

# Criteria Guide

## Residential

- ✓ Complex incomes and low credit scores
- ✓ CIS workers option to provide payslips to evidence income
- ✓ Child Benefit now accepted
- ✓ Right to Buy Properties accepted on all tiers
- ✓ First Time Buyers welcomed

## Buy to Let

- ✓ Portfolios up to £4m
- ✓ ICR for HMOs and MUBs reduced to 125% for SPVs
- ✓ Flats above commercial properties  
-now allowing flats adjacent to public houses and petrol stations
- ✓ Expats welcomed

**SERVICE  
YOU'VE ALWAYS  
DREAMED OF**



Loan	
Maximum LTV	85% LTV. Interest Only 75%
Minimum Loan	£50,000
Maximum Loan	£2m up to 75%, £1m up to 85%. Interest only max loan £1m
Minimum Term	5 years
Maximum Term	40 years (Capital Repayment and Interest Only)
Remortgage	Considered even within 6 months since purchase or last remortgage, subject to underwriter discretion
Debt Consolidation	Available up to 85% LTV
Offer validity	4 months. New Build offers are valid for 6 months.
Applicant	
Minimum age	21
Maximum age	Applicant's stated retirement age or age 70, whichever is sooner
Maximum number of applicants	4 (all incomes considered)
Marital status	Cases should be submitted in joint names where applicants are married, in civil partnership, co-habiting, where there is a financial dependency, or if partners are providing any monies towards the purchase of the property. We will accept sole applications for married couples, on remortgages when the property is already owned in sole name.
FTBs	Accepted across the full product range
Allowable Adverse	Have a look at our product guides to see the level of adverse we can accept
Lending in or into retirement	We do not currently lend in or into retirement
Income & Evidence	
Minimum income	One applicant must earn at least £15,000
Employment history	Whilst there is no minimum time in current employment, applicants need to provide at least 3 months' employment history
Employed	Last 3 months' payslips, further information may be required upon assessment
Other income	<p><b>100%</b></p> <ul style="list-style-type: none"> <li>• Investment income (supported by SA302)</li> <li>• Mortgage subsidy</li> <li>• Rental profit (supported by SA302)</li> <li>• Trust Fund income</li> <li>• Car, large town, shift, housing allowances</li> <li>• Foster care income</li> <li>• Court ordered maintenance</li> <li>• Income from 2nd jobs (3 months' record of employment required)</li> <li>• Pension income (where the customer is not retired or in receipt of state pension)</li> <li>• Regular bonus supported by last P60 and last 3 payslips showing the bonus being paid</li> <li>• Child Tax Credit</li> <li>• Child Benefit (where each applicant earns less than £50K, benefit can be included for any child that does not exceed 11 years old at application)</li> <li>• Guardians allowance</li> </ul> <p><b>75%</b></p> <ul style="list-style-type: none"> <li>• Regular overtime or commission supported by last P60 and last 3 payslips showing payments</li> <li>• Profit related pay supported by last P60</li> </ul> <p><b>50% (not as main source of income)</b></p> <ul style="list-style-type: none"> <li>• Disability Living Allowance (DLA)</li> <li>• Carer's Allowance</li> <li>• Industrial Injuries Disablement Benefit (IIDB)</li> <li>• Personal Independence Payment (PIP)</li> <li>• Employment and Support Allowance (ESA) - Income and Contribution</li> <li>• Incapacity Benefit</li> <li>• Armed Forces Independence Payment</li> <li>• Universal Credit</li> <li>• Working Tax Credit</li> </ul>

