

Mortgage Bulletin - Effective from 4th January 2019

This bulletin is intended for professional intermediaries **ONLY**. It is not a consumer advertisement and therefore should not be displayed or used as customer information or promotional material.

Product Update:

- New 2 Year Discount Rate – Rate Switch Only – 65% LTV at 1.51%
- New 2 Year Discount Rate Buy-to-Let Purchase Mortgage 75% LTV at 1.99%
- New 2 Year Discount Rate Buy-to-Let Remortgage 75% LTV at 2.10%
- New 2 Year Discount Rate Buy-to-Let Mortgage – Rate Switch Only - 75% LTV at 1.99%
- New 2 Year Discount Rate Holiday Let Purchase Mortgage 75% LTV at 2.25%
- New 2 Year Discount Rate Holiday Let Remortgage 75% LTV at 2.50%
- New 2 Year Discount Rate Holiday Let Mortgage – Rate Switch Only 75% LTV at 2.50%

Products are grouped as follows:

Section 1 - Help to Buy - Wales
Section 2 - Residential Purchase
Section 3 - Residential Remortgages
Section 4 - Rate Switch Products
Section 5 - Buy-to-Let Purchase Products
Section 6 - Buy-to-Let Remortgage Products
Section 7 - Limited Company Buy-to-Let Purchase Products
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Section 9 - Holiday Let Purchase
Section 10 - Holiday Let Remortgage
Section 11 - Existing Borrowers
Section 12 - General Information for all Products

Remember

we pay Procuration fees* on all our products:
0.30% on Rate Switches
0.35% on Residential
0.45% on Buy-to-Let

Contact Details

For full details of our lending area, income multiples and other lending criteria please visit our website at www.mbs-intermediaries.com or contact our team as follows:

Caroline Barrett on 07701 373417 or caroline.barrett@monbs.com

Greg Harry on 07795 514691 or greg.harry@monbs.com

New Business Enquiries/Criteria Check on 01633 844380 or brokers@monbs.com

Case Updates on 01633 844360

Our opening times are Mon-Fri 9am-5pm



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Lywodraeth Cymru
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Section 1 - Help to Buy - Wales



Help to Buy – Wales is an initiative that provides shared equity loan assistance to home buyers from Help to Buy (Wales) Limited (HtBW) with funding provided by the Welsh Government.

Residential Purchase - Help to Buy - Wales

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee ▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	£500 cashback*	2.35%	75% ♦ Plus product fee	Purchase ONLY APRC 4.8% 2.89% discount for 2 years Loan size: £40,000 to £225,000 This loan must be on a repayment basis only One free standard valuation £500 cashback*	£845 The product fee can be added to the loan	NONE. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an early repayment charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D172)						

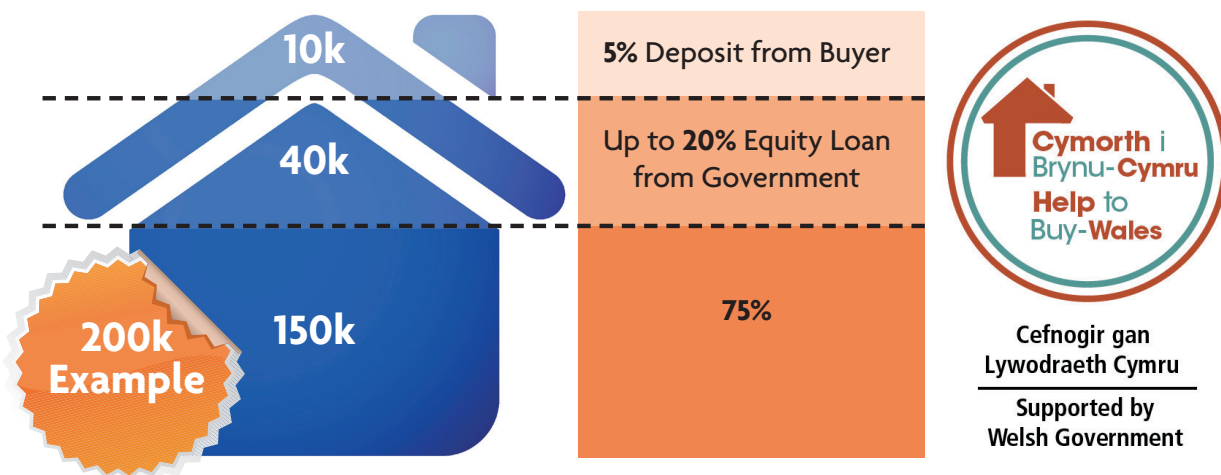
If you have clients who are currently Help to Buy Wales borrowers with another lender, you can remortgage them on to the Society's standard remortgage product range.

