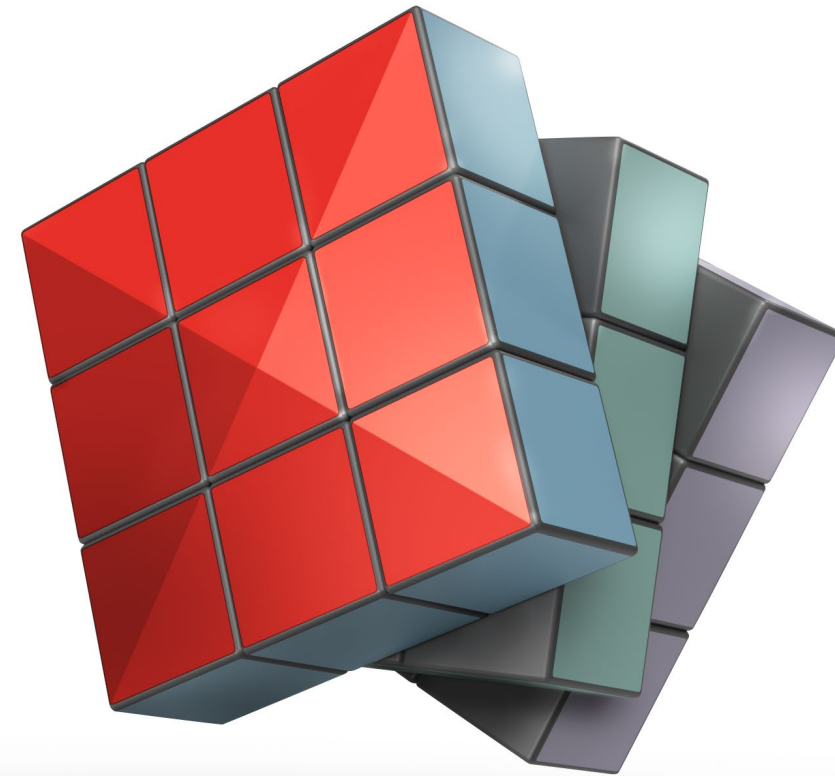




For intermediary use only



NEW!

Blended ICR

We are now able to consider a blended approach to ICR affordability for combinations of borrowers who have different tax bands and shares of ownership/rent

See Page 12

Buy-to-Let Product Guide

10th February 2023

chlmortgages.co.uk/intermediaries



Individuals



HMO/MUFB



Ltd Companies / LLP



Short Term Lets

+ Refurbishment Range



Buy-to-Let Mortgages for Individuals



Term Type	LTV	Rate	Product Fee	ICR*	ERC %	Product Code
5 Year Fixed	70%	5.37%	5%	Pay rate	5/4/3/2/1	IND5YRLTV70i.022
		5.62%	4%			IND5YRLTV70h.022
		5.89%	3%			IND5YRLTV70g.022
	75%	6.12%	2%	Pay rate	5/4/3/2/1	IND5YRLTV75c.022
		6.37%	£1,999 (Max loan £200k)			IND5YRLTV75x.022
3 Year Tracker	70%	6.03% (BBR* + 2.03%)	3%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	IND3T3LTV70g.022
	75%	6.44% (BBR* + 2.44%)	2%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	IND3T3LTV75c.022

Revert Rate:

BBR* + 4.50%

*BBR (Bank of England Base Rate) 4.00% at time of publication.

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.

Buy-to-Let Mortgages for Limited Companies / LLPs



Term Type	LTV	Rate	Product Fee	ICR*	ERC %	Product Code
5 Year Fixed	70%	5.37%	5%	Pay rate	5/4/3/2/1	LTD5YRLTV70i.022
		5.62%	4%			LTD5YRLTV70h.022
		5.89%	3%			LTD5YRLTV70g.022
	75%	6.12%	2%	Pay rate	5/4/3/2/1	LTD5YRLTV75c.022
		6.37%	£1,999 (Max loan £200k)			LTD5YRLTV75x.022
3 Year Tracker	70%	6.03% (BBR* + 2.03%)	3%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	LTD3T3LTV70g.022
	75%	6.44% (BBR* + 2.44%)	2%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	LTD3T3LTV75c.022

Revert Rate:

BBR* + 4.50%

*BBR (Bank of England Base Rate) 4.00% at time of publication.