<b>Self-employed</b>	<p><b>Sole Trader, LLP or Partnership:</b> We will require one of the following: Latest 2 years SA302 and supporting Tax Year Overview or Accountant's Certificate covering last 2 years income from a qualified accountant or 2 years accounts certified by a qualified accountant</p> <p><b>Limited Company Director:</b> We will require one of the following: Accountant's Certificate covering last 2 years income, or 2 years accounts certified by a qualified accountant. If the customer is not 100% shareholder and only accounts are provided, we will also require the last 2 years SA302s to verify the customer's income. Please note SA302's alone are not an acceptable proof of income for a Limited Company Director</p> <p><b>Trading less than 2 years:</b> We will require evidence of income for 1st year and either a projection for current year from a qualified accountant OR latest 3 months business bank statements.</p> <p><i>If the latest proof of income is older than 12 months (but no more than 18 months old), the latest 3 months Personal and Business Bank Statements will also need to be supplied</i></p>
<b>Contractors</b>	<p>Day 1 contractors considered with a minimum of 1-years track record of employment within the same line of work. Minimum 3 months remaining on current contract. We will require a signed copy of the applicant's current contract.</p> <p><b>Income requirements:</b> Weekly rate x 48 weeks for self employed. Umbrella contractors considered.</p> <p>CIS contractors considered using last years SA302 / Tax calculations with corresponding TYOs, along with the latest 3 months pay-slips / invoices; OR the latest 12 months CIS payslips / invoices.</p>
<b>Acceptable income</b>	<p>Sole traders and partnerships - most recent share of net profit if stable or increasing</p> <p>Limited Co Directors - salary and dividends. Net profit after tax can be considered for 100% shareholders</p>
<b>Nationality &amp; Residency</b>	
<b>Nationality and Residency</b>	All applicants must provide 3 years address history. The latest year must show continuous residency in the UK.
<b>EU/EEA/Swiss and Foreign nationals</b>	<p>Foreign nationals will need to provide evidence of their right to reside in the UK.</p> <p>Those with a permanent right to reside, EU/EEA/Swiss with settled status or Indefinite leave to remain can borrow up to scheme limits</p> <p>Where residency status is evidenced by one of the following, borrowing is available up to 75% LTV with at least 5% of the deposit coming from either savings or inheritance;</p> <ul style="list-style-type: none"> <li>• EU/EEA/Swiss with pre-settled status</li> <li>• Family Visa</li> <li>• Tier 1 (Entrepreneur Visa only)</li> <li>• Tier 2 (Skilled Worker)</li> <li>• UK Ancestry Visa</li> <li>• British National (Overseas) Visa</li> <li>• Senior or Specialist Worker visa</li> <li>• Health and Care Worker Visa</li> </ul>
<b>Acceptable documents for proof of ID</b>	<ul style="list-style-type: none"> <li>• Valid UK Passport</li> <li>• Valid UK Driving Licence - Photo Card</li> <li>• Valid non-UK passport or National ID card HM Forces/Police Warrant Card</li> <li>• Current firearms licence or shotgun certificate</li> </ul>
<b>Acceptable proof of current residential address</b>	<ul style="list-style-type: none"> <li>• Utility bill not more than 3 months old (internet statements considered)</li> <li>• Valid UK Driving Licence - Photo Card</li> <li>• Bank/credit card statement not more than 3 months old, showing full name and address (internet statements considered)</li> <li>• Latest Council Tax bill</li> <li>• Latest Mortgage Statement</li> <li>• HMRC correspondence</li> </ul>
<b>Deposit Criteria</b>	
<b>Gifted deposit</b>	100% gifted deposits considered from the following family members: Parent, Child, Grandparent, spouse / partner, Sibling, Uncles/Aunts, Cousins, Niece/Nephew, Step relatives, Foster Parent, or Legal Guardian
<b>Overseas deposit</b>	Deposits from an overseas account can be considered on a case by case basis
<b>Builders deposit/incentive</b>	Acceptable up to 5% of the purchase price on new build properties
<b>Purchase at undervalue</b>	Acceptable where purchasing from a close relative, or a long term tenant buying from their landlord
<b>Directors Loan</b>	For self-employed applicants only (confirmation from an Accountant will be required confirming the loan will not adversely affect the business)
<b>Government Financial Support Schemes</b>	Where the applicant has used any of the schemes, (e.g., SEISS, CBILS or BBLs) the proceeds cannot be used towards deposit
<b>Repayment Method - Capital Repayment and Interest Only</b>	
<b>Overpayment</b>	Where ERC's exist, up to 10% in any year. As no ERC's on variable products there is no restriction on overpayments
<b>Interest Only repayment vehicle</b>	<ul style="list-style-type: none"> <li>• Cash ISA or other regular savings</li> <li>• Regular investments (stocks and bonds)</li> <li>• Pensions</li> <li>• Sale of another property</li> <li>• Downsizing provided equity of at least £250,000 for properties in London &amp; South East and £175,000 in the rest of the UK</li> <li>• Other than downsizing, a combination of repayment vehicles can be used</li> </ul>

