

Residential mortgage guide

3 November 2021



Aldermore

FOR INTERMEDIARY USE ONLY

impact
Specialist Finance

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www.impactsf.co.uk

Standard mortgage range

For applicants with less than perfect credit up to 80% LTV for purchase and remortgage

Purchase and remortgage – £999 product fee

| | Level 1 | | Level 2 | | Level 3 | |
|-------------------|---|-------|---------|-------|---------|-------|
| Maximum loan size | £1m | £1m | £1m | £400k | £400k | £400k |
| Maximum LTV | 75% | 80% | 75% | 80% | 75% | 80% |
| 2 year fixed | 3.08% | 3.38% | 3.68% | 3.98% | 4.18% | 4.48% |
| 5 year fixed | 3.28% | 3.58% | 3.88% | 4.18% | 4.38% | 4.68% |
| Reversion rate | 4.58% (AMR + 0.0%) | | | | | |
| Product fee | £999 | | | | | |
| Incentives* | Free standard legal fees are available on remortgages | | | | | |

Remortgage only – Fee free

| | Level 1 | | Level 2 | | Level 3 | |
|-------------------|---|-------|---------|-------|---------|-------|
| Maximum loan size | £1m | £1m | £1m | £400k | £400k | £400k |
| Maximum LTV | 75% | 80% | 75% | 80% | 75% | 80% |
| 2 year fixed | 3.38% | 3.58% | 3.98% | 4.18% | 4.48% | 4.68% |
| 5 year fixed | 3.68% | 3.88% | 4.28% | 4.48% | 4.78% | 4.98% |
| Reversion rate | 4.58% (AMR + 0.0%) | | | | | |
| Product fee | £0 | | | | | |
| Incentives | Free standard valuation, no funds transfer fee and free standard legal fees | | | | | |

| Early repayment charges | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|--------|--------|--------|--------|--------|
| 2 year fixed | 3.00% | 2.50% | | | |
| 5 year fixed | 4.50% | 4.00% | 3.50% | 3.00% | 2.50% |

Overpayments of up to 10% of the outstanding mortgage balance can be made each year without incurring an early repayment charge.

| | |
|--------------------------------|-------|
| Aldermore Managed Rate (AMR) | 4.58% |
| Procuration fee (all products) | 0.40% |

*A £30 Funds Transfer Fee is payable upon completion of the £999 fee products. Unless otherwise stated, Legal and Valuation Fees apply.

Adding fees

On the Standard Mortgage Range – Product fees and funds transfer fees can be added to the loan.

High LTV mortgage range

For first time buyer and home movers up to 95% and remortgages up to 90%

Purchase and remortgage – £999 product fee

| | Level 1 | | |
|-------------------|---|-------|---------------|
| Purpose | Purchase and Remortgage | | Purchase only |
| Maximum loan size | £500k | | |
| Maximum LTV | 85% | 90% | 95% |
| 2 year fixed | 3.88% | 4.48% | 5.08% |
| 5 year fixed | 4.08% | 4.68% | 5.28% |
| Reversion rate | 5.08% (AMR + 0.50%) | | |
| Product fee | £999 | | |
| Incentives* | Free standard legal fees are available on remortgages | | NA |

Purchase and remortgage – no product fee

| | Level 1 | | |
|-------------------------|---|-------|---------------|
| Purpose | Purchase and Remortgage | | Purchase only |
| Maximum loan size | £500k | | |
| Maximum LTV | 85% | 90% | 95% |
| 2 year fixed | 4.18% | 4.78% | 5.38% |
| 5 year fixed | 4.38% | 4.98% | 5.58% |
| Reversion rate | 5.08% (AMR + 0.50%) | | |
| Product fee | £0 | | |
| Incentives – Purchase | Free standard valuation and no funds transfer fee | | |
| Incentives – Remortgage | Free standard valuation, no funds transfer fee and free standard legal fees | | NA |

| Early repayment charges | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|--------|--------|--------|--------|--------|
| 2 year fixed | 3.00% | 2.50% | | | |
| 5 year fixed | 4.50% | 4.00% | 3.50% | 3.00% | 2.50% |

| | |
|--------------------------------|-------|
| Aldermore Managed Rate (AMR) | 4.58% |
| Procuration fee (all products) | 0.40% |

*A £30 Funds Transfer Fee is payable upon completion of the £999 fee products. Unless otherwise stated, Legal and Valuation Fees apply.

Adding fees

On the High LTV Mortgage Range – Product fees and funds transfer fees can be added to the loan up to and including the 90% LTV product.