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Buy-to-Let Mortgages for Small HMO / MUFB



Up to 6
HMO Bedrooms or MUFB Units

Term Type	LTV	Rate	Product Fee	ICR	ERC %	Product Code
5 Year Fixed	70%	5.42%	5%	Pay rate	5/4/3/2/1	SHMO5YRLTV70i.022
		5.67%	4%			SHMO5YRLTV70h.022
		5.94%	3%			SHMO5YRLTV70g.022
	75%	6.17%	2%	Pay rate	5/4/3/2/1	SHMO5YRLTV75c.022
		6.42%	£1,999 (Max loan £200k)			SHMO5YRLTV75x.022
3 Year Tracker	70%	6.14% (BBR* + 2.14%)	3%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	SHMO3T3LTV70g.022
	75%	6.55% (BBR* + 2.55%)	2%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	SHMO3T3LTV75c.022

Revert Rate:
BBR* + 4.50%
*BBR (Bank of England Base Rate) 4.00% at time of publication.



These products are available to both Individual & Limited Company / LLP borrowers

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Buy-to-Let Mortgages for Large HMO / MUFB



Up to 10
HMO Bedrooms or MUFB Units

Term Type	LTV	Rate	Product Fee	ICR	ERC %	Product Code
5 Year Fixed	70%	5.47%	5%	Pay rate	5/4/3/2/1	LHMO5YRLTV70i.022
		5.72%	4%			LHMO5YRLTV70h.022
		5.99%	3%			LHMO5YRLTV70g.022
	75%	6.22%	2%	Pay rate	5/4/3/2/1	LHMO5YRLTV75c.022
		6.47%	£1,999 (Max loan £200k)			LHMO5YRLTV75x.022
3 Year Tracker	70%	6.19% (BBR* + 2.19%)	3%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	LHMO3T3LTV70g.022
	75%	6.60% (BBR* + 2.60%)	2%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	LHMO3T3LTV75c.022

Revert Rate:
BBR* + 4.50%
*BBR (Bank of England Base Rate) 4.00% at time of publication.



These products are available to both Individual & Limited Company / LLP borrowers

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.

Buy-to-Let Mortgages for Short Term Lets



Term Type	LTV	Rate	Product Fee	ICR*	ERC %	Product Code
5 Year Fixed	70%	5.57%	5%	Pay rate	5/4/3/2/1	SLET5YRLTV70i.022
		5.77%	4%			SLET5YRLTV70h.022
		5.99%	3%			SLET5YRLTV70g.022
	75%	6.22%	2%	Pay rate	5/4/3/2/1	SLET5YRLTV75c.022
		6.47%	£1,999 (Max loan £200k)			SLET5YRLTV75x.022
3 Year Tracker	70%	6.14% (BBR* + 2.14%)	3%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	SLET3T3LTV70g.022
	75%	6.55% (BBR* + 2.55%)	2%	Highest of 5.50%; <u>or</u> the initial pay rate +2.00%; <u>or</u> the revert rate	3/2/1	SLET3T3LTV75c.022

Revert Rate:

BBR* + 4.50%

*BBR (Bank of England Base Rate) 4.00% at time of publication.

This range is designed for borrowers who intend to let the property for a short period such as a **holiday let** or **serviced apartment**.

For further information please see [Criteria Guide \(page 4\)](#) or [contact your BDM](#).



These products are available to both Individual & Limited Company / LLP borrowers

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.

