

# RESI- DENTIAL CRITERIA.

## APPLICANT

<b>Minimum Age</b>	21
<b>Maximum Age</b>	80 (at end of term) . Maximum age for Interest Only is 70 (at end of term). Where the term exceeds 35 years, the loan amount cannot extend into retirement, which is the lower of the declared retirement age or age 70.
<b>Maximum Number of Applicants</b>	2
<b>Additional Support Requirements</b>	The Additional Support Requirements form should only be submitted where applicable to ensure TML can provide any support required to applicants. It will not impact the outcome of an application.
<b>Credit Scoring</b>	Minimum score of 450 for RLO and 375 for RL1 on 90% LTV products only. We will not use score to determine other product rates.
<b>Payday Loans</b>	Payday loans for RLO must be satisfied 36 months ago prior to application including defaulted payday loans. Payday loans for RL1 must be satisfied 12 months prior to application including defaulted payday loans.  Current/recent Payday loans for RL2 to RL5 products can be considered and all outstanding Payday loans must be settled prior to or upon completion.
<b>Bankruptcy/IVA (or Trust Deed in Scotland)</b>	Maximum LTV 90%. Subject to discharge periods and clean profile since discharge – refer to product table.  Evidence of discharge from Bankruptcy or IVA (or Trust Deed in Scotland) will be required if we are unable to identify from the applicant’s credit file.
<b>Debt Management Plans</b>	If a credit commitment is subject to a Debt Management Plan (DMP) or equivalent, we will accept the payment amount agreed within the DMP or equivalent within our affordability calculation.  On any case with a formal DMP we will require a reference that confirms the DMP has been conducted satisfactorily for the past 12 months.  TML will not consider an applicant who has an active Debt Arrangement Scheme in Scotland.  DMP not available for RLO and RL1 products.

## NATIONALITY & RESIDENCY

<b>UK and EEA Nationals</b>	Full 3 years’ residential history required.
<b>Non-EEA Nationals (considered on a case by case basis)</b>	Must be resident in the UK for the last 3 years and have the permanent right to reside. Diplomatic immunity is not allowed.
<b>Non UK Nationals</b>	For all non UK nationals a certified copy of a passport is required. Additional information may be required.

<b>Minimum Income</b>	£15,000				
<b>Minimum Employment History</b>	12 months				
<b>Maximum Income Multiple (Loan to Income)</b>	Up to a maximum multiple 4.5x single or joint incomes. For RL5 products this is limited to a maximum of 4x joint incomes. For large loans > £1m the maximum income multiple is up to 5x for Capital and Interest (4.5x for Interest Only or Part & Part), based on applicants' annual gross income, on capital and interest repayment method. Large loans income multiple is applicable for RL0 and RL1 only.				
<b>Bank Statements</b>	Personal bank statements may be requested at our discretion. These will continue to be a standard requirement for applications from Contractors or where any benefits income is being used in the affordability assessment.				
<b>Employed</b>	<p>Must be in current role for 3 months at the date of application where an applicant should have satisfied any probationary period. Additional evidence may be required including confirmation that any probationary period has been satisfied.</p> <p>Evidenced by 2 months' payslips. Additional statements or income evidence may be required.</p> <p>Second job, Overtime, Employment Bonus, and Commission, at 100%, except for any loan &gt; £1m where a maximum of 75% of last 3 months average is considered with evidence of sustainability. Car allowance and regional allowance at 100%. Shift Allowance at 50% can be included if paid weekly, monthly or quarterly. Loans over £1m require 2 years income evidence to support sustainability, in the form of last 2 years P60's.</p> <p>Additional payslips or alternative income evidence may be required to justify the level of income component claimed. For any overtime component the monthly level of income to be evidenced in the payslips provided. The year to date summary should support the annualised figure declared.</p>				
<b>Self Employed</b>	<p>Minimum trading time 12 months.</p> <p>Latest 3 months' business bank statements. Additional statements or income evidence may be required.</p> <p>Evidenced using:</p> <ul style="list-style-type: none"> <li>• Most recent year's certified accounts OR</li> <li>• Tax Calculation (SA302) with corresponding Tax Year Overview</li> </ul> <p>Loans over £1m, 2 years self-employed income will be required evidencing a consistency in come earned over the 2 year period.</p> <p>TML will not accept an accountant's certificate / reference.</p> <p>If certified accounts are provided these must be completed and returned from a qualified accountant with acceptable accountant qualifications: ACA/FCA, ACCA/FCCA, ACCIMA/FCIMA, CIPFA, ACMA. Accountant must hold a current practising certificate.</p> <table border="1" data-bbox="526 1568 1484 1691"> <thead> <tr> <th><b>Trading 12-24 months</b></th> <th><b>Trading &gt;24 months</b></th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>• Maximum 90% LTV</li> <li>• Most recent year's evidence required</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Maximum 90% LTV</li> <li>• Most recent 2 years' evidence required</li> </ul> </td> </tr> </tbody> </table> <p>TML may consider the use of past trading accounts relating to pre-COVID levels by using accounts for 2019/2020 if the latest 3 months bank statements are in line with past trading performance.</p> <p>This will be subject to the following:</p> <ul style="list-style-type: none"> <li>• Available on RL0 to RL3 products only;</li> <li>• Minimum 2 years full accounts;</li> <li>• Maximum income allowed equal to 2019/20;</li> <li>• Completion of additional disclosure form for any applicants impacted by COVID.</li> </ul> <p>Please speak to your BDM for further information prior to submitting an application.</p>	<b>Trading 12-24 months</b>	<b>Trading &gt;24 months</b>	<ul style="list-style-type: none"> <li>• Maximum 90% LTV</li> <li>• Most recent year's evidence required</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum 90% LTV</li> <li>• Most recent 2 years' evidence required</li> </ul>
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## INCOME & EVIDENCE

