

Buy to Let

LTV / Loan Size

75% £25,001 to £1 million

The maximum LTV for new build properties including newly converted (within 12 months of application) and previously unoccupied properties is 65%. This includes Additional Borrowing applications where the main loan completed within the last 12 months.

Applicants

Minimum age: 18 years.

Maximum age: 75 years at the end of the mortgage term.

Affordability

Affordability is calculated by the rental calculation specific to the product at the time the application is submitted.

Where the property is not to be let immediately, or the borrower is a first time buyer, the loan will be calculated on earned income, 3.25 + 1 or 2.75 joint incomes. All other criteria must be met.

Repayment methods

Repayment, interest only or combination. The method(s) for repaying interest only element must be specified.

Household insurance

Property will only form an acceptable security if insurance cover, under normal terms including subsidence and flood cover is confirmed.

Term

5-40 years

Definition of income

A minimum income of £25,000 per annum is required.

- Rental income cover requirements can be found by using the Buy to Let rental income calculator found at bmsolutions.co.uk

Monthly rental income can be greater or equal to 125% of the monthly mortgage payment, calculated on interest only basis at BBR +0.50% (or payrate where applicable).

BTL Criteria

- A £3,000,000 lending limit applies to all Buy To Let borrowing across the Retail Division of Lloyds Banking Group (The Retail Division of Lloyds Banking Group consists of Bank Of Scotland, Birmingham Midshires, C&G, TMB, Halifax, Intelligent Finance, Lloyds TSB, Lloyds TSB Scotland and Scottish Widows).
- A maximum of 9 properties applies to all Buy To Let lending across the Retail Division of Lloyds Banking Group, of which a maximum of 3 properties can be on House 2 House lending (The Retail Division of Lloyds Banking Group consists of Bank Of Scotland, Birmingham Midshires, C&G, TMB, Halifax, Intelligent Finance, Lloyds TSB, Lloyds TSB Scotland and Scottish Widows).
- Maximum lending on each individual Buy to Let property of £1 million.
- Confirmation of anticipated rental income will be provided by the valuer as part of the valuation.
- Minimum acceptable property value or purchase price (whichever is the lower) is £40,000 (£75,000 in London postal districts).
- The property may be let on a single assured shorthold tenancy or to a company on a corporate let. The maximum term is 12 months. Our consent is not required to renew the tenancy.
- The maximum number of occupants is 5. They must all be party to the agreement. It is the landlords responsibility to ensure that all legislation is complied with including (but not restricted to) legislation relating to Tenancy Deposit schemes and HMOs (Houses in Multiple Occupation).
- The maximum number of bedrooms allowed for a Buy to Let property is 5.
- Student lets, holiday lets and tenants claiming housing benefit, rent rebate or rent allowance are not acceptable.
- Multiple tenancies (where each tenant signs a separate agreement and/or has separate facilities) are not acceptable.

- If the property is in Scotland, the landlord must register with the relevant Local Authority.
- Applications which involve a sale and leaseback arrangement are not acceptable.

Minimum employment period

Employed applicants will be expected to have been employed for a minimum of 3 months in their current job and had 12 months continuous employment.

Self-employed applicants would normally be expected to have been self-employed for a minimum of 12 months.

Proof of residence

If the applicant(s) is/are not on the voter's roll at the current address, proof of residence must be provided: e.g. bank/building society statement credit card statement, or Council Tax statement.

Documentation required

All first time buyers:

- 3 months' bank statements
- If employed, latest 3 payslips or latest payslip plus P60
- If self-employed, latest 2 years' accounts or 2 years' Inland Revenue Self-Assessments.

All existing mortgage holders/local authority tenants:

- Latest lender's or landlord's statement

A copy of the Assured Shorthold Tenancy Agreement may be required for Additional Borrowing applications.

Life cover

Applicant to satisfy themselves that they have made proper provision for cover. Policies will not be assigned.

Conveyancers

Must be on the Halifax panel of conveyancers and will also be instructed to act on behalf of Birmingham Midshires.

Security

Right to Buy/Shared ownership applications are not acceptable.