If you have clients who have a Help to Buy Wales mortgage with the Society, they can access our standard range of Rate Switch products.

Shared Equity Mortgages - Help to Buy - Wales

Equity Loan	The maximum you can borrow from HtBW under this scheme is £60,000. There is no minimum amount. The maximum purchase price is £300,000. Buyers using this scheme must provide security in the form of a second legal charge over the new home which HtBW has helped to buy.
Deposit	Buyers must provide a deposit of a minimum of 5% of the purchase price. This can be provided in the following form: <ul style="list-style-type: none"> - The applicants own resources - Gift from family (the gift must not be repayable under any circumstances and have no conditions attached) - A combination of both

◆ **Help to Buy - Wales Purchase** - Applicants will need to demonstrate that they have a deposit of at least 5% in the property and up to 20% under a Help to Buy Wales loan.



Help to Buy – Wales is open to first time and existing homebuyers looking to purchase a new build property in Wales. Help to Buy – Wales is subject to certain terms and conditions and affordability criteria as defined by the Welsh Government. Full details can be found at www.help Tobywales.co.uk

*Cashback will be provided to the homeowner upon completion in the form of a cheque or BACS transfer.

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Section 2 - Residential Purchase

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	2 year Level Discount (D271)	1.48%	65% Plus Product Fee	Purchase ONLY APRC 4.6% One Free Standard Valuation 3.76% discount for 2 years Loan size: £40,000 to £1,000,000	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D281)	1.74%	80% Plus Product Fee	Purchase ONLY APRC 4.7% 3.50% discount for 2 years Loan size: £40,000 to £1,000,000	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D282)	2.04%	90% Plus Product Fee	Purchase ONLY APRC 4.9% 3.20% discount for 2 years Loan size: £40,000 to £1,000,000 The loan must be on a repayment only basis	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D285)	2.55%	95%	Purchase ONLY APRC 4.9% One Free Standard Valuation 2.69% discount for 2 years Loan size: £40,000 to £500,000 The loan must be on a repayment only basis	NIL	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR. £150 mortgage application administration fee not payable
FIXED RATE	2 Year Fixed Rate (F536)	3.15%	95%	Purchase ONLY APRC 5.0% One Free Standard Valuation Loan size: £40,000 to £500,000 The loan must be on a repayment only basis	NIL	During the fixed rate period an ERC of 3% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 2 years, without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR. £150 mortgage application administration fee not payable.
	2 Year Fixed Rate (F537)	3.65%	95%	Purchase ONLY APRC 5.1% One Free Standard Valuation £1,000 cashback* Loan size: £40,000 to £500,000 The loan must be on a repayment only basis	NIL	During the fixed rate period an ERC of 3% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 2 years, without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR. £150 mortgage application administration fee not payable
	5 Year Fixed Rate (F396)	2.67%	90% Plus Product Fee	Purchase ONLY APRC 4.5% Loan size: £40,000 to £1,000,000 The loan must be on a repayment only basis	£999	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	5 Year Fixed Rate (F450)	2.93%	90%	Purchase ONLY APRC 4.5% Loan size: £40,000 to £1,000,000 The loan must be on a repayment only basis	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	5 Year Fixed Rate (F540)	3.48%	95%	Purchase ONLY APRC 4.7% One Free Standard Valuation Loan size: £40,000 to £500,000 The loan must be on a repayment only basis	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR. £150 mortgage application administration fee not payable
	5 Year Fixed Rate (F541)	3.75%	95%	Purchase ONLY APRC 4.8% One Free Standard Valuation £1,000 cashback* Loan size: £40,000 to £500,000 The loan must be on a repayment only basis	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR. £150 mortgage application administration fee not payable

