1: Select required product and proceed. Based on our assessment of this application at this stage, we will underwrite using rental income only.

Reducing the loan amount requested may mean additional products become available.

We carry out extra underwriting checks when assessing your full application. For details please click [here](#)

Available Products

Product Name	Initial Rate	Initial Monthly Payment	Max LTV	Product Fee	Rental Income Only	Loan Using Top Slicing	Select
BBR + 2.35% for Life of Loan - BBR03 (Tier 1)	3.10%	£206.67	75%	£2,000.00	£80,000.00	N/A	<input type="radio"/>
BBR + 2.45% for 2 Years - BBR04 (Tier 1)	3.20%	£213.33	75%	£1,200.00	£80,000.00	N/A	<input type="radio"/>
3.24% Fixed for 2 Years Refund Val (max £830) + £300CB - LTB76 (Tier 1)	3.24%	£216.00	75%	£1,200.00	£80,000.00	N/A	<input type="radio"/>

Our system changes will give your customer more options and wider access to our product range.

The decision engine will return a list of the 'Available Products' and identify the products and maximum loan size that can be achieved based on Rental Income Only or Top Slicing.

If our assessment means that the loan is achievable using the property rental income alone you will be presented with 'Option 1' and you simply need to select a product for your customer. The application will be underwritten using rental income only.

Our assessment may result in the loan amount being achieved on some products using top slicing and on others using rental income alone. Here you will be given a summary of the options and products available.

DIP
Applicant:
Test LTD
Application Reference:
M2201247/111
Intermediary Declaration
Submission Details
Company Details
Applicant 1 Details
Loan Details
Property Details
Declaration
Decision Result
Fees
Application Summary

Decision

Decision Result: **Pass:**
The table below shows the loan amounts available based on our assessment of this application at this stage.

Option 1: Proceed using Top Slicing: select product where the loan amount requested appears in the Loan Using Top Slicing column. We will underwrite using BTL portfolio and/or personal income to support the loan where there is a shortfall in rent.

Option 2: Proceed using Rental Income Only: select product where the loan amount requested appears in the Rental Income Only column. Based on our assessment of this application at this stage, we will underwrite using rental income only.

Option 3: Proceed using Rental Income Only on a reduced loan amount: where the loan amount requested is only available on Top Slicing, go back to the Loan Details tab and reduce the loan amount requested to the amount in the Rental Income Only column.

Reducing the loan amount requested may mean additional products become available.

We carry out extra underwriting checks when assessing your full application. For details please click [here](#)

Available Products

Product Name	Initial Rate	Initial Monthly Payment	Max LTV	Product Fee	Rental Income Only	Loan Using Top Slicing	Select
LIBOR + 1.98% for 2 Years - TST20 (Tier 1)	2.83%	£235.83	85%	£1,500.00	£93,997.00	£100,000.00	<input type="radio"/>
LIBOR + 1.98% for 2 Years - TST33 (Tier 1)	2.83%	£235.83	75%	£2,000.00	£93,497.00	£100,000.00	<input type="radio"/>
LIBOR + 1.98% for 2 Years - LTB73 (Tier 1)	2.83%	£235.83	75%	£1,500.00	£100,000.00	N/A	<input type="radio"/>

Option 1 - if a product is only available for the loan amount requested using top slicing, select that product to proceed on that basis.

Option 2 - if a product is available for the loan amount requested using the rental income alone, select that product to proceed on that basis

Option 3 - where the required loan amount is only available using top slicing and the customer does not wish to proceed on this basis, you will have the option to reduce the loan amount to the amount shown in the 'Rental Income only' column. The application will then be underwritten using rental income only.

Remember: if top slicing is being used we will initially look to use surplus income from the portfolio to demonstrate that the customer could meet any financial stresses on their new property application. Only if this is not sufficient would we look to validate a customer's surplus earned income to support the loan.

If we are unable to offer the loan amount requested, the decision screen will display the maximum loan amount available using top slicing or using rental income only.

DIP
Applicant:
Lester#60
Application Reference:
M2201247440
Intermediary Declaration
Submission Details
Applicant 1 Details
Loan Details
Property Details
Declaration
Decision Result
Fees

Decision

Decision Result: Pass: subject to a reduced loan amount
The table below shows the loan amounts available based on our assessment of this application at this stage.

Loan Requested

Option 1: Proceed with Top Slicing – enter new loan amount below.

Reduce loan amount to:

We will underwrite using BTL portfolio and/or personal income to support the loan where there is a shortfall in rent.

Option 2: Proceed with Rental Income only – enter new loan amount below.

Reduce loan amount to:

Enter new loan amount: *

Reducing the loan amount requested may mean additional products become available.

- Affordability Decline

We carry out extra underwriting checks when assessing your full application. For details please click [here](#)

* Mandatory fields

Option 1 - Maximum loan available using *top slicing*

Option 2 - Maximum loan available using *rental income only*

The loan amount requested can be changed here to match the best option for your customer and the available products will then be shown.