First mortgage on freehold properties in England, Wales and Northern Ireland, properties in Scotland or leasehold properties in England, Wales and Northern Ireland with at least 70 years unexpired term at the time of application.

Freehold flats/maisonettes are unacceptable.

Residential security only.

We require that a newly built property (or one being occupied for the first time) has the benefit of a 10 year warranty from the National House Building Council (NHBC) or Zurich Municipal Insurance. The Zurich warranty may be extended to 15 years. The exception to NHBC or Zurich Municipal cover is where an architect or qualified surveyor is employed by the applicant to supervise the building of the property (certain other qualified consultants may be acceptable - please refer).

New Build

A New Build property is classed as any property being occupied and/or sold for the first time on the open market in its current state.

This includes brand new property, refurbished property (re-developed existing residential property) or converted property (re-developed non-residential property).

All lending decisions are based on valuation or purchase price (whichever is lower).

Builder Cash Incentives

These include but are not limited to deposit contributions, cash-backs, contributions to legal fees/stamp duty, mortgage subsidies.

Builder Cash Incentives will typically be acceptable provided the value of these does not exceed 5% of the lower of purchase price/valuation. Cash incentives in excess of this amount may result in a reduction in the maximum loan available.

All Builder Cash Incentives must be declared at point of sale.

Finder's Fees

Applications involving Finder's Fees are not acceptable. A Finder's Fee is a fee or commission paid by a seller to a third party (such as an investment club) for finding or introducing a buyer. It does not include the normal fee or commission payable to any estate agent handling the sale.

Exposure limits

We would not normally allow exposure on any development to exceed 30% across the following brands: Birmingham Midshires, Bank of Scotland, Halifax, TMB and Intelligent Finance - the limit (which may be less than 30%) will be dependent on size, nature, local market conditions and status of the development.

Additions to loan

The items that can be added on to the loan amount are higher lending charge (where payable) and product fee.

The maximum loan including add-ons as a percentage of purchase price or valuation (whichever is lower) must not be more than 89%.

Interest

Interest is calculated on a daily basis.

Deposits

The deposit for any purchase should come from the applicant(s) own resources. Where there is a purchase at undervalue, the maximum loan will be based on the discounted purchase price. The valuer must be aware of any incentive and refer to this in the valuation report.

Portability

All products are portable which means that the applicant can keep the same rate and term of their chosen mortgage if they move during the product period. If either the scheme or their circumstances change they may not be able to keep this product and any early repayment charges will be payable.

Monthly payments

All payments must be made in sterling by direct debit through the UK direct debit system. The direct debit must be in place prior to completion.

Additional Borrowing

When applying for Additional Borrowing the product chosen must be from the same scheme as the main borrowing; the minimum additional borrowing is £1,000. A flexible product cannot be combined with any other product type.

Additional borrowing applications will not be permitted within 6 months of completion of the original mortgage.

Remortgage

For remortgage applications a customer must have owned the property for a minimum of 6 months.

Assignable contracts

Applications which involve assignable contracts or irrevocable powers of attorney in favour of intervening sellers are not acceptable. Any other structure to the transaction which has a similar effect should be reported to us. Assignable contracts allow the original buyer to sell the property before legal completion, by assigning the contract to buy the property to a new buyer after contracts have been exchanged with the developer.

Sub-Sales and Back to Back Transactions

Sub-sales and back to back transactions are not acceptable. A sub-sale occurs when a property is bought and then sold on within six months, i.e. the borrower is buying the property from someone who has themselves bought the property less than six months before. A back to back transaction is a type of sub-sale where the intervening seller buys from the original seller and sells on to the borrower on the same day or within a few days.

We also regard as sub-sales cases where the seller acquires the freehold (or superior leasehold) title to the property, which they then immediately sell on to the borrower by the grant to them of a lease (or sub-lease).

Distressed Sales

Applications which involve a distressed sale are not acceptable.

All information is correct as at 1st January 2010

For full details of our product range and all criteria visit bmsolutions.co.uk

House 2 House

LTV / Loan Size

75% £25,001 to £500,000

Not available to First Time Buyers.