Help to Buy: equity loan and London Help to Buy: scheme

For first time buyers purchasing new-build properties via the Government backed Help to Buy Scheme



Purchase only – £999 product fee

| | Level 1 | Level 2 | Level 3 |
|-------------------|-------------------------|---------|---------|
| Maximum loan size | £450k | £450k | £400k |
| LTV | 75% | 75% | 75% |
| 2 year fixed | 3.78% | 4.38% | 4.88% |
| 5 year fixed | 3.88% | 4.48% | 4.98% |
| Reversion rate | 4.58% (AMR + 0.00%) | | |
| Product fee | £999 | | |
| Incentives* | Free standard valuation | | |

| Early repayment charges | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|--------|--------|--------|--------|--------|
| 2 year fixed | 3.00% | 2.50% | | | |
| 5 year fixed | 4.50% | 4.00% | 3.50% | 3.00% | 2.50% |

Overpayments of up to 10% of the outstanding mortgage balance can be made each year without incurring an early repayment charge.

| | |
|--------------------------------|-------|
| Aldermore Managed Rate (AMR) | 4.58% |
| Procuration fee (all products) | 0.40% |

*A £30 Funds Transfer Fee is payable upon completion for all products. Unless otherwise stated, Legal Fees apply.

Adding fees

On the Help to Buy: equity loan Mortgage Range – Product fees and funds transfer fees can be added to the loan.

Help to Buy: equity loan and London Help to Buy: scheme

For first time buyers purchasing new-build properties via the Government backed Help to Buy Scheme



| Key Help to Buy lending criteria | | |
|----------------------------------|--|---|
| | Help to Buy: equity loan | London Help to Buy: scheme |
| Maximum valuation | See table of regional price caps | £600k |
| Deposit | Applicants must fund a deposit of at least 5% | Applicants must fund a deposit of at least 5% |
| Maximum equity loan | Up to 20% of the property value | Up to 40% of the property value |
| Repayment type | Capital repayment | Capital repayment |
| Builder/part exchange | Not accepted | Not accepted |
| Location | England (including the Isle of Wight) | 32 London boroughs and the City of London |
| Occupancy | Security property must be the applicants main residence and only dwelling wherever situated. Applicants cannot have a personal interest in any other property including buy to let or second homes. | |

| Help to Buy: equity loan price caps – April 2021 to March 2023 | |
|--|------------------------|
| Region | Maximum property price |
| North East | £186,100 |
| North West | £224,400 |
| Yorkshire and the Humber | £228,100 |
| East Midlands | £261,900 |
| West Midlands | £255,600 |
| East of England | £407,400 |
| London | £600,000 |
| South East | £437,600 |
| South West | £349,000 |

Key lending criteria

| | Level 1 | Level 2 | Level 3 |
|---|---|--|---|
| Mortgage or secured loan arrears | 0 in last 3 months | 0 in last 3 months | 0 in last 3 months |
| | 1 in last 12 months | 1 in last 12 months | 3 in last 24 months |
| | 2 in last 24 months | 2 in last 24 months | |
| Unsecured loan arrears | 0 in last 3 months | 0 in last 3 months | 0 in last 3 months |
| | 2 in last 24 months | 2 in last 24 months | 3 in last 24 months |
| County court judgements (CCJ) / Sheriff court decrees | 0 recorded in last 36 months | 0 recorded in last 12 months | 0 recorded in last 6 months |
| | Satisfied for over 36 months (unsatisfied up to a combined £500) | Max 2 recorded (total combined value £3k) in last 36 months | Max 3 recorded (no limit value) in last 36 months |
| Defaults | All communication defaults ignored | | |
| | 0 recorded in last 12 months Max 1 settled default recorded in the last 13 to 36 months (up to £500) | 0 recorded in last 12 months Max 2 recorded in last 24 months (up to £5k combined) | 0 recorded in last 6 months Max 4 recorded in last 24 months (up to £5k combined) |
| Bankruptcy / Sequestration / Individual Voluntary arrangement / Trust deed / Debt relief order | Discharged for 6 years | Discharged for 3 years (no missed payments or adverse in last 3 years) | Discharged for 2 years (no missed payments or adverse in last 2 years) |
| Forced or voluntary possessions | Not accepted | None in last 6 years | None in last 3 years |
| Debt management plan | Considered when satisfactorily maintained for the last 12 months | | |
| | <ul style="list-style-type: none"> · If an applicant falls under the FCA definition of Credit Impaired, all outstanding commitments will be included within the affordability calculation, irrespective of being repaid or not. · This includes where the applicant has revolving credit that is 3 or more months in arrears at any time in the last 12 months where total combined revolving credit balances are £3k or more in the same period. · If a customer is defined as Credit impaired, we do not lend above 80% LTV. | | |