Buy-to-Let Mortgages for Cosmetic Improvement



Term Type	LTV	Borrower Type	Rate	Product Fee	ICR	ERC %	Product Code
2 Year Fixed	70%	Individual	5.99%	3%	Highest of 5.50%; or the initial pay rate +2.00%; or the revert rate	3/2	LRIC5YRLTV70g.022
		Ltd Co. / LLP	5.99%				LRCC5YRLTV70g.022
		Small HMO/MUFB	6.04%				LRHC5YRLTV70g.022
5 Year Fixed	70%	Individual	5.99%	3%	Pay rate	5/4/3/2/1	LRIC2YRLTV70g.022
		Ltd Co. / LLP	5.99%				LRCC2YRLTV70g.022
		Small HMO/MUFB	6.04%				LRHC2YRLTV70g.022

Revert Rate:
BBR* + 4.50%
*BBR (Bank of England Base Rate) 4.00% at time of publication.

No need to bridge. No need to switch.

These products are designed for cosmetic or non-structural refurbishment works which can be signed off under the government Competent Persons Scheme. They are not suitable for projects where full planning/permitted development/change of use is not in place upon completion of the initial mortgage advance.

For details of acceptable works and more please see [page 11](#) or [contact your BDM](#).

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.



Buy-to-Let Mortgages for EPC Improvement

Term Type	LTV	Borrower Type	Rate	Product Fee	ICR	ERC %	Product Code
2 Year Fixed	70%	Individual	6.04%	3%	Highest of 5.50%; or the initial pay rate +2.00%; or the revert rate	3/2	LRIE5YRLTV70g.022
		Ltd Co. / LLP	6.04%				LRCE5YRLTV70g.022
		Small HMO/MUFB	6.09%				LRHE5YRLTV70g.022
5 Year Fixed	70%	Individual	6.04%	3%	Pay rate	5/4/3/2/1	LRIE2YRLTV70g.022
		Ltd Co. / LLP	6.04%				LRCE2YRLTV70g.022
		Small HMO/MUFB	6.09%				LRHE2YRLTV70g.022

Revert Rate:
BBR* + 4.50%
*BBR (Bank of England Base Rate) 4.00% at time of publication.

No need to bridge. No need to switch.

These products are designed for cosmetic or non-structural refurbishment works which can be signed off under the government Competent Persons Scheme and which collectively increase the EPC rating to a C or above. They are not suitable for projects where full planning/permitted development/change of use is not in place upon completion of the initial mortgage advance.

For details of acceptable works and more please see [page 11](#) or [contact your BDM](#).

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.



Buy-to-Let Mortgages for Light Refurbishment

Term Type	LTV	Borrower Type	Rate	Product Fee	ICR	ERC %	Product Code
2 Year Fixed	70%	Individual	6.09%	3%	Highest of 5.50%; or the initial pay rate +2.00%; or the revert rate	3/2	LRIL5YRLTV70g.022
		Ltd Co. / LLP	6.09%				LRCL5YRLTV70g.022
		Small HMO/MUFB	6.14%				LRHL5YRLTV70g.022
5 Year Fixed	70%	Individual	6.09%	3%	Pay rate	5/4/3/2/1	LRIL2YRLTV70g.022
		Ltd Co. / LLP	6.09%				LRCL2YRLTV70g.022
		Small HMO/MUFB	6.14%				LRHL2YRLTV70g.022

Revert Rate:
BBR* + 4.50%
*BBR (Bank of England Base Rate) 4.00% at time of publication.

No need to bridge. No need to switch.

These products are designed for cosmetic or non-structural refurbishment works which can be signed off under the government Competent Persons Scheme. They are not suitable for projects where full planning/permitted development/change of use is not in place upon completion of the initial mortgage advance.

For details of acceptable works and more please see [page 11](#) or [contact your BDM](#).

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.