Available for purchase and remortgage, lending based on the applicant's income, excluding rental income from any Birmingham Midshires & TMB House 2 House property(s).

A maximum of 3 properties per application.

The maximum LTV for new build properties including newly converted (within 12 months of application) and previously unoccupied properties is 65%.

Applicants

Minimum age: 18 years.

Maximum age: 65 years at the end of the mortgage term.

Affordability

The customer's maximum borrowing is calculated using our affordability model. This takes into consideration the financial commitments of the customer and also their household expenditure.

Repayment methods

Repayment, interest only or combination. The method(s) for repaying interest only element must be specified.

Household insurance

Property will only form an acceptable security if insurance cover, under normal terms including subsidence and flood cover is confirmed.

Term

5-40 years

Definition of income

100% of basic salary, mortgage subsidy, cost of living allowance, housing or rent allowance, service/state pensions, car allowance, overtime, bonus and commission. Exclusions – travel allowance and expenses.

Applicant(s) minimum gross personal income of £50,000 per annum for properties 2 and 3.

BTL Criteria

- A £3,000,000 lending limit applies to all Buy To Let borrowing across the Retail Division of Lloyds Banking Group (The Retail Division of Lloyds Banking Group consists of Bank Of Scotland, Birmingham Midshires, C&G, TMB, Halifax, Intelligent Finance, Lloyds TSB, Lloyds TSB Scotland and Scottish Widows).
- A maximum of 9 properties applies to all Buy To Let lending across the Retail Division of Lloyds Banking Group, of which a maximum of 3 properties can be on House 2 House lending (The Retail Division of Lloyds Banking Group consists of Bank Of Scotland, Birmingham Midshires, C&G, TMB, Halifax, Intelligent Finance, Lloyds TSB, Lloyds TSB Scotland and Scottish Widows).
- Maximum lending on each individual House 2 House property of £500,000.
- Minimum acceptable property value or purchase price (whichever is the lower) is £40,000 (£75,000 in London postal districts).
- The property may be let on a single assured shorthold tenancy or to a company on a corporate let. The maximum term is 12 months. Our consent is not required to renew the tenancy.
- The maximum number of occupants is 5. They must all be party to the agreement. It is the landlords responsibility to ensure that all legislation is complied with including (but not restricted to) legislation relating to Tenancy Deposit schemes and HMOs (Houses in Multiple Occupation).
- The maximum number of bedrooms allowed for a Buy to Let property is 5.
- Student lets and tenants claiming housing benefit, rent rebate or rent allowance are not acceptable.
- Multiple tenancies (where each tenant signs a separate agreement and/or has separate facilities) are not acceptable.
- If the property is in Scotland, the landlord must register with the relevant Local Authority.
- Applications which involve a sale and leaseback arrangement are not acceptable.

Minimum employment period

Employed applicants A minimum of 3 months in their current job with 12 months continuous employment.

Self-employed applicants A minimum of 12 months self employment.

Proof of residence

If the applicant(s) is/are not on the voter's roll at the current address, proof of residence must be provided: e.g. bank/building society statement credit card statement, or Council Tax statement.

Documentation required

If employed:

- Latest 3 payslips or latest payslip plus P60 or latest payslip plus 3 months' bank statements

If self-employed:

- Latest years' accounts or 1 year Inland Revenue Self-assessment.

All existing mortgage/holders/local authority tenants:

- Latest lender's or landlord's statement.

Each case is considered on an individual basis. We may request additional information where considered appropriate and relevant to the lending decision.

Accounts

For loans up to £100,000, accounts provided by a bookkeeper will be accepted.

Life cover

Applicant to satisfy themselves that they have made proper provision for cover. Policies will not be assigned.

Conveyancers

Must be on the Halifax panel of conveyancers and will also be instructed to act on behalf of Birmingham Midshires.

Security

Right to Buy/Shared ownership applications are not acceptable.

First mortgage on freehold properties in England, Wales and Northern Ireland, properties in Scotland or leasehold properties in England, Wales and Northern Ireland with at least 70 years unexpired term at the time of application. Freehold flats/maisonettes are unacceptable.

Residential security only.