Property	
Minimum valuation	<ul style="list-style-type: none"> <li>• £70,000. Minimum loan size or maximum LTV may at times require a higher valuation</li> <li>• For Ex-LA flats, £80,000 outside Greater London and £200,000 within</li> </ul>
Locations	Mainland England, Scotland, Wales. Postcode restrictions apply in Scotland
Flats	No maximum limit on number of storeys in a block subject to Valuers comments on mortgageability and saleability
Ex-LA flats	<ul style="list-style-type: none"> <li>• No minimum private ownership percentage</li> <li>• Deck access allowed</li> <li>• No maximum limit on number of storeys</li> <li>• Available up to 80% LTV</li> </ul>
Premises above or adjacent to commercial	Properties above and/or adjacent to commercial premises: Can be considered: <ul style="list-style-type: none"> <li>• Up to 75% LTV</li> <li>• Up to 60% LTV for flats above/adjacent to restaurants, takeaways, dry cleaners, hairdressers, laundrettes, tattoo, piercing, nail parlours, public houses and petrol stations</li> </ul>
Unsuitable properties	To find out more about unacceptable properties and Modern Methods of Construction, please contact us
Tenure	
Freehold	Houses and Coach House flats accepted
Leasehold	The lease must have an unexpired term of 40 years remaining at the end of the mortgage term for C&R loans, 70 years remaining for IO
New Build	
Offer validity	6 months
Builder deposit/incentive	Acceptable up to 5% of the purchase price
Building Warranty	A warranty should be in place from a suitable provider. See the Lending Criteria section of the Vida Website for full list
Right to Buy and Acquire	
RTB/RTA	Purchase only applications from Local Authorities for Right to Buy and from Housing Associations for Right to Acquire Available up to lower of 100% of discounted purchase price or 75% of the open market value
Documents required	<b>We will need to see:</b> <ul style="list-style-type: none"> <li>- Section 125 or RTA 3 from the Local Authority/Housing Association</li> <li>- Last 12 months rental payments. Any missed rental payments will be treated as missed mortgage payments for tier allocation</li> </ul>
Helping Hand/Joint Borrower Sole Proprietor	
Definition	Parents (including stepparents and parents of a spouse) and children (including step or adopted), siblings, grandparents, aunts, uncles, cousins and nieces/nephews) assisting each other to buy or remortgage
Income	Up to 4 applicants with all incomes considered in affordability
How it works	Only borrowers named on the title deeds will occupy the property as their main residence. Family member(s) will live elsewhere. All will be jointly and severally liable for the mortgage

# BUY TO LET

Loan		
Maximum LTV	85%	
Minimum Loan	£50,000	
Maximum Loan	£1m up to 75%, £750k up to 80%, £500k up to 85%	
Minimum Term	5 years	
Maximum Term	40 years (Capital Repayment and Interest Only)	
Remortgage	Considered even within 6 months since purchase or last remortgage, subject to underwriter discretion	
Offer validity	4 months. New Build offers are valid for 6 months.	
Applicant		
Minimum age	21 years for primary applicant, 18 for other applicants if direct family members	
Maximum age	Mortgage to finish before 85th birthday	
Maximum number of applicants	4	
First Time Buyer	Applicants who do not currently own any property are acceptable.	
Allowable Adverse	Have a look at our product guides to see the level of adverse we can accept	
Affordability		
	Basic Rate & SPVs (Expats / HMO & MUBs)	Higher Rate (Expats / HMO & MUBs)
Rental Cover Rates	125%	140%
Rental Calculation	5 or more years fixed rate products: initial rate. All other products a normal rate (currently 5.5%) or the product rate + 2%, whichever is higher	
Assessment Rates	For 2 year fixed £ for £ remortgaging; product rate, 5% minimum	
Nationality & Residency		
Nationality and Residency	<ul style="list-style-type: none"> <li>All applicants must provide 3 years address history. The latest 2 years of which must show continuous residency in the UK.</li> <li>Foreign nationals in addition must provide evidence of their permanent right to reside in the UK</li> </ul>	
Acceptable documents for proof of ID	<ul style="list-style-type: none"> <li>Valid UK Passport</li> <li>Valid UK Driving Licence - Photo Card</li> <li>Valid non-UK passport or National ID card HM Forces/Police Warrant Card</li> <li>Current firearms licence or shotgun certificate</li> </ul>	
Acceptable proof of current residential address	<ul style="list-style-type: none"> <li>Utility bill not more than 3 months old (internet statements considered)</li> <li>Valid UK driving licence - Photo Card</li> <li>Bank/credit card statement showing full name and address (internet statements considered)</li> <li>Latest Council Tax Bill</li> <li>Latest Mortgage Statement</li> <li>HMRC Correspondence</li> <li>Where providing proof of a previous address, we will need to see originals</li> </ul>	
Income		
Income	No minimum income. Income and employment details will not generally be requested for self funding BTLs	