Criteria at a Glance

	Individuals	Limited Companies / LLP	HMO / MUFB
Applicant/Experience	At least one applicant must have a minimum of 12 months as a current property owner	68100 • 68209 • 68320 • 68201. Properties related SPV accepted. LLPs accepted. Trading companies considered <hr/> New company incorporations accepted <hr/> A personal guarantee must be provided by Limited Company Directors and/or Shareholders with ≥20% shareholding, and all designated members and members with management rights of an LLP. <hr/> Deposits from Inter-company/Director/Shareholder/Partner loans accepted	At least one applicant must prove they have owned a minimum of 1 BTL property for 2 years <hr/> Available to both Individual and Limited Companies / LLP applicants.
Applicants	Up to 4 • Limited Company / LLP Guarantors must together hold a minimum of 75% or more of the entire shares/issued share capital. Up to 4 LLP Guarantors which must include all designated members and those members with management rights as detailed in the LLP agreement.		
Age Limits	Minimum Age: Primary applicant: 21 Secondary applicants: 18 • Maximum Age: 85 at the end of term		
Minimum Income	£20,000 combined income per application • Rental income accepted as per SA302		
Loan Amount	Minimum Loan: £25,001 • Maximum Loan: £1m (up to 75% LTV) / £500k (up to 80% LTV) or £2m for MUFB		
Loan Term	Minimum Term: 5 years • Maximum Term: 30 years		
Maximum LTV	Standard properties: 80% † • Studio flats: 75% • New builds: 75% (houses) / 70% (flats) Above/Adjacent to Commercial 75% ‡ • Former Local Authority: 75% (houses) / 70% (flats)		75%
Portfolio Landlords	Min. landlord experience of 12 months • Max. Portfolio Lending held within the CHL group £2.5m (up to £5m considered after 12 months) • Unlimited properties/mortgages in BTL portfolio		
Adverse	Unsecured Arrears: 0 in 6 months, Status 1 in 12 mths (Max. 1 instance), Status 2 in 24 months • Secured arrears: 0 in 6 months, Status 1 in 24 months (Max. 1 instance) Defaults: Unsatisfied max. £250 in 36 months. Satisfied max. £500 in 36 months • CCJ's: Unsatisfied max. £250 in 36 months. Satisfied max. £500 in 36 months		
Acceptable Exposure	Blocks of up to 6 units: Maximum 6 units per block • Blocks of 7 to 20 units: Maximum 10 units per block • Blocks of more than 20 units: Highest of 10 units or 20% per block		
Rooms / Units	Up to 5 bedrooms • Properties currently let as shared accommodation accepted		Small HMO/MUFB: Up to 6 bedrooms / units Large HMO/MUFB: Up to 10 bedrooms / units
Minimum value	£75,000 except for: • Ex-local authority £100,000 • Studio flat £100,000 • Flats above 10 storeys £250,000 • Flats above / adjacent to commercial inside M25 £250,000 (£150,000 elsewhere)		HMO/MUFB Inside M25: £150k. HMO Elsewhere: £100k MUFB Elsewhere: £150k (100k up to 65% LTV)
New builds	Definition: Built or converted within the last 12 months • All new build or properties less than 10 years old must hold an adequate warranty.		
Shared Houses	Rental Assessment is on a single family unit basis		Rental Assessment is on a room-by-room / unit-by-unit basis
ICR*	Basic Rate Tax Payer: 125% • Higher Rate Tax Payer: 140% • Limited Company / LLP: 125%		

* See Page 7: The Rental Calculation † Max. 75% LTV for properties highlighted by our valuer as 'non-standard construction' ‡ Above/Adjacent to Commercial subject to restrictions, please refer

For intermediary use only. Criteria for guidance only. Detailed application criteria apply. CHL reserves the right to accept or decline an application at our absolute discretion.