We require that a newly built property (or one being occupied for the first time) has the benefit of a 10 year warranty from the National House Building Council (NHBC) or Zurich Municipal Insurance. The Zurich warranty may be extended to 15 years. The exception to NHBC or Zurich Municipal cover is where an architect or qualified surveyor is employed by the applicant to supervise the building of the property (certain other qualified consultants may be acceptable - please refer). Available on holiday homes to maximum LTV available (if let). Restricted occupancy holiday homes considered subject to valuation and a maximum 75% LTV.

Available on second homes up to 75% LTV including holiday homes that are not let.

New Build

A New Build property is classed as any property being occupied and/or sold for the first time on the open market in its current state.

This includes brand new property, refurbished property (re-developed existing residential property) or converted property (re-developed non-residential property).

All lending decisions are based on valuation or purchase price (whichever is lower).

Builder Cash Incentives

These include but are not limited to deposit contributions, cash-backs, contributions to legal fees/stamp duty, mortgage subsidies.

Builder Cash Incentives will typically be acceptable provided the value of these does not exceed 5% of the lower of purchase price/valuation. Cash incentives in excess of this amount may result in a reduction in the maximum loan available.

All Builder Cash Incentives must be declared at point of sale.

Finder's Fees

Applications involving Finder's Fees are not acceptable. A Finder's Fee is a fee or commission paid by a seller to a third party (such as an investment club) for finding or introducing a buyer. It does not include the normal fee or commission payable to any estate agent handling the sale.

Exposure limits

We would not normally allow exposure on any development to exceed 30% across the following brands: Birmingham Midshires, Bank of Scotland, Halifax, TMB and Intelligent Finance - the limit (which may be less than 30%) will be dependent on size, nature, local market conditions and status of the development.

Additions to loan

The items that can be added on to the loan amount are higher lending charge (where payable) and product fee. The maximum loan including add-ons as a percentage of purchase price or valuation (whichever is lower) must not be more than 84%.

Interest

Interest is calculated on a daily basis.

Deposits

The deposit for any purchase should come from the applicant(s) own resources. Where there is a purchase at undervalue, the maximum loan will be based on the discounted purchase price.

The valuer must be aware of any incentive and refer to this in the valuation report.

Portability

All products are portable up to the amount originally borrowed, which means that the applicant can keep the same rate and term of their chosen mortgage if they move during the product period. If either the scheme for their circumstances change they may not be able to keep this product and any early repayment charges will be payable.

Monthly payments

All payments must be made in sterling by direct debit through the UK direct debit system. The direct debit must be in place prior to completion.

Additional borrowing

When applying for Additional Borrowing the product chosen must be from the same scheme (eg. Buy to Let) as the main advance; the minimum Additional Borrowing is £1,000. Additional borrowing applications will not be permitted within 6 months of completion of the original mortgage.

Remortgage

For remortgage applications a customer must have owned the property for a minimum of 6 months.

Capital raising (except for Home Improvements) is not permitted.

Assignable contracts

Applications which involve assignable contracts or irrevocable powers of attorney in favour of intervening sellers are not acceptable. Any other structure to the transaction which has a similar effect should be reported to us. Assignable contracts allow the original buyer to sell the property before legal completion, by assigning the contract to buy the property to a new buyer after contracts have been exchanged with the developer.

Sub-Sales and Back to Back Transactions

Sub-sales and back to back transactions are not acceptable. A sub-sale occurs when a property is bought and then sold on within six months, i.e. the borrower is buying the property from someone who has themselves bought the property less than six months before. A back to back transaction is a type of sub-sale where the intervening seller buys from the original seller and sells on to the borrower on the same day or within a few days. We also regard as sub-sales cases where the seller acquires the freehold (or superior leasehold) title to the property, which they then immediately sell on to the borrower by the grant to them of a lease (or sub-lease).

Distressed Sales

Applications which involve a distressed sale are not acceptable.

All information is correct as at 1st January 2010

For full details of our product range and all criteria visit bmsolutions.co.uk

Self Build

LTV / Loan Size

75% £25,001 to £1million

Stage payments - the initial advance must not be more than 75% of the lower of the current plot value or purchase price, with the balance being released over no more than 4 additional stages up to a maximum 75% LTV during build and 75% LTV upon completion. A minimum 10% of the total loan will be retained, as a final release, until the property is complete and we are in satisfactory receipt of the final completion certificate.