Key lending criteria

| Loan | |
|----------------------------|--|
| Term | 10 – 40 years |
| Minimum loan | £25k |
| Repayment types accepted | Capital repayment available on all products. Interest only available on our Standard Mortgage Range up to 75% LTV |
| Applicants | |
| Maximum applicants | 2 applicants |
| Minimum age | 21 years |
| Maximum age | 70 years at end of mortgage term |
| Affordability | |
| Affordability | Aldermore uses an affordability calculation to assess the maximum supportable loan given the income and expenditure information provided by the applicant. Login to the Residential Mortgages Broker Portal at aldermore.co.uk/login-centre/ to access our affordability calculator |
| Income | |
| Employed income | 100% of Basic salary, 50% of profit related pay, 100% of London weighting allowance, 100% of shift allowance, 100% of car allowance, 50% of guaranteed and regular overtime/bonus/commission accepted |
| Contract workers | Applications from individuals that are employed on a contract basis are considered |
| Additional income accepted | Income from trust funds, occupational pension income, second and other jobs, investment income and rental income. (Please note rental income from buy to let properties in the applicant's personal name will be assessed by our underwriters to determine the impact of future tax liabilities. This may mean that the amount of rental income which can be included in our affordability calculations is reduced.) |
| Self employed income | 2 years accounting information required |
| Property | |
| Minimum valuation | £60k |
| Location | England (including the Isle of Wight), Wales (including Anglesey) and mainland Scotland |
| Fees | |
| Adding fees | Where fees are added they will be excluded from the LTV calculation but will be included in the affordability assessment Fees added to the loan will attract interest over the mortgage term |

Valuation fee scale and conveyancing

Valuation fee scale

| Property value | Residential Owner Occupied |
|-----------------------|----------------------------|
| Up to £100,000 | £325.00 |
| £100,001 – £200,000 | £370.00 |
| £200,001 – £300,000 | £480.00 |
| £300,001 – £400,000 | £580.00 |
| £400,001 – £500,000 | £650.00 |
| £500,001 – £600,000 | £695.00 |
| £600,001 – £700,000 | £765.00 |
| £700,001 – £800,000 | £845.00 |
| £800,001 – £900,000 | £915.00 |
| £900,001 – £1,000,000 | £960.00 |
| £1,000,001 – plus | Available on request |

Additional fees

| | |
|---------------|--------|
| Re-inspection | £90.00 |
|---------------|--------|

Valuation fees cover the cost of a standard mortgage valuation and include VAT. Where a more detailed report is required (such as a Homebuyers Report or structural survey), the valuer will collect the additional fee direct from the applicant. The valuation fee is not refundable once the valuation has been carried out. The valuation report will be for the benefit of Aldermore, although a copy will be provided with the mortgage offer. Aldermore will enter into commercial agreements for the provision of valuation reports, where the fee payable by Aldermore to the valuer will be lower than the applicant fee quoted above.

Conveyancing

Free legal fees are available on all our residential remortgage products

Aldermore currently offers free legal fees for all remortgages, through its nominated Solicitor and will pay for the costs of the legal work necessary to move the mortgage to Aldermore (the property does not have to be currently mortgaged). Costs incurred for any additional work must be paid for by the applicant.

Aldermore conveyancing panel

To meet our panel qualification criteria, the Conveyancer must be regulated by either the Solicitors Regulation Authority or the Council for Licenced Conveyancers and have the following:

England & Wales:

- A minimum of 2 SRA approved managers or 2 CLC authorised managers (details can be checked at: www.lawsociety.org.uk or www.clc-uk.org.uk)
- Conveyancing Quality Scheme (CQS) accreditation (applicable to Solicitors only)
- Minimum PI insurance cover of £2 million.

Scotland:

- A minimum of 2 partners or principals (details can be checked at: www.lawscot.org.uk)
- Minimum PI insurance cover of £2 million.

Where the applicants nominate a Conveyancer that does not meet the above qualification criteria, we will require separate legal representation.

Separate legal representation

Where applicants choose to nominate a solicitor that is not on the Aldermore conveyancing panel, we will require separate legal representation, with costs paid for by the applicant.