Criteria at a Glance: Refurbishment Range

	Light Refurbishment (LR)	EPC Improvement (EPC)	Cosmetic Improvement (CI)
Designed for...	Non-structural and modernisation works which can be signed-off under the Competent Persons Scheme, without the need for building controls sign-off	The same purposes as Light Refurbishment (LR) products but with a requirement that the works <u>must</u> collectively improve the EPC rating to C or above	Works which will improve the cosmetic appearance of a property such as painting & decorating, flooring, fittings and minor repairs
Pre-works status	Property does not need to be lettable at point of initial mortgage advance. Minimum EPC rating: E.		Property must be lettable at point of initial mortgage advance
Cost of works	Costs must not exceed 25% of the pre-works value		
Maximum LTV	75% (pre-works and post-works)		
Works timeframe	Up to 90 days from initial mortgage advance		
Retention	A retention will be held between the pre-works and post-works value and market rent for up to 120 days from initial mortgage advance. The retention will be released upon confirmation by a Valuer Reinspection of full completion of works as defined within the agreed schedule and of the post-works value and market rent. If the property is not lettable at the point of reinspection the retention will continue to apply for up to 120 days from initial mortgage advance.		
Borrower / Property	Individual & Limited Company / LLP borrowers accepted. Refurbishment products are not available for properties intended to be let as Large HMO/MUFB or on a short term basis.		

Examples of acceptable works	PRODUCT TYPE		
	LR	EPC	CI
Replacement floor coverings	✓	✓	✓
Painting & decorating	✓	✓	✓
Replacement fixtures & fittings	✓	✓	✓
Replacement internal doors	✓	✓	✓
Minor repairs	✓	✓	✓
Replacement heating systems	✓	✓	
Improved insulation	✓	✓	
Full rewiring	✓	✓	
Replacement windows & doors	✓	✓	
Replacement bathrooms & kitchens	✓	✓	
Integral garage/loft conversion to habitable space*	✓	✓	
Conversion of C3-dwelling to Shared house/C4-HMO	✓	✓	
Replacement roof coverings	✓	✓	
Non-load bearing internal re-configuration	✓	✓	

* Loft conversion works must not affect the roofline

Supporting evidence required

Supporting evidence required	PRODUCT TYPE		
	LR	EPC	CI
Schedule of works and costs for the proposed works	✓	✓	✓
Evidence of available funds to cover the proposed works (including contingency)	✓	✓	✓
Evidence of available funds to cover at least 3 months mortgage payments of the proposed BTL	✓	✓	✓
Details of the applications/main contractors relevant experience of previous development/refurbishment projects	✓	✓	
Copies of full plans/drawings relating to the proposed works	✓	✓	
Copies of any planning/permitted development/change of use required for proposed use of the property post works	✓	✓	

Unacceptable works

- ⊗ Projects where full planning/permitted development/change of use is not in place on completion of the initial advance
- ⊗ Works requiring building controls sign off (that cannot be signed-off under a Competent Person Scheme)
- ⊗ Any works to fix ongoing or progressive structural movement
- ⊗ Any project where the intention is not to let the security property post-works
- ⊗ Any works where the current or proposed structure/materials are unacceptable to CHL Mortgages
- ⊗ Any load-bearing reconfiguration, footprint expansion or anything with direct structural impact (eg. Digging of basement)
- ⊗ Outbuilding conversion to a habitable space
- ⊗ Conversion to MUFB (refurbishment of an existing MUFB is permitted)
- ⊗ Conversion to / let as Large HMO

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The Rental Calculation

Tax band	ICR
Basic Rate	125%
Ltd Companies / LLP	125%
Higher Rate	140%

NEW! Blended ICR: For applications including a combination of Additional Rate/Higher Rate/Basic Rate borrowers, we can apply a Blended ICR to determine loan affordability based upon each borrower's tax status and their individual share of ownership/rent. Please refer to the affordability calculator held on the Documents page of our website to calculate how much your clients can borrow.

	Assessment Rate
Initial product term less than 5 years	Highest of... 5.50%; <u>or</u> the initial pay rate + 2.00%; <u>or</u> the reversionary rate.
Initial product term less than 5 years* where a historic borrower is looking to remortgage without capital raising	Highest of... 5.00%; <u>or</u> the initial pay rate.
5 year fixed or more	The initial pay rate.