Minimum loan - £25,001. Maximum loan - £1million. Detached Properties only.

Refurbishments and conversions not acceptable.

Applicants

Minimum age: 18 years.

Maximum age: 65 years at the end of the mortgage term.

Affordability

The customer's maximum borrowing is calculated using our affordability model. This takes into consideration the financial commitments of the customer and also their household expenditure.

Repayment methods

Repayment, interest only or combination. The method(s) for repaying interest only element must be specified.

Household insurance

Property will only form an acceptable security if insurance cover, under normal terms including subsidence and flood cover is confirmed.

Term

5-40 years

Definition of income

100% of basic salary, mortgage subsidy, cost of living allowance, housing or rent allowance, service/state pensions and car allowance.

We also consider up to 60% of regular or non-guaranteed overtime, bonus and commission. Exclusions - travel allowance and expenses.

Minimum employment period

Employed applicants will be expected to have been employed for a minimum of 6 months in their current job and had 12 months continuous employment.

Self-employed applicants would normally be expected to have been self-employed for a minimum of 2 years.

Each case is considered on an individual basis. We may request additional information where considered appropriate and relevant to the lending decision.

Proof of residence

If the applicant(s) is/are not on the voter's roll at the current address, proof of residence must be provided: e.g. bank/building society statement, credit card statement, or Council Tax statement.

Documentation required

All first time buyers:

- 3 months' bank statements

If employed:

- Latest 3 payslips or latest payslip plus P60 or latest payslip plus 3 months' bank statements

If self-employed:

- Latest 2 years' accounts or 2 years' Inland Revenue Self-assessments

All existing mortgage holders/local authority tenants:

- Latest lender's or landlord's statement
- Schedule and cost of works
- Plans and Planning Permission must be provided to the valuer for review on or prior to inspection of the plot/property. Planning Permission must be dated not more than one year prior to the date of application.

Accounts

For loans of up to £100,000, accounts provided by a bookkeeper will be accepted.

Life cover

Applicant to satisfy themselves that they have made proper provision for cover.

Policies will not be assigned.

Conveyancers

Must be on the Halifax panel of conveyancers and will also be instructed to act on behalf of Birmingham Midshires.

Security

First mortgage on detached freehold properties in England, Wales and Northern Ireland, properties in Scotland.

Mortgages on flats/maisonettes, semi detached and terraced properties are unacceptable. Properties must be for residential use only. Second properties, Holiday Homes or properties which will be let are not acceptable.

We require that the property has the benefit of a 10 year warranty from the National House Building Council (NHBC) or Zurich Municipal Insurance. The Zurich warranty may be extended to 15 years. The exception to NHBC or Zurich Municipal cover is where an architect or qualified surveyor is employed by the applicant to supervise the building of the property (certain other qualified consultants may be acceptable - please refer).

Stage releases are subject to a satisfactory reinspection by our valuer and provision of the appropriate Architects certificate/Building Indemnity cover for that stage.

Additions to loan

The items that can be added on to the loan amount are higher lending charge (where payable) and product fee. The maximum loan including add-ons as a percentage of purchase price or valuation (whichever is lower) must not be more than 99%.

Interest

Interest is calculated on a daily basis.

Deposits

The deposit for any purchase should come from the applicant(s) own resources without recourse to further borrowing.

Portability

All products are portable which means that the applicant can keep the same rate and term of their chosen mortgage if they move during the product period. If either the scheme or their circumstances change they may not be able to keep this product and any early repayment charges will be payable.

Monthly payments

All payments must be made in sterling by direct debit through the UK direct debit system. The direct debit must be in place prior to completion.

Additional Borrowing

Additional Borrowing will not be considered until the property has been fully completed and all stage monies released.

Additional borrowing applications will not be permitted within 6 months of completion of the original mortgage.

