



APRIL 2016

# Buy to Let lending

**AToM**  
*All Types of Mortgages Ltd*  
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[www.atomltd.co.uk](http://www.atomltd.co.uk)

THIS INFORMATION IS FOR INTERMEDIARIES ONLY

**Kensington**  
*Lending for Real Life*

# Buy to Let April 2016

## Rates

Kensington review the LIBOR rate quarterly. The current LIBOR rate is 0.60% with effect from 15 February 2016 – LIBOR Floor 1.00%\* Broker procurement fee 0.40%.

LTV	Rate Type / Term	Rate	Feature	Completion Fee (can be added)	Maximum Loan	Reversion
70%	2 Year Fixed	3.99%	x	2.00%	£1.5 million	LIBOR plus 4.30%*
	3 Year Fixed	4.29%	x			
	2 Year Fixed	4.14%	✓			
	3 Year Fixed	4.39%	✓			
	2 Year Fixed	4.24%	x	£1,999	£250,000	
	3 Year Fixed	4.54%	x			
	2 Year Fixed	4.39%	✓			
	3 Year Fixed	4.64%	✓			
75%	2 Year Fixed	4.19%	x	2.00%	£1 million	LIBOR plus 4.30%*
	3 Year Fixed	4.49%	x			
	2 Year Fixed	4.34%	✓			
	3 Year Fixed	4.59%	✓			
	2 Year Fixed	4.44%	x	£1,999	£250,000	
	3 Year Fixed	4.74%	x			
	2 Year Fixed	4.59%	✓			
	3 Year Fixed	4.84%	✓			
80%	2 Year Fixed	4.74%	x	2.00%	£500,000	LIBOR plus 4.30%*
	3 Year Fixed	5.04%	x			
	2 Year Fixed	4.89%	✓			
	3 Year Fixed	5.14%	✓			
	2 Year Fixed	4.99%	x	£1,999	£250,000	
	3 Year Fixed	5.29%	x			
	2 Year Fixed	5.14%	✓			
	3 Year Fixed	5.39%	✓			

\*If LIBOR falls below 1.00% the reversion rate will be charged at reversion margin plus 1.00%.

**Early Repayment Charges apply, see table for details.**

### Early Repayment Charges

Term	Year 1	Year 2	Year 3
3 Year Fixed	3.00%	2.00%	1.00%
2 Year Fixed	3.00%	2.00%	

### Feature

✓	Standard Valuation fee paid by Kensington for Purchases Standard Valuation fee and Standard Legals paid by Kensington for remortgages (Standard legals only available on loans up to £500,000. For full details please see our Criteria Guide)
x	None

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Kensington and Kensington Mortgages are trading names of Kensington Mortgage Company Limited. Registered in England & Wales: Company No. 03049877. Registered address: Ascot House, Maidenhead Office Park, Maidenhead SL6 3QQ. Kensington Mortgage Company Limited is authorised and regulated by the Financial Conduct Authority (Firm Reference No. 310336). Some investment mortgage contracts are not regulated by the FCA.

## Credit History

Defaults acceptable if older than 24 months
Satisfied CCJs acceptable if older than 24 months
We are able to accept unsatisfied CCJs that are registered over 24 months ago at the underwriter's discretion
Secured Loan Arrears acceptable if older than 24 months
Unsecured Credit arrears acceptable if accounts now up to date (max status of 2 in last 12 months)
All communications Defaults ignored
We are unable to accept any Debt Management Plans (DMP) in place less than 24 months

## Criteria Overview

Rental Coverage	Gross rental income must be 125% of 5.50% or the pay rate, whichever is the greater (including fees added).
Minimum Loan Amount	£25,001.
Maximum Loan Amount	Buy to Let loans are available up to £1.5m. Please note that our maximum lending to an individual (or joint applicants) is limited to no greater than £2m combined across Residential and Buy to Let mortgages.
Early Repayment Charges	See table for details.
Employment Status	Employed/Self-employed.
Region	England and Wales only.
Minimum Age (at submission)	At least one applicant should be a minimum of 25 years old. All applicants must be at least 21.
Maximum Age (at end of term)	Maximum age is 75 at the end of the term of the mortgage.
Minimum Term	5 years.
Maximum Term	40 years.
Minimum Valuation	£75,000 (£120,000 for New Build flats).
New Build Maximum LTV	80% (75% for new build flats). Subject to product maximums and underwriter discretion regarding new build exposure.
Minimum Income	Minimum income of £25000 is required for applicants who do not currently own a Buy to Let property.
Referencing	The applicant must be an existing Residential homeowner for past 12 months, unless they have owned 4 or more Buy to Let properties longer than 12 months. Credit search and valuation report will be obtained by Kensington. Current and previous mortgage history (both Buy to Let and Residential) will be verified by reference to Credit Bureau data where possible. Where a minimum income is required, please provide the last 3 months payslips and latest P60, or Latest Accounts, or SA302 (or a tax calculation) to verify income.
Let to Buy	We will consider a BTL application where an applicant intends to let their existing residential property. We will require details of the new residential address that the applicant is moving in to and a copy of the mortgage offer from the new lender.
Portfolio	There is no overall portfolio limit outside of Kensington. Maximum portfolio size with Kensington is £2 million or 6 properties, whichever is the lowest. Where a landlord has 4 or more properties with Kensington the portfolio will be subject to a weighted average LTV of 75%.

## Need to know more about our criteria?

Use our online Lending policy search tool at [kmc.co.uk](https://kmc.co.uk)

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