

Lending and Security Key Features



Income multiples

- 4.5x income where allowable income is £40,000 or less per year or where the LTV is over 90%.
- 5x income where allowable income is more than £40,000 but no more than £60,000 per year up to 90% LTV.
- 5.75x income where allowable income is more than £60,000 per year up to 90% LTV.
- Clear and precise affordability calculator.

Policy

- LTV Banding lending across England and Wales (subject to product availability)
 - 95% up to £600,000.
 - 90% up to £750,000.
 - 80% up to £1,000,000.
 - 60% up to £2,000,000.
- Maximum term 40 years (25 years for Interest Only).
- Maximum age 74 - loan to be repaid before applicants 75th birthday (repayment). Maximum age 70 - loan to be repaid before applicants 70th birthday (Interest Only).
- Non-refundable gifted deposits accepted from close family members including step relations.
- Skilled Worker (Tier 2) visas, BNO visas and individuals with pre-settled status are accepted up to 75% LTV with three years UK address history.
- Let to Buy (LTB) and Buy to Let (BTL) mortgages in the background are acceptable. Must have consent to let in place (evidence required) if applicable. Rental coverage is calculated at 100%.

Security

- Minimum purchase price/valuation is £70,000.
- Holiday and second homes are acceptable up to 85% LTV. The property must be for the exclusive use of applicants and freely marketable.

- We don't offer BTL products and therefore any application for a second property will be subject to additional checks to ensure they'll only be used as a second property for the named applicants. Properties currently used as HMOs won't be considered.
- Properties with an Annexe are considered, subject to an acceptable valuation. Speak to our Intermediary Sales and Support team for more information.
- Valuations:
 - Where a product offers a free valuation (up to £1m), and the client requires a Home Buyers or Full Structural report, they'll only pay the difference between the free valuation and the upgrade.
 - Where a free valuation (up to £1m) is available on the product, selected remortgage applications up to a maximum of 75% LTV will benefit from an automated valuation.

Employment and income types

- Employed income considered (subject to at least 12 months continuous declared employment history and at least three months with current employer).
 - 100% of bonus, overtime and commission where paid monthly and must be consistent and sustainable throughout the term of the mortgage.
 - 50% of bonus, overtime and commission if not paid monthly.
 - Subject to additional income not exceeding 100% of gross basic annual income and evidenced by P60.
- Shift Allowance, large town allowance, car allowance and call out expenses.
 - 100% of permanent contractual shift allowance.
 - Subject to not exceeding 100% of gross annual income.
- Professional occupations are permitted if less than 12 months' continuous employment or less than three months with current employer.
- Fixed Term Contract.
 - Subject to 12 months' continuous fixed term contract employment within the same occupation, plus six months remaining on the contract.

Employment and income types (continued)

- New fixed term contract replacing an employed position held in the same skill set, for example an NHS worker moving trusts.
- Bank Nursing.
 - Subject to applicant receiving this income for a minimum of 12 months (100% of income can be used subject to the income and hours worked being sustainable over the term of the mortgage and up to retirement age).
- Professional occupations are permitted if less than 12 months' continuous employment or less than three months with current employer.
- Temporary/Zero hours/Agency Contracts and piece work with evidence of 12 months' continuous employment on this basis.
- Umbrella Contracts are permitted subject to a minimum of 12 months' continuous employment within the same skill set.
- Self-employed income permitted:
 - Sole trader, limited company, partnership and limited liability partnership accepted.
 - Last two years' HMRC SA302s or a copy of the online tax calculation both supported by the Tax Year Overview or Accountant's Certificate of Income prepared by a qualified Accountant, confirming the last two years' personal income/net profit/drawn salary derived from the business and the latest three months business bank statements (limited company is subject to two full years' accounts).
- Directors with up to 25% shareholding are treated as employed.
- Sole trader to limited company is accepted where no material changes are made to the set up of the business.
- Parental leave requirements:
 - A letter from the applicant confirming return to work, on what basis and any future childcare costs.
 - Return to work income used for affordability.

Other Allowable Income

- 100% pension income.
- 100% maintenance (maximum 80% LTV where it's the only income source).
- 100% child maintenance where received for a child up to 11 years old.
- 100% bursary/stipend income.
- 100% foster income where evidenced by a letter from the foster agency confirming income from last two years.
- 50% Guardians/Adoption allowance where received for a child up to 11 years old.
- 50% property income from unencumbered property including BTL and LTB (evidence required).
- 50% of dividend income where under 25% shareholding.

New Build

- Houses up to 95% LTV and flats/apartments up to 75% LTV (subject to product availability).
- Nine month offer for all new build properties.
- In addition to clients providing a minimum of 5% deposit, we accept up to 5% builder's incentive to further increase the size of their deposit.

Shared Ownership

- Tier 2 skilled worker visa, BNO visa and pre settled status up to 75% of property value with three years UK address history.
- For houses we can lend up to 95% of the borrowers share of the property including new build.
- We can lend up to 85% of the borrowers share for flats including new build flats.
- Minimum 10% of the borrowers share of the property (minimum loan £40,000).
- Applications are permitted where a 6 April 2010 or later model lease is in place.
- Applications are permitted from registered providers listed on the Government website.

Capital Raising

- Up 75% for business purposes for an already established business.
- Up to 80% for debt consolidation up to £15,000.
- Up to 95% for home improvements/transfer of equity/staircasing to purchase the final share of a shared ownership property/ deposit or purchase of BTL for non-professional landlords (defined as four or more properties).



West Brom
Building Society

**For more information, please see our
Lending and Security Guidelines at wbfi.co.uk.**

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