Assignable contracts

Applications which involve assignable contracts or irrevocable powers of attorney in favour of intervening sellers are not acceptable. Any other structure to the transaction which has a similar effect should be reported to us. Assignable contracts allow the original buyer to sell the property before legal completion, by assigning the contract to buy the property to a new buyer after contracts have been exchanged with the developer.

Additional Self Build criteria

Customers may only have one current pending Birmingham Midshires or TMB Self Build mortgage application at any one time. These mortgages are made available to borrowers who intend to build the property for their own occupation and for residential use only.

All information is correct as at 1st January 2010

For full details of our product range and all criteria visit bmsolutions.co.uk

Mainstream

LTV / Loan Size

85% £25,001 to £1.7million

75% £1.7million+

Minimum loan - £25,001. Maximum loan - £2million
The maximum LTV for new build properties including newly converted (within 12 months of application) and previously occupied properties is 80%. This includes Additional Borrowing applications where the main loan completed within the last 12 months.

Applicants

Minimum age: 18 years.

Maximum age: 65 years at the end of the mortgage term.

Affordability

The customer's maximum borrowing is calculated using our affordability model. This takes into consideration the financial commitments of the customer and also their household expenditure.

Repayment methods

Repayment, interest only or combination. The method(s) for repaying interest only element must be specified.

Household insurance

Property will only form an acceptable security if insurance cover, under normal terms including subsidence and flood cover is confirmed.

Term

5-40 years

Definition of income

100% of basic salary, mortgage subsidy, cost of living allowance, housing or rent allowance, service/state pensions and car allowance.

We also consider up to 60% of regular or non-guaranteed overtime, bonus and commission. Exclusions - travel allowance and expenses.

Minimum employment period

Employed applicants will be expected to have been employed for a minimum of 6 months in their current job and had 12 months continuous employment.

Self-employed applicants would normally be expected to have been self-employed for a minimum of 2 years.

Each case is considered on an individual basis. We may request additional information where considered appropriate and relevant to the lending decision.

Proof of residence

If the applicant(s) is/are not on the voter's roll at the current address, proof of residence must be provided: e.g. bank/building society statement credit card statement, or Council Tax statement.

Documentation required

All first time buyers:

- 3 months' bank statements

If employed:

- Latest 3 payslips or latest payslip plus P60 or latest payslip plus 3 months' bank statements

If self-employed:

- Latest 2 years' accounts or 2 years' Inland Revenue Self-assessments

All existing mortgage holders/local authority tenants:

- Latest lender's or landlord's statement.

Accounts

For loans of up to £100,000, accounts provided by a bookkeeper will be accepted.

Life cover

Applicant to satisfy themselves that they have made proper provision for cover.

Policies will not be assigned.

Conveyancers

Must be on the Halifax panel of conveyancers and will also be instructed to act on behalf of Birmingham Midshires.

Security

Right to Buy/Shared ownership applications are not acceptable.

First mortgage on freehold properties in England, Wales and Northern Ireland, properties in Scotland or leasehold properties in England, Wales and Northern Ireland with at least 70 years unexpired term at the time of application.

Freehold flats/maisonettes are unacceptable. Residential security only.

We require that a newly built property (or one being occupied for the first time) has the benefit of a 10 year warranty from the National House Building Council (NHBC) or Zurich Municipal Insurance. The Zurich warranty may be extended to 15 years. The exception to NHBC or Zurich Municipal cover is where an architect or qualified surveyor is employed by the applicant to supervise the building of the property (certain other qualified consultants may be acceptable - please refer).

New Build

A New Build property is classed as any property being occupied and/or sold for the first time on the open market in its current state.

This includes brand new property, refurbished property (re-developed existing residential property) or converted property (re-developed non-residential property).

All lending decisions are based on valuation or purchase price (whichever is lower).

Builder Cash Incentives

These include but are not limited to deposit contributions, cash-backs, contributions to legal fees/stamp duty, mortgage subsidies.

Builder Cash Incentives will typically be acceptable provided the value of these does not exceed 5% of the lower of purchase price/valuation. Cash incentives in excess of this amount may result in a reduction in the maximum loan available.

All Builder Cash Incentives must be declared at point of sale.