<p><b>Contractors</b></p>	<p>Income calculation of up to a maximum of weekly rate x 48.</p> <p><b>Existing contractors:</b> Must have been contracting for a minimum of 12 months at the point of application.</p> <p>Current contract must be for a minimum of 6 months. Payslips and/or invoices supporting the contract and 2 months personal bank statements are required.</p> <p>For any contract with a term less than 3 months remaining, confirmation to be provided from the applicants' employer that their contract will be renewed and TML is satisfied with the applicant's contracting history, if requested.</p> <p>Renewal of contracts: Where the current contract length is less than 6 months and there is a history of renewal covering a 6 month period, with the same company, then this can be considered on a case by case basis.</p> <p><b>New contractors:</b> Must have been contracting for a minimum of 3 months. Previous experience in a similar role for a minimum period of 12 months.</p> <p>For any contract with a term less than 3 months remaining, confirmation to be provided from the applicants' employer that their contract will be renewed and TML must be satisfied with the applicant's contracting history, if requested.</p>		
<p><b>Retired</b></p>	<p>The most recent 2 monthly pension statements/payslips or an annual advice notification will be required to evidence all retired income and the most recent 2 full monthly bank statements showing the income credit as validation; or</p> <p>Latest letter from pension provider confirming current pension income and the most recent 2 full monthly bank statements.</p>		
<p><b>Lending into Retirement</b></p>	<p>Latest annual statement of pension(s) due on retirement or recent letter from pension provider(s) confirming the pension due on retirement.</p> <p>Evidence of any additional post-retirement income will be required for the income to be considered.</p> <p>Terms exceeding 35 years will not be available should the loan go past the lower of the applicants' declared retirement age or 70.</p>		
<p><b>Other Income (% accepted)</b></p> <p><b>Full amount should be keyed into the application</b></p>	<p><b>(100%)</b></p> <p>Child Benefit* Maintenance Payments**</p>	<p><b>(75%)</b></p> <p>Working Tax Credit / Child Tax Credit or (Universal Credit Equivalent)***</p>	<p><b>(50%)</b></p> <p>Investment Income</p>
<p>Evidenced through bank statements AND award letter OR acceptable alternative.</p> <p>* For children 13 years and under. ** Court ordered only and must have minimum of 5 years remaining. *** Restricted to 25% of the total income on the application. The applicant with this benefit must have an acceptable earned income source.</p>			
<p><b>Loans over £1m</b></p>	<p>Loans over £1m require evidence of the last 2 years income. The most recent year will be used for affordability.</p>		

## LOAN

	90%	85%	75%
<b>Maximum LTV</b> (*except where the maximum LTV% for any specific product is lower)	RLO and RL1 only Minimum credit score applies Purchase only Gross inclusive of fees added New Build First Time Buyer Employed Self-employed trading >12 months Existing contractors	Lending into Retirement Part & Part (RLO and RL1 only)	Ex Local Authority properties Family Gifted Equity Interest only (RLO and RL1 only) Shared Ownership (RLO and RL1 only)
<b>Minimum Loan (refer to product guide)</b>	£25,001. For Interest Only and Large Loans, minimum loan is £500,000. For 90% LTV, minimum loan is £120,000.		
<b>Maximum Loan (refer to product guide)</b>	£600k up to 90% LTV, £1m up to 80% LTV, £1.25m up to 75% LTV (over £1.25m considered on referral)		
<b>Minimum Term</b>	5 years, Interest Only minimum term 10 years		
<b>Maximum Term</b>	40 years		
<b>Remortgage</b>	No remortgage within 6 months of purchase. No back to back transactions. Any remortgages under 6 months on a referral basis.		
<b>Advice</b>	All applications must be on an advised basis.		
<b>Repayment Method (see product guide also)</b>	Capital and interest repayment, interest only, part interest & part capital repayment (all affordability based on C&I only)		
<b>Offer Validity</b>	90 days. New build offers are valid for 6 months subject to valuation/reinspection.		

