

Further advance product guide



14 August 2020

All rates and product criteria are correct at the time of being published
For intermediaries only

KentReliance
for Intermediaries

Contents

- Buy to let further advance** **3**
- Standard 3
- Specialist 3
- Terms and conditions 4

- Residential further advance** **5**
- Near prime 5
- Terms and conditions 6

- Shared ownership** **7**
- Terms and conditions 8

- Important things to note** **9**

Buy to let

Standard

LTV	Type	Term	Rate	Fee	ERC**	Product code
75%	Fixed	2yr	3.69%	1.50%	4%, 3%	1643 KFAB2007
75%	Fixed	5yr	3.94%	1.50%	5%, 4%, 3%, 3%, 3%	1644 KFAB2007

Specialist

LTV	Type	Term	Rate	Fee	ERC	Product code
75%	Fixed	2yr	3.99%	1.50%	4%, 3%	1645 SFAB2007
75%	Fixed	5yr	4.24%	1.50%	5%, 4%, 3%, 3%, 3%	1646 SFAB2007

Buy to let acceptable credit criteria

County court judgments *	0 in the last 36 months.
Defaults *	0 in the last 36 months.
County court judgments and defaults ignored when one of the following applies	<p>These are acceptable where one of the following applies:</p> <ul style="list-style-type: none"> All CCJs/defaults were registered more than three years ago and satisfied prior to mortgage application. All CCJs/defaults were satisfied more than 12 months prior to application regardless of date of registration. The CCJs/defaults in aggregate amount to less than £300, regardless of date of registration, and satisfied prior to mortgage application.
Missed mortgage/secured loan payments	0 in the last 12 months.
Unsecured arrears	Not counted.
Income supported buy to lets	Not acceptable.
Holiday lets	Not acceptable.
Debt management plans	Not acceptable.
Topslicing	Not acceptable.
First-time landlords	Not acceptable on 7-10 bedrooms/units.

* All CCJs and defaults must be paid prior to the application or must meet our ignore CCJ/default criteria.

Admin fee £145. CHAPS fee £30.

Under no circumstances should this document be copied, given to or distributed to customers or potential customers. This product guide does not include APRCs which are required for consumers to compare mortgage products.

*The buy to let standard variable rate is 6.18%.

All of our products are subject to availability and may be withdrawn at any time. **ERCs may be incurred for full redemption or repayment of capital. The figures in these illustrations only relate to the additional borrowing amount.

Buy to let

Notes about our mortgage products

- 1-10 bedrooms/units accepted (max 70% LTV and £1.5m for 7-10 bedrooms/units)
- These products are available on repayment or interest only terms
- At the end of any initial deal, the interest rate will revert to the buy to let standard variable rate
- The buy to let variable rate can vary in line with the general level of interest rates and economic conditions
- If your client makes any lump-sum payments or repays the loan within a special deal period, an early repayment charge may be payable
- Please refer to the early repayment charge section of the table for details. Payments up to a maximum of £499 per month can be made without incurring an early repayment charge
- A list of our fees and charges accompanies all mortgage illustrations
- Maximum loan is £1m
- Minimum loan is £15,000
- The term of any additional borrowing must not exceed the term of the existing mortgage
- Monthly interest - If your main mortgage account was taken on a monthly interest basis, then your Further Advance account will also incur interest monthly. Interest is added to the mortgage account for the period from the date the loan was made until the last day of that month. Thereafter, interest is charged monthly on the balance outstanding at the end of the last month. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- Daily interest - If your main mortgage account was taken on a daily interest basis, then your Further Advance account will also incur interest daily. Interest is calculated daily on the sum outstanding at the end of the preceding day. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- These mortgage products aren't portable
- All mortgage products are subject to availability and can be withdrawn at any time
- Buy to let loans aren't regulated mortgages

For interest only or part repayment/part interest only, it's the borrower's responsibility to ensure they have sufficient funds available at the end of the term with which to repay the loan.

All loans are subject to availability, status, valuation and approval, and are available in England and Wales only. Applicants must be aged 18 or over and security will be required on the property.

Written quotations available on request. For customer service and training purposes, calls with Kent Reliance may be monitored and/or recorded.

IF YOUR CLIENT FAILS TO KEEP UP WITH PAYMENTS ON THEIR MORTGAGE A 'RECEIVER OF RENT' MAY BE APPOINTED AND/OR THEIR RENTAL PROPERTY MAY BE REPOSSESSED.