*Cashback will be provided to the homeowner upon completion in the form of a cheque or BACS transfer.

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Section 3 - Residential Remortgages

Re-mortgages - Debt Consolidation

This includes repayment of any unsecured family debts

Amount - Maximum £30,000 (the debts must be verified from the borrowers' credit history or actual statements). Affordability will be calculated net of the debt consolidation.

LTV - Maximum 80%

Repayment Method - Capital Repayment only – Part & Part not allowed

Number of Consolidations - 1 Debt consolidation loan (or debt consolidation element of a larger loan) during the term of the mortgage

Term - Maximum 25 years

(A Special Condition will be added to the Mortgage Offer specifying the debts to be repaid - this is a MCOB requirement)

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	2 year Level Discount (D272)	1.51%	65% Plus Product Fee	Remortgages ONLY APRC 4.5% One Free Standard Valuation Assisted legal fees (Conditions apply**) 3.73% discount for 2 years. Loan size: £40,000 to £1,000,000	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D279)	1.74%	80% Plus Product Fee	Remortgages ONLY APRC 4.7% One Free Standard Valuation Assisted legal fees (Conditions apply**) 3.50% discount for 2 years. Loan size: £40,000 to £1,000,000	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 year Level Discount (D280)	2.04%	90% Plus Product Fee	Remortgages ONLY APRC 4.9% One Free Standard Valuation Assisted legal fees (Conditions apply**) 3.20% discount for 2 years. Loan size: £40,000 to £1,000,000	£999	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.
3 YEAR FIXED RATE	3 Year Fixed Rate (F545)	2.10%	65% Plus Product Fee	Remortgages ONLY APRC 4.4% One Free Standard Valuation Assisted legal fees (Conditions apply**) Loan size: £40,000 to £1,000,000	£999	During the fixed rate period an ERC of 3% within the first year will be charged and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 3 years, without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	3 Year Fixed Rate (F544)	2.40%	65%	Remortgages ONLY APRC 4.5% One Free Standard Valuation Assisted legal fees (Conditions apply**) Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 3% within the first year will be charged and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 3 years, without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
5 YEAR FIXED RATE	5 Year Fixed Rate (F538)	3.00%	90%	Remortgages ONLY APRC 4.4% One Free Standard Valuation Assisted legal fees (Conditions apply**) Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	5 Year Fixed Rate (F539)	3.15%	90%	Remortgages ONLY APRC 4.4% One Free Standard Valuation Assisted legal fees (Conditions apply**) £1,000 cashback* Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% for the second year, 3% for the third year and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the original loan amount, per annum, in each of the first 5 years without, an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.

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Section 4 - Rate Switch Products

These products are for **existing borrowers ONLY** reaching the end of their current mortgage product term.