## DEPOSIT

<b>Source of Funds</b>	Evidence required. Can include: Savings, sale of property, sale of investments/shares or, inheritance. Other sources can be considered. Please contact The Hub to discuss.
<b>Family Gifted Deposit</b>	Gifted deposits are allowed from family members i.e. parents, grandparents, spouse, gifts from wider family members will be considered on a case by case basis. Gifts from non-family members will be considered on a case by case basis. All gifted deposits must be disclosed. Subject to a TML Gifted Funds/Equity Form being provided from the deposit provider together with all required identification and evidence of funds being submitted. Note: This form requires to be completed prior to any offer being submitted or this may delay an application.
<b>Family Gifted Equity</b>	Must be from a family member and donor cannot reside in the property. Available on RLO to RL4 products only.  Subject to a TML Gifted Funds/Equity Form being provided from the deposit provider together with all required identification and evidence of funds being submitted. Note: This form requires to be completed prior to any offer being submitted or this may delay an application.

## INTERMEDIARY FEE

<b>Intermediary Fee</b>	Our maximum intermediary fee is capped at 2% of the loan amount or £2,500, whichever is higher. Applications with intermediary fees exceeding this amount will refer to allow the fee to be adjusted within the maximum limit.
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## PROPERTY

<b>Minimum Valuation</b>	£70,000 (£150,000 in London and South East).
<b>Maximum Valuation</b>	£2 million (property valuation over £2million are considered on referral).
<b>Locations</b>	Mainland England, Mainland Scotland and Wales. Postcode restrictions may apply. Shared Ownership is available in England and Wales only.
<b>Retentions</b>	Acceptable for essential repairs only. Max 5% of current property value.
<b>Flats/maisonettes/apartments</b>	Must be leasehold in England and Wales. Heritable is acceptable in Scotland.
<b>Tenure</b>	Freehold or leasehold in England and Wales. Scottish properties must be absolute ownership or heritable.
<b>Shared Ownership</b>	Leasehold only, offered by housing associations, local councils, and other organisations registered in England and Wales with the Homes and Communities Agency (Homes England).
<b>Energy Performance Certificate (EPC) Rating</b>	90% LTV must have an A-C EPC rating, properties D rated or below cannot proceed to Offer until rating is amended to A-C. Shared Ownership must have an A-C EPC rating.

## NEW BUILD

<b>Definition</b>	A new build property is a property built/converted within the last 12 months based on the date of the completion certificate. Or, where the build or conversion was completed more than 12 months ago, new build applies where the property has not been previously occupied.
<b>Offer Validity - New Build</b>	6 months, subject to valuation/reinspection.
<b>Builder Deposit/Incentive</b>	Up to 5% builder deposit or incentive is allowable without deduction up to a maximum LTV of 90%, except where the maximum LTV% for any specific product is lower. The maximum loan on a new build property with a builder's deposit/incentive that is not being deducted from the purchase price is £1,000,000.

## SHARED OWNERSHIP

<b>Loan</b>	Minimum £25,001, maximum £405,000. Purchase transactions only.
<b>Repayment Method</b>	Shared ownership is available on capital and interest repayment basis only
<b>LTV</b>	Maximum 95% of purchased share, subject to 75% LTV against open market value.
<b>Income Multiples</b>	Maximum of 4.5x LTI
<b>Property</b>	Shared Ownership is only available for properties with an EPC rating of A-C. Leasehold properties only.

## LARGE LOANS

<b>Loan</b>	Minimum £500,000, maximum £1.25m
<b>LTV</b>	80% LTV up to £1m, 75% LTV up to £1.25m
<b>Income Multiples</b>	Maximum of 4.5x LTI for loans £500k - £1m, 5x LTI for loans over £1m (5x LTI on capital and interest repayment only)
<b>Income</b>	Loans over £1m require evidence of 2 years income, most recent year will be used for affordability
<b>Variable Income</b>	Second incomes, Overtime, Employment Bonus, and Commission, at 100%, except for any loan > £1m where a maximum of 75% of last 3 months average is considered with evidence of sustainability. Car allowance and regional allowance at 100%. Shift Allowance at 50% can be included if paid weekly, monthly or quarterly.

## INTEREST ONLY

<b>Repayment Method</b>	Interest only or Part & Part (for Part & Part, maximum interest only element is 75%)
<b>Minimum Loan</b>	£500,000
<b>Maximum Loan</b>	£1.25m
<b>Maximum Age</b>	Declared retirement age or age 70, which ever is lower
<b>Income Multiple</b>	Maximum of 4.5x LTI
<b>Acceptable Repayment Vehicles</b>	Sales of mortgaged property, subject to minimum equity of £250k (70% LTV). Sale of other UK property, subject to sufficient equity at the point of application. Simple investment vehicles, e.g. ISAs, current value used. UK based cash/savings, current value used.
<b>Examples of Unacceptable Repayment Vehicles</b>	This list is not exhaustive, but can include: Savings that will accumulate in the future Pensions, including future pension projections Gifts Future inheritance Sale of shares

**THANKS**  
**FOR CHECKING.**

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