Residential

Near prime

LTV	Type	Term	Rate	Fee	ERC	Product code
75%	Fixed	2yr	3.69%	0.50%	3%, 3%	1635 KFAR2007
75%	Fixed	5yr	3.79%	0.50%	5%, 4%, 3%, 3%, 3%	1636 KFAR2007

Near prime acceptable credit criteria

County court judgments *	0 in the last 24 months.
Defaults *	0 in the last 24 months.
County court judgments and defaults ignored when one of the following applies	< £300 in total and satisfied > 12 months prior to the application. Registered > 24 months whether satisfied or not.
Missed mortgage/ secured loan payments	0 in the last 12 months and currently up to date.
Unsecured arrears	2 in the last 12 months and currently up to date.
Maximum status	Currently up to date. Previous maximum status ignored.
Communication, utility & mail order	Performance ignored where the account balance is less than £500 (single or in aggregate).
Debt management plans	Not acceptable.
IVA/DRO/bankruptcy	Not acceptable.
Repossessions	Not acceptable.

*** All CCJs and defaults must be paid prior to the application or must meet our ignore CCJ/default criteria**

Admin fee £145. CHAPS fee £30.

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*On expiry of the fixed rate product, the mortgage will revert to a rate of interest which will be at a variable rate above the Bank of England Base Rate ("BBR") for the remainder of the loan. The rate will move up and down in line with BBR but if BBR falls below 0.00% the rate the customer is charged won't change. Please refer to individual products for details on the rates applicable.

**ERCs may be incurred for full redemption or repayment of capital. The figures in these illustrations only relate to the additional borrowing amount.

Residential

Notes about our mortgage products

- These mortgage products are only available on a repayment basis. Interest only or part repayment/part interest only may be available only by exception
- The mortgage will revert to a rate of interest which will be at a variable rate above the Bank of England Base Rate (“BBR”) for the remainder of the loan. The rate will move up and down in line with BBR but if BBR falls below 0.00% the rate the customer is charged won’t change. Please refer to individual products for details on the rates applicable
- If your client makes any lump-sum payments or repays the loan within a special deal period, an early repayment charge may be payable. Please refer to the early repayment charge section of the table for details. Payments up to a maximum of £499 per month can be made without incurring an early repayment charge
- A list of our fees and charges accompanies all mortgage illustrations
- The term of any additional borrowing must not exceed the term of the existing mortgage
- Maximum loan is £1m
- Minimum loan is £15,000
- Monthly interest - If your main mortgage account was taken on a monthly interest basis, then your Further Advance account will also incur interest monthly. Interest is added to the mortgage account for the period from the date the loan was made until the last day of that month. Thereafter, interest is charged monthly on the balance outstanding at the end of the last month. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- Daily interest - If your main mortgage account was taken on a daily interest basis, then your Further Advance account will also incur interest daily. Interest is calculated daily on the sum outstanding at the end of the preceding day. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- These mortgage products are portable. Even if your client moves home during the initial special deal period of a mortgage, the remaining benefits (up to the outstanding balance of their existing mortgage) of that special deal can be transferred to their new mortgage with us, subject to our lending criteria at the time of any move. In this case, any early repayment charges won’t be charged but the existing rate won’t apply to any additional funds that your client borrows
- All mortgage products are subject to availability of funds and can be withdrawn at any time

For interest only or part repayment/part-interest only, it is the borrower’s responsibility to ensure they have sufficient funds available at the end of the term with which to repay the loan.

All loans are subject to availability, status, valuation and approval, and are available in England and Wales only. Applicants must be aged 18 or over. Maximum age at the end of the mortgage term is 85. Written quotations are available on request.

YOUR CLIENT’S HOME MAY BE REPOSSESSED IF THEY DO NOT KEEP UP REPAYMENTS ON THEIR MORTGAGE.

Shared ownership

MSV*	LTV	Type	Term	Rate	Fee	ERC**	Product code
90%	75%	Fixed	2yr	3.89%	£399	3%, 3%	1637 KFAS2007
95%	75%	Fixed	2yr	3.99%	£399	3%, 3%	1638 KFAS2007
100%	75%	Fixed	2yr	4.19%	£399	3%, 3%	1639 KFAS2007
90%	75%	Fixed	5yr	4.29%	£399	5%, 4%, 3%, 3%, 3%	1640 KFAS2007
95%	75%	Fixed	5yr	4.39%	£399	5%, 4%, 3%, 3%, 3%	1641 KFAS2007
100%	75%	Fixed	5yr	4.59%	£399	5%, 4%, 3%, 3%, 3%	1642 KFAS2007