Finder's Fees

Applications involving Finder's Fees are not acceptable. A Finder's Fee is a fee or commission paid by a seller to a third party (such as an investment club) for finding or introducing a buyer. It does not include the normal fee or commission payable to any estate agent handling the sale.

Exposure limits

We would not normally allow exposure on any development to exceed 30% across the following brands: Birmingham Midshires, Bank of Scotland, Halifax, TMB and Intelligent Finance - the limit (which may be less than 30%) will be dependent on size, nature, local market conditions and status of the development.

Additions to loan

The items that can be added on to the loan amount are higher lending charge (where payable) and product fee. The maximum loan including add-ons as a percentage of purchase price or valuation (whichever is lower) must not be more than 99%.

Interest

Interest is calculated on a daily basis.

Deposits

The deposit for any purchase should come from the applicant(s) own resources. Where there is a purchase at undervalue, the maximum loan will be based on the discounted purchase price. The valuer must be aware of any incentive and refer to this in the valuation report.

Portability

All products are portable which means that the applicant can keep the same rate and term of their chosen mortgage if they move during the product period. If either the scheme or their circumstances change they may not be able to keep this product and any early repayment charges will be payable.

Monthly payments

All payments must be made in sterling by direct debit through the UK direct debit system. The direct debit must be in place prior to completion.

Additional Borrowing

When applying for Additional Borrowing the product chosen must be from the same scheme as the main borrowing; the minimum additional borrowing is £1,000. A flexible product cannot be combined with any other product type.

The maximum LTV on Additional Borrowing applications is 80%.

Additional borrowing applications will not be permitted within 6 months of completion of the original mortgage.

Remortgage

For remortgage applications a customer must have owned the property for a minimum of 6 months.

Assignable contracts

Applications which involve assignable contracts or irrevocable powers of attorney in favour of intervening sellers are not acceptable. Any other structure to the transaction which has a similar effect should be reported to us. Assignable contracts allow the original buyer to sell the property before legal completion, by assigning the contract to buy the property to a new buyer after contracts have been exchanged with the developer.

Sub-Sales and Back to Back Transactions

Sub-sales and back to back transactions are not acceptable. A sub-sale occurs when a property is bought and then sold on within six months, i.e. the borrower is buying the property from someone who has themselves bought the property less than six months before. A back to back transaction is a type of sub-sale where the intervening seller buys from the original seller and sells on to the borrower on the same day or within a few days. We also regard as sub-sales cases where the seller acquires the freehold (or superior leasehold) title to the property, which they then immediately sell on to the borrower by the grant to them of a lease (or sub-lease).

Distressed Sales

Applications which involve a distressed sale are not acceptable.

All information is correct as at 1st January 2010

For full details of our product range and all criteria visit bmsolutions.co.uk

Miscellaneous

Fees

Purchase Price (not exceeding)	Automated Valuation Model (AVM) Fee *	Level 1 Standard Valuation Fee	Level 1 Buy to Let	Level 2 Standard Valuation Fee	Level 2 Buy to Let
£50,000	£215	£290	£315	N/A	N/A
£100,000	£250	£330	£355	£510	£535
£150,000	£280	£365	£390	£540	£565
£200,000	£310	£405	£430	£590	£615
£300,000	£360	£480	£505	£710	£735
£400,000	£410	£550	£575	£840	£865
£500,000	£460	£615	£640	£980	£1005
£600,000	£500	£670	£695	£1120	£1145
£700,000	£550	£730	£755	£1260	£1285
£800,000	£590 (max £750k)	£785	£810	£1400	£1425
£900,000	N/A	£840	£865	£1540	£1565
£1m	N/A	£895	£920	£1680	£1705
£1m +	N/A	Available upon request	Available upon request	Available upon request	Available upon request

- *Cases eligible for AVM**
- LTV (based on purchase price) is less than or equal to the current scheme limit on both new loan and remortgage applications
 - Application is not packaged
 - The scheme is Mainstream
 - Application type is new loan (except where the property is in Scotland or Northern Ireland)
 - Application type is a remortgage (except where the property is in Northern Ireland)
 - Loan amount is no more than £500k
 - Property is not a new build
 - Purchase price/estimate value is no more than £750k.