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
DISCOUNT	2 Year Level Discount - Rate Switch Only (D289) NEW	1.51%	65%	Rate Switch ONLY APRC 4.5% 3.73% discount for 2 years Loan size: £0 to £1,000,000	NIL	During the discount period an ERC of 1% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 Year Level Discount Rate Switch Only (D283)	1.74%	80%	Rate Switch ONLY APRC 4.6% 3.50% discount for 2 years Loan size: £0 to £1,000,000	NIL	During the discount period an ERC of 1% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
	2 Year Level Discount - Rate Switch Only (D284)	2.04%	95%	Rate Switch ONLY APRC 4.8% 3.20% discount for 2 years Loan size: £0 to £500,000 The loan must be on a repayment only basis.	NIL	During the discount period an ERC of 1% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
DISCOUNT BUY-TO-LET	2 Year Level Discount Buy-to-Let - Rate Switch Only (D296) NEW	1.99%	75%	Rate Switch ONLY APRC 4.6% 3.25% discount for 2 years Loan size: £0 to £1,000,000	NIL	During the discount period an ERC of 1% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
HMO	2 Year Level Discount HMO Rate Switch Only (D250)	3.64%	75%	Rate Switch ONLY APRC 5.0% 1.60% discount for 2 years Loan size: £0 to £1,000,000	NIL	During the discount period an ERC of 2% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
DISCOUNT HOLIDAY LET	2 Year Level Discount Holiday Let - Rate Switch Only (D297) NEW	2.50%	75%	Rate Switch ONLY APRC 4.8% 2.74% discount for 2 years Loan size: £0 to £1,000,000	NIL	During the discount period an ERC of 2% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the discount period the loan reverts to the SVR.
FIXED RATE	2 Year Fixed Rate - Rate Switch Only (F532)	2.29%	75%	Rate Switch ONLY APRC 4.8% Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 3% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	2 Year Fixed Rate - Rate Switch Only (F514)	2.40%	80%	Rate Switch ONLY APRC 4.8% Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 3% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	2 Year Fixed Rate - Rate Switch Only (F515)	3.30%	95%	Rate Switch ONLY APRC 5.0% Loan size: £40,000 to £500,000 The loan must be on a repayment only basis.	NIL	During the fixed rate period an ERC of 3% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 2 years without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	3 Year Fixed Rate - Rate Switch Only (F546)	2.40%	65%	Rate Switch ONLY APRC 4.5% Loan size: £40,000 to £1,000,000	NIL	During the fixed rate period an ERC of 3% within the first year will be charged and 2% for the final two years. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 3 years without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.
	5 Year Fixed Rate - Rate Switch Only (F542)	3.00%	95%	Rate Switch ONLY APRC 4.4% Loan size: £40,000 to £500,000 The loan must be on a repayment only basis.	NIL	During the fixed rate period an ERC of 5% within the first year will be charged, then 4% second year, 3% third year and 2% final two years. No extended tie in.	Capital repayments allowed up to 10% of the amount outstanding at the time of the rate switch in each of the first 5 years without an Early Repayment Charge. After the fixed rate period the loan reverts to the SVR.

**** Please note that rate switch products containing a cashback cannot be used for further advances where the amount of the further advance is: 1. less than the minimum loan size specified in the product criteria and 2. the product currently applied to the existing mortgage balance is not changing.**

The only time the cashback rate switch products can be applied to a further advance is when a further advance and rate switch take place at the same time and the whole balance is transferring on to a new product which meets the minimum loan size requirements. Cashback will be provided to the homeowner or BTL landlord within 10 days of the new rate being applied in the form of a cheque or BACS transfer.

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Section 5 - Buy-to-Let Purchase

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	NEW 2 Year Level Discount (D294)	1.99%	75%	Purchase ONLY APRC 4.7% 3.25% discount for 2 years. Loan size: £40,000 to £1,000,000	NIL	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR. Interest Only repayment or mixed repayment/Interest only

Section 6 - Buy-to-Let Remortgages

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	NEW 2 Year Level Discount (D295)	2.10%	75%	Remortgage ONLY APRC 4.7% 3.14% discount for 2 years. Loan size: £40,000 to £1,000,000 One Free Standard Valuation Assisted legal fees (Conditions apply**)	NIL	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR. Interest Only repayment or mixed repayment/Interest only

Buy-to-Let Criteria

The Society offers non-regulated, Buy-to-Let mortgages, to individual or joint applicants who own a maximum of 3 mortgaged Buy-to-Let properties, including the current application.