# BUY TO LET

Expat	
Eligibility	British Citizens living or working in selected EEA or Worldwide countries (refer to Expat Flyer for list of countries). Minimum property value of £150,000 for non EEA Landlords
LTV	Up to 75% LTV
SPV	Applications can be considered where one or more director(s) or shareholder(s) of an SPV registered in England, Wales or Scotland is resident overseas as an Expat
Existing Landlords	Need to own a BTL property in the UK and receive rental income. Maximum loan £1,000,000
First Time Landlords	First Time Landlords considered for loans up to £500,000. Applicants must own a UK property
Applicant profile	Applicants are required to hold an active credit account in the UK, e.g a UK bank account, loan or credit card
Multi Unit Blocks	
Applicant profile	Applicants with no previous landlord experience can be considered
Minimum valuation	£175,000 for the freehold block in London and South East, £125,000 in all other regions
Number of Units	Up to 6 self-contained units on a single freehold title. Flats only, no mixed units
Houses of Multiple Occupancy/Student Lets	
Applicant profile	Applicants with no previous landlord experience can be considered
Minimum valuation	£100,000
Number of bedrooms	Up to 6 bedrooms
Licensing requirements	HMO licence is required if deemed appropriate from the Local Authority
Special Purchase Vehicles (SPVs) Limited Company Lending	
Definition	Applications accepted from SPVs that have been formed for the sole purpose of holding residential Buy to Let properties as assets. Trading limited company lending is not permitted
Directors or shareholders	Up to 4 individuals. SPV must be registered in England, Wales or Scotland
Acceptable SIC codes	68100, 68209, 68320, 68201
Acceptable SPV Deposits	Deposit confirmed by way of equity (where SPV is purchasing property from the applicant) or cash deposit - these would be classed as Director's loans to the SPV. Gifted equity/deposits, purchase at undervalue or intercompany loans are not accepted
Personal Guarantees	All directors and all classes of shareholder are required to provide joint and several guarantees unless under 18 and a dependent of a director
Holding Companies	The SPV must not be a holding company or subsidiary, or have any subsidiaries or holding companies
Connected transaction	Where the security property is registered in the personal name of one of the applicants, at least one of the current owners must also be a shareholder of the SPV named on the application
Deed of Trust	We are unable to lend where a Deed of Trust is in place
Portfolio Landlords	
Definition	Having 4 or more mortgaged BTL properties
Experience	Applicants with no previous landlord experience can be considered
Maximum value	Up to 20 properties with a maximum of £4,000,000 in a Vida portfolio No limit on overall portfolio size. Average LTV up to 80% Rental stressing will only be applied to mortgages held by Vida. Background portfolio required to meet a minimum ICR/ applied stress of 125%
Minimum valuation	£50,000 up to 70%, £70,000 above 70% LTV. Ex LA flats £80,000 outside Greater London, £200,000 within
Locations	Mainland England, Scotland and Wales. Postcode restrictions apply in Scotland

# BUY TO LET

Property	
Flats	No maximum limit on number of storeys in a block subject to Valuers comments on mortgageability and saleability
Ex LA Flats	<ul style="list-style-type: none"> <li>• No minimum private ownership percentage</li> <li>• Deck access allowed</li> <li>• No maximum limit on number of storeys</li> <li>• Available up to 80% LTV</li> </ul>
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EPC requirements	We require all BTL properties to have a valid Energy Performance Certificate (EPC) rating of E or above, unless a valid exemption has been registered. Any future legal change to the minimum EPC rating must be maintained for the full term of the mortgage
Unsuitable properties	To find out more about unacceptable properties and Modern Methods of Construction, please contact us
Tenure	
Freehold	Houses only and Coach House flats
Leasehold	The lease must have an unexpired term of 40 years remaining at the end of the mortgage term for C&R loans, 70 years remaining for IO
Tenancies	<ul style="list-style-type: none"> <li>• AST, PRT (Scotland), Standard Occupation Contract (Wales), Non-Assured Shorthold Tenancy Agreement (Corporate Let and High Value Rentals in England), shared households and student lets</li> <li>• DSS Accepted. Assured, Protected, Regulated, Statutory or common law tenants are not permitted</li> </ul>
New Build – Defined as one that has never been occupied	
Offer validity	6 months
Building warranty	A warranty should be in place from a suitable provider. See the Lending Criteria section of the Vida Website for full list
Deposit Criteria	
Gifted Deposits	100% gifted deposits considered from the following family members: Parent, Child, Grandparent, spouse / partner, Sibling, Uncles/Aunts, Cousins, Niece/Nephew, Step relatives, Foster Parent, or Legal Guardian
Overseas Deposit	Deposits from an overseas account can be considered on a case by case basis
Builder Deposit/incentive	Acceptable up to 5% of the purchase price on new build properties
Purchase at undervalue	Acceptable where purchasing from a close relative, or a long-term tenant buying from their landlord
Inter Co Loans	We are unable to consider intercompany loans as a source of deposit
Directors Loan	For self-employed applicants only (confirmation from an Accountant will be required confirming the loan will not adversely affect the business)

**This document is for the use of professional mortgage intermediaries only and not intended for retail consumer use.**

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