Shared ownership acceptable credit criteria

Missed mortgage/rent arrears	In the last 12 months aren't normally accepted but may be considered subject to individual case assessment.
Unsecured arrears	Not counted.
County court judgments or registered defaults	<p>None in the last 36 months. Must be satisfied prior to mortgage application.</p> <p>These are acceptable where one of the following applies:</p> <ul style="list-style-type: none"> All CCJs/defaults were registered more than three years ago and satisfied prior to mortgage application All CCJs/defaults were satisfied more than 12 months prior to application regardless of date of registration The CCJs/defaults in aggregate amount to less than £300, regardless of date of registration, and satisfied prior to mortgage application
Individual voluntary arrangement (IVA) and discharged bankrupts	IVA/bankrupts who have been discharged over three years ago and who have no residual debt may be accepted subject to individual case assessment.
Repossessions	Not acceptable.
Debt management plan	Not acceptable.

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*On expiry of the fixed rate product, the mortgage will revert to a rate of interest which will be at a variable rate above the Bank of England Base Rate ("BBR") for the remainder of the loan. The rate will move up and down in line with BBR but if BBR falls below 0.00% the rate the customer is charged won't change. Please refer to individual products for details on the rates applicable. All of our products are subject to availability and may be withdrawn at any time. The figures in these illustrations only relate to the additional borrowing amount.

Shared ownership

Notes about our mortgage products

- For shared ownership, additional borrowing by way of a remortgage or a further advance is for staircasing purposes only
- These mortgage products are only available on a repayment basis
- The mortgage will revert to a rate of interest which will be at a variable rate above the Bank of England Base Rate (“BBR”) for the remainder of the loan. The rate will move up and down in line with BBR but if BBR falls below 0.00% the rate the customer is charged won’t change. Please refer to individual products for details on the rates applicable
- If you make any lump-sum payments or repay the loan within a special deal period, an early repayment charge may be payable. Please refer to the early repayment charge section of the table for details. Payments up to a maximum of £499 per month can be made without incurring an early repayment charge
- A list of our fees and charges accompanies all mortgage illustrations
- The minimum mortgage term is 5 years and the maximum 35
- Monthly interest - If your main mortgage account was taken on a monthly interest basis, then your Further Advance account will also incur interest monthly. Interest is added to the mortgage account for the period from the date the loan was made until the last day of that month. Thereafter, interest is charged monthly on the balance outstanding at the end of the last month. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- Daily interest - If your main mortgage account was taken on a daily interest basis, then your Further Advance account will also incur interest daily. Interest is calculated daily on the sum outstanding at the end of the preceding day. Your Mortgage Offer will have clarified any specific conditions in relation to how interest is charged. Payments in excess of the required monthly payment will have the effect of reducing the balance outstanding and the amount of interest to be paid
- These mortgage products are portable. Even if you move home during the initial special deal period of a mortgage, the remaining benefits (up to the outstanding balance of your existing mortgage) of that special deal can be transferred to your new mortgage with us, subject to our lending criteria at the time of any move. In this case, any early repayment charges won’t be charged but the existing rate won’t apply to any additional funds that you borrow
- All mortgage products are subject to availability of funds and can be withdrawn at any time

It’s your customer’s responsibility to ensure they have sufficient funds available at the end of the term with which to repay the loan.

All loans are subject to availability, status, valuation and approval, and are available in England and Wales only. Applicants must be aged 18 or over and security will be required on the property.

Written quotations available on request. For customer service and training purposes, calls with Kent Reliance may be monitored and/or recorded.

YOUR CLIENT’S HOME MAY BE REPOSSESSED IF THEY DO NOT KEEP UP REPAYMENTS ON THEIR MORTGAGE.

Important things to note

If you have an existing application

If you currently have a case in progress where the valuation fees have been paid, the case fits our new criteria, and you wish to take advantage of the new products, please contact us to change the product.

Please speak to your BDM for more information.

Physical valuations

A physical valuation will be sourced from Connells via the standard process.

Connells has issued prescriptive guidance to follow around inspection protocols, which you can find here <https://www.kentreliaanceforintermediaries.co.uk/media/1676/property-inspection-protocol.pdf>

If this guidance isn't adhered to (e.g., the property is occupied or doors have been left closed), the surveyor may not go ahead with the valuation but will still charge the valuation fee for the on-site visit.

If you'd like more information about our service to you,
or about any of our products, please contact your
business development manager or visit **krfi.co.uk**