The above fees include a £150 administration fee and VAT if applicable.

Colleys will be instructed via BM Solutions for all valuations. Note: for Scottish property purchases Colleys will instruct a free retype of the vendor's Single Survey, subject to the original report having been undertaken by a member of our panel of valuers within the last 3 months. For new build/initial occupancy a retype of the applicant's valuation report is acceptable, subject to the original report having been undertaken by a member of our panel of valuers within the last 3 months. A full mortgage valuation fee is required for all remortgages and applications which do not conform to the above.

Product Transfers:

Full payment of any Early Repayment Charges is required before a Product transfer can be completed & can not be added to the mortgage balance.

- **Product fee:** See specific product details.
- **Additional Borrowing fee:** £299 can be paid upfront or added to the loan.
- **Re-inspection fee:** £114
- **TT fee:** £35
- **Product switching fee:** £250 (before completion)

Changing the basis of borrowing

When changing the basis of their borrowing with us e.g. Mainstream / Buy to Let, the applicant will not be able to continue with their existing interest rate product. The applicant's existing loan conditions may require them to pay an early repayment charge. Any Early Repayment Charges will need to be paid in full prior to completion of a Scheme Transfer.

All information is correct as at 1st January 2010

For full details of our product range and all criteria visit bmsolutions.co.uk

Miscellaneous**Free remortgage package (where applicable)**

The Free Remortgage Service is available on all properties in the UK, using Birmingham Midshires designated remortgage service through Enact. An additional charge will be made for any non-standard legal work including deeds of

postponement, transfers of equity and registering of title. Any additional charges will be advised by Enact to the borrower prior to the work being carried out.

Please note remortgage products offering the Remortgage Service and other incentives must be taken as a complete product.

Flexible mortgage conditions

- Flexible products cannot be mixed with any other product type.
- We will accept a minimum of 14 days and up to 3 months notice of the applicant's intention to use any of the features.
- A regular instruction cannot be accepted e.g. miss every December payment.
- Drawdown facility must be for a minimum of £25,001. There must be sufficient equity, in addition to the minimum initial advance of £25,001 to offer a drawdown facility. The drawdown facility must be taken in withdrawals of no less than £1,000.
- This mortgage is not available for stand alone Additional Borrowing. Only accounts whose main loan is Flexible can have Additional Borrowing on the Flexible product. The drawdown facility will not be available on Additional Borrowing.
- Secured personal loans cannot be taken on a Flexible basis.
- Additional Borrowing will only be allowed once the drawdown facility has been used up, e.g. should the applicant have a £10,000 drawdown facility remaining and they would like Additional Borrowing for £25,000, they must use the £10,000 drawdown facility and take Additional Borrowing for £15,000. In addition, stored overpayments will also need to be used prior to additional borrowing being agreed.
- Flexible features will be withdrawn under certain circumstances outlined in the terms & conditions.
- A Flexible loan is fully portable to a new home purchase, but the drawdown facility will need to be re-assessed on each application.
- Drawdown facility is valid for three years after completion.
- The applicant can miss two payments per rolling 12 month period subject to no arrears within the last six months and six consecutive payments have been made since taking the mortgage.
- The applicant will receive written notification of any agreement to adjust payments / take payment holiday etc.
- Underpayments may be made providing the applicant has made previous overpayments, and at least six months consecutive payments have been made since taking the mortgage. They may reduce their payments until the effect of any overpayments have been eroded.
- The General Range Flexible mortgage is also available to both expatriates residing in the UK and British expatriates abroad (subject to expatriate terms and conditions).
- Overpayments, drawdown facility, drawdown of overpayments and daily interest are available immediately.
- Repayment holidays and underpayments are available after the first six monthly payments have been made (subject to terms and conditions).

All information is correct as at 1st January 2010

If you do not have professional experience, you should not rely on the information contained in this communication. If you are a professional and you reproduce any part of the information contained in this communication, to be used with or to advise private clients, you must ensure it conforms to the Financial Services Authority's advising and selling rules.

26630

For full details of our product range and all criteria visit **bmsolutions.co.uk**