Home Owner	Each applicant must be a home owner i.e. they must own and reside in their own property at the time of the application.
Minimum Age	21
Maximum Age	85
Income	One applicant must have a minimum income from employment, self-employment or pension of £25,000. Profits from rental are not acceptable.
Minimum Loan	£40,000
Maximum Loan	£1,000,000 or £2,000,000 aggregate lending over a maximum of 3 properties
Minimum Term	5 years
Maximum Term	40 years
Maximum LTV	75%
Parties to the mortgage	All persons who have registered title to the property must be a party to the mortgage.
Repayment Method	Capital and Interest repayment, Interest Only or part capital & Interest / part interest only will also be accepted.
Evidence of Rental	For Remortgages – Copy of the latest bank statement showing rental credit and a copy of the current tenancy agreement.
Interest Coverage Ratio (ICR)	Minimum rental coverage of 145% (of mortgage interest payment) based on the initial pay rate plus 2%; or 5.5%, whichever is greater. We will work on the lower figure of the actual rental passing or the valuers rental assessment.
Acceptable Tenancy	The property should be let under a single Assured Shorthold Tenancy agreement (AST) of no less than 6 and no more than 12 months. Evidence of last months rent paid required. There should be a maximum of 4 individuals on a single tenancy agreement.
Tenancy Deposit Scheme	In the case of the purchase or Remortgage of a Buy-to-Let the applicant(s) will be required to provide evidence that a statutory Tenancy Deposit Scheme (TDS) is in place at completion. Applicants purchasing a property with the intention of letting but with no tenant in place at completion will be required to provide evidence that a TDS is in place within six months of completion of the loan.
Sale & Leaseback	Not acceptable
Student Lets	Acceptable provided there is a suitable AST in place and the property is let as a single dwelling and not on a room by room basis.
Rental Guarantee Schemes	Not acceptable.
Professional landlords	Not acceptable.
HMO	Not acceptable

Buy-to-Let – Remortgage for Capital Raising

For all Buy-to-Let Remortgages the applicant must have owned the property for at least 6 months.

Maximum Loan	£1,000,000 or £2,000,000 aggregate lending over a maximum of 3 properties
Borrowing to Value	Maximum 75%
Minimum term	5 years
Maximum term	40 years
Acceptable Purpose	Property Improvement / Purchase (UK only) (estimates must be provided for any amount over £20k) Purchase of freehold / lease extension Transfer of Equity Purchase of adjoining land Deposit for a purchase of a child's house Consumer Purchase
Unacceptable Purpose	Debt Consolidation (Including repayment of family debts) Any business purposes Tax settlement Gambling debts
Interest Coverage Ratio (ICR)	Minimum rental coverage of 145% (of mortgage interest payment) based on the initial pay rate plus 2%; or 5.5%, whichever is greater. We will work on the lower figure of the actual rental passing or the valuers rental assessment.

*Cashback will be provided to the homeowner upon completion in the form of a cheque or BACS transfer.

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Section 7 - Limited Company Buy-to-Let Purchase Products

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	2 year Level Discount (D262)	3.00%	75% Plus Product Fee	Purchase ONLY APRC 5.1% 2.24% discount for 2 years Loan size: £40,000 to £1,000,000	£1,499	During the discount period an ERC of 2% within the first year will be charged then 1% for the second year on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the 2 years, without an Early Repayment Charge. After the discount rate period the loan reverts to the SVR. D262 is available to borrowers who have (or will have) up to three let properties upon completion. Interest Only repayment or mixed repayment/Interest only
	2 year Level Discount (D264)	3.24%	75% Plus Product Fee	Purchase ONLY APRC 5.1% 2.00% discount for 2 years Loan size: £40,000 to £1,000,000	£1,499	During the discount period an ERC of 2% within the first year will be charged then 1% for the second year on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the 2 years, without an Early Repayment Charge. After the discount rate period the loan reverts to the SVR. D264 is available to borrowers who have (or will have) up to twenty let properties upon completion. A maximum of twenty with the Society. Directors must have a minimum two years' experience in the BTL sector. Interest Only repayment or mixed repayment/Interest only