* **Historic Borrower:** A borrower who owned their BTL property before 6th April 2017

NOTE: Should a borrower choose a Capital & Interest repayment mortgage then, in addition to the Interest Cover Ratio test above, the gross monthly rental income must be equal to or greater than the monthly payment.

Security Type	Basis of rental income	Basis of Valuation
Single self-contained unit	Single tenancy	Comparable
Shared House	Single tenancy	Comparable
Short-term lets / Serviced Apt.	Single tenancy	Comparable
Holiday Lets	Single tenancy	Comparable
Small HMO (≤6 bedroom)	Tenancy per room	Comparable
Large HMO (>6 bedroom)	Tenancy per room	Investment (vacant possession)
Small MUFB (≤6 units)	Tenancy per unit	Comparable
Large / Hybrid [†] MUFB (>6 units)	Tenancy per unit / per room	Investment (vacant possession)

[†] For definition of Hybrid MUFB see Criteria Guide, Page 5

Additional Fees

Application	Funds Release	Redemption Admin	Reinspection (Ind. / Ltd Co.)	Reinspection (HMO / MUFB)
£150.00	£25.00	£90.00	£150.00	£250.00

Property Valuation Fees

Property Value	Individuals	Small HMO / MUFB	Large HMO/MUFB	Refurbishment (Inc. reinspection)
	Ltd Co. / LLP			
Up to £100k	£150	£450	£1,250	£700
Up to £150k	£175	£450	£1,250	£700
Up to £200k	£200	£465	£1,250	£715
Up to £250k	£225	£465	£1,300	£715
Up to £300k	£250	£535	£1,350	£785
Up to £350k	£275	£595	£1,425	£845
Up to £400k	£300	£595	£1,425	£845
Up to £450k	£325	£655	£1,500	£905
Up to £500k	£350	£655	£1,500	£905
Up to £600k	£485	£720	£1,600	£970
Up to £700k	£585	£780	£1,750	£1,030
Up to £800k	£650	£890	£1,900	£1,140
Up to £900k	£710	£965	£2,025	£1,215
Up to £1.0m	£825	£1,035	£2,175	£1,285
Up to £1.25m	£1,025	£1,235	£2,500	£1,485
Up to £1.5m	£1,225	£1,435	£2,750	£1,685
Up to £1.75m	£1,425	£1,635	£3,000	£1,885
Up to £2.0m	£1,625	£1,835	£3,200	£2,085
>£2.0m	By referral	By referral	By referral	By referral

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Competitive rates. Flexible criteria. Common sense.

At CHL Mortgages we take a common sense approach to buy-to-let. That means flexible criteria and experienced people who will consider each case on its own merit, working with you to provide specialist solutions for your landlord clients, at competitive prices.

To discuss a case or for further information
get in touch with the CHL Mortgages team

 01252 365 888  sales@chlmortgages.co.uk

chlmortgages.co.uk/intermediaries



Rubik's Cube used courtesy of Spin Master

CHL Mortgages is a trading name of Capital Home Loans Limited, used under licence by CHL Mortgages for Intermediaries Limited. Registered office: Admiral House, Harlington Way, Fleet, Hampshire, United Kingdom, GU51 4YA (Company No 12954007).

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Here are just some areas we may be able to help you with* ...



First Time Landlords



Portfolio Landlords



Refurbishment products



Short Term Lets



Minor Adverse



Up to 4 applicants



HMO up to 10 Bedrooms



MUFB up to 10 Units



Studio Flats from 30sqm



Intercompany Loan Deposits



Directors Loans



Limited Companies & LLPs



Gifted Deposits



New & Trading Companies



Local Authority Leases



New Builds



Shared Accommodation



Above/Adjacent to Commercial



Student Lets



Ex-local Authority

* Subject to detailed criteria and underwriting

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