Section 8 - Limited Company Buy-to-Let Remortgage Products

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	2 year Level Discount (D263)	3.00%	75% Plus Product Fee	Remortgage ONLY APRC 5.1% 2.24% discount for 2 years Loan size: £40,000 to £1,000,000	£1,499	During the discount period an ERC of 2% within the first year will be charged then 1% for the second year on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the 2 years, without an Early Repayment Charge. After the discount rate period the loan reverts to the SVR. D263 is available to borrowers who have (or will have) up to three let properties upon completion. Interest Only repayment or mixed repayment/Interest only
	2 year Level Discount (D265)	3.24%	75% Plus Product Fee	Remortgage ONLY APRC 5.1% 2.00% discount for 2 years Loan size: £40,000 to £1,000,000	£1,499	During the discount period an ERC of 2% within the first year will be charged then 1% for the second year on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the 2 years, without an Early Repayment Charge. After the discount rate period the loan reverts to the SVR. D265 is available to borrowers who have (or will have) up to twenty let properties upon completion. A maximum of twenty with the Society. Directors must have a minimum two years' experience in the BTL sector. Interest Only repayment or mixed repayment/Interest only

Limited Company Buy-to-Let Lending Criteria

- Only lend to Special Purpose Vehicles (SPV's) which are UK based Ltd Companies, with UK based Directors, set up specifically for the purpose of buying, selling and letting property.
- These Ltd Companies must have a clearly defined purpose (SIC codes 68100 & 68209) recorded at Companies House.
- They should have no more than four Directors who own 100% shareholding between them.
- Directors can only finance one SPV to MBS.
- Personal Guarantees from all Directors.
- D262 & D263 available to borrowers who have (or will have) up to three let properties upon completion.
- D264 & D265 available to borrowers who have (or will have) up to twenty let properties upon completion. A maximum of twenty with the Society.
- D264 & D265 - Directors must have a minimum two years experience in the BTL sector.
- Broker only.
- ICR 125% using higher of pay rate plus 2% or 5.5%, whichever is the greater.
- No flats above shops or other commercial properties.
- No 'Right to Buy' council homes.
- No auction properties.
- No HMO's, multiple or short-term lets – for instance to students or holiday lets.
- Maximum term - 40 years.
- Newly formed SPV's accepted.

Section 9 - Holiday Let Purchase

Holiday Let mortgages are available to existing home owners who would like to purchase or remortgage a property which is used for holiday letting and is situated in England and Wales.

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	NEW 2 Year Level Discount (D290)	2.25%	75% plus product fee	Purchase ONLY APRC 4.9% 2.99% discount for 2 years. Loan size: £40,000 to £1,000,000	£999	During the discount period an ERC of 2% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the first 2 years, without an Early Repayment Charge. After the discount period the loan reverts to the SVR. Interest Only repayment or mixed repayment/Interest only

Section 10 - Holiday Let Remortgage

Holiday Let mortgages are available to existing home owners who would like to purchase or remortgage a property which is used for holiday letting and is situated in England and Wales.

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	NEW 2 Year Level Discount (D291)	2.50%	75%	Remortgage ONLY APRC 4.8% 2.74% discount for 2 years. Loan size: £40,000 to £1,000,000 One Free Standard Valuation Assisted legal fees (Conditions apply**)	NIL	During the discount period an ERC of 2% will be charged on the amount repaid. No extended tie in.	Capital repayments allowed up to 5% of the original loan amount, per annum, in each of the first 2 years, without an Early Repayment Charge. After the discount period the loan reverts to the SVR. Interest Only repayment or mixed repayment/Interest only

Holiday Let Criteria

The Society offers non-regulated, Holiday Let mortgages, to individual or joint applicants. Whilst there is no maximum on the number of Holiday Lets that an applicant can own, we can only take a maximum of 3 into charge.

Home Owner	Each applicant must be a home owner i.e. they must own and reside in their own property at the time of the application.
Minimum age at application	21
Maximum age	85
Income	One applicant must have a minimum income from employment, self-employment or pension of £25,000. Income should not be derived from rental.
Parties to the Mortgage	All persons who have registered title to the property must be a party to the mortgage.
Minimum Loan	£40,000
Maximum Loan	£1,000,000 or £2,000,000 aggregate lending over a maximum of 3 properties
Minimum Term	5 years
Maximum Term	40 years
Maximum LTV	75% unless further restricted by product or other criteria
Repayment Method	Capital repayment (CR), Interest Only (IO) or part CR / part IO
Rental coverage	Minimum rental coverage of 145% (of mortgage interest payment) based on the initial pay rate plus 2%; or 5.5%, whichever is greater.
Rental Calculations	For purchases - Holiday Letting Agent letter to be provided confirming known or anticipated weekly rent in low, medium and high season. Average taken of these three and multiplied by 30 to give a yearly figure.

For Remortgages - If managed by a Holiday Letting Agent, the Agent to provide a written breakdown of the last year's rental income. If not managed by a Holiday Letting Agent, evidence of last year's rental income to be provided by the applicant by way of bank statements which are clearly annotated or by the applicant's Accountant. Actual rental income for the past year can be used in full.

Holiday Lets

For all Remortgages the applicant must have owned the property for at least 6 months.
Remortgage for capital raising.

Maximum Loan	£1,000,000 or £2,000,000 aggregate lending over a maximum of 3 properties
Borrowing to Value	Maximum 75%
Minimum term	5 years
Maximum term	40 years
Acceptable Purpose	Property Improvement / Purchase (UK only) (estimates must be provided for amounts above £20k) Purchase of freehold / lease extension Transfer of Equity Consumer Purchase Purchase of adjoining land
Unacceptable Purpose	Debt Consolidation (including repayment of family debt) Any business purposes Tax settlement Gambling Debts
Availability	Lending Area: Whole of Wales and England (including Isle of Wight), subject to the property being located in an area commensurate with holiday letting.

*Cashback will be provided to the homeowner upon completion in the form of a cheque or BACS transfer.

This bulletin is intended for professional intermediaries ONLY. It is not a consumer advertisement and therefore should not be displayed or used as customer information or promotional material.
Telephone calls may be monitored and/or recorded for security and training purposes.

Section 11 - Existing Borrowers

	Mortgage Product & Code	Interest Rate	Max LTV	Product Details	Product Fee▲	Early Repayment Charge (ERC)	Other Information
LEVEL DISCOUNT	5 Year Level Discount (D228)	4.24%	95%	Existing Borrowers ONLY APRC 5.0% 1.00% discount for 5 years. Loan size: £40,000 to £500,000	NIL	None. Regular overpayments will be permitted without an early repayment charge.	You may make capital repayments <u>without</u> an Early Repayment Charge. After the discount period the loan reverts to the SVR.

This product is available to Existing Borrowers who:

- are moving house and wish to retain their existing mortgage product and 'top-up' their mortgage with a non ERC discounted variable interest rate product.
- are borrowing additional mortgage funds and do not want an ERC.
- are keeping their mortgage with the Society and wish to move on to a non ERC product.
- have less than two years left on their mortgage term and require a discounted variable interest rate product.

Interest only – Only applies to residential lending where the loan to value is 80% or less

Interest only and part interest only will be allowed on these products in our range. Subject to the following criteria:

Minimum income of £50,000 p.a for a single applicant. For joint applications, a minimum combined income of £80,000 p.a. or more is required.

Maximum LTV on interest only loans is 50%.

A mix of interest only and repayment is allowed up to the LTV product limit but the interest only element must not exceed 50% LTV.

Evidence of a suitable repayment vehicle is required for all interest only or part interest only residential applications. See 'Lending Criteria' section on our website at www.mbs-intermediaries.com.

A mortgage offer will only be issued once we have evidence of a suitable repayment vehicle that meets our criteria, documentary evidence of the repayment vehicle should be submitted at the time you submit the application or as soon as possible afterwards.

The maximum LTV on interest only loans of 50% will not apply to existing borrowers who will be allowed to port their interest only loan if they move house. If additional borrowing is required then this **must** proceed on a repayment basis only.

The Society will not normally consider any element of debt consolidation on an interest only basis.

◆ **Help to Buy - Wales Purchase** - Applicants will need to demonstrate that they have a deposit of at least 5% in the property and up to 20% under a Help to Buy - Wales loan.

❖ If you have clients who are currently Help to Buy Wales borrowers with another lender, you can remortgage them on to the Society's standard remortgage product range.

□ If you have clients who have a Help to Buy Wales mortgage with the Society, they can access our standard range of Rate Switch products.

▲ **Product Fees** - The product fee can be added to the loan.

Lending area - Our lending area is England and Wales.

****Assisted legal fees** - As this is a 'fees assisted' remortgage we will pay the law firm's basic professional fees in connection with the remortgage. There will be additional costs that you will need to pay, e.g. telegraphic transfer fee. Where any non-standard work is required to complete the conveyance these costs must also be met by you, examples of chargeable fee include change of name, transfer of equity, deed of postponement, merger of freehold/leasehold, remedy of title defect, satisfying special conditions, etc.

Minimum Loan Size is £40,000 for all products unless otherwise stated.

Portability - All of our products are portable unless stated otherwise. The new loan must complete at the same time you redeem this loan and you must still meet the Society's lending criteria at that time.

Valuation Fees - Where products offer a free valuation, upon application Monmouthshire Building Society will meet the cost of the standard valuation for properties valued up to £1m. In the event of applicants changing the purchase property during the application process, a valuation fee is charged each time the property is changed. Details of our standard valuation fees can also be found in our Mortgage Services Tariff which is available on our website.

Mortgage Application Administration Fee - This is a non-refundable £150 fee which is charged to the applicant to cover the administration costs of processing a loan request (excludes all remortgage products which offer assisted legal fees or cashback towards legal costs).

***Procurator Fees** - Payable to authorised introducers. Applies to applications submitted by, and carrying, the introducer's details. Paid in the month following completion. For each completed case: 0.35% of loan for residential owner-occupied; 0.45% if loan for BTL & HMO.

***Rate Switch Procurator Fees** - Payable to authorised Introducers. Applies to Rate Switches for existing mortgage borrowers where the Introducer has given advice on a new product. Paid in the month following the application of the new rate. For each case: 0.30% of loan for residential owner-occupied and BTL up to a maximum of £1,500. Procurator fees will only be payable where existing product terms have expired.

Products - The Society's mortgage products cannot be used for bridging purposes.

Age Restriction - The maximum age for the main earner at maturity of the mortgage on all residential mortgages is 85. Affordability checks apply.

Lending into Retirement - The Society is happy to lend to borrowers who will still be repaying their mortgage after they have reached their stated retirement age and to those who are already in retirement or semi-retirement.

For borrowers who will be retiring during the mortgage term, we will normally use the applicants anticipated retirement age, or retirement age of 67 years for the purpose of the affordability assessment. A full affordability assessment is undertaken for each applicant, giving consideration to the current employed income, the capital balance at the time of retirement and the income expected at retirement.

Please contact our Broker Sales team to discuss affordability on a mortgage for lending into retirement.

Max Age of applicant(s) at end of the mortgage term – 85.

Our Standard Variable Rate is **5.24%** Bank of England Bank Rate **0.75%**.