

Loans, mortgages & finance.



**together.**<sup>TM</sup>

# Innovative First charge regulated mortgages

Your guide to **residential mortgages**, **micro mortgages**,  
**shared ownership** and **right to buy**

## Core Products & Criteria

Capital & Repayment Mortgages

Interest Only

Micro Mortgages from £3,000

Right to Buy

100% Shared Ownership

First Time Buyers

No Early Repayment Charges

Free Valuation Scheme

No Minimum Income Requirement

Many **status profiles** accepted

Demerit points considered

Many **income sources** accepted

Employed, self-employed, DWP benefits and pensions

Many **property types** considered

including standard and non-standard construction

May 2016

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# Mortgages & Right to Buy Residential

Residential Mortgages	RCMP:00A	RCMP:00B	RCMP:00C	RCMP:01A	RCMP:01B	RCML:01	RCMM:01	RCMLV:01
Maximum LTV	75%	70%	60%	70%	70%	65%	60%	50%
Maximum Demerits	0	0	0	1	1	3	6	3
Max Secured Arrears (highest) *	(0 in last 12 months)	(0 in last 12 months)	(0 in last 12 months)	1 in last 12 months (0 in last 6)	1 in last 12 months (0 in last 6)	2 in last 12 months (0 in last 3)	3 in last 12 months (1 in last 3)	2 in last 12 months (0 in last 3)
Max CCJs/Defaults (last 12 months)	0	0	0	1	1	3	6	3
Declining unsecured credit	Purchases & Right to Buy - no declining unsecured credit in the last 6 months; Remortgages - declining unsecured credit accepted for downsizing and deeds cases only, otherwise no declining unsecured credit in the last 6 months							
Nominal Rate	6.69%	6.69%	6.69%	7.35%	7.35%	8.35%	9.90%	8.35%
Property Type	A	B	C	A	B	A B	A B C	A B C
Minimum Valuation	£75,000	£100,000	£100,000	£75,000	£100,000	£75,000	£75,000	£50,000
Loan Amounts	£3,000 - £200,000 (£200,000+ by referral up to 60% LTV)							
Term	3 - 30 years							
Commission	2.5% (loan size <=£60,000); 1.5% (loan size £60,001 to £120,000); 1% (£120,000+)							
Employed / Self-employed	Accepted							
Retired / Benefits / DWP	Accepted							
Remortgage Purpose	Any							
Interest Only	Available							

**Notes for Mortgages Qualifying Contracts** Residential properties with >40% immediate family occupancy. **Maximum Loan Amount & LTV** includes broker fees. **A type** Standard construction houses and bungalows including ex-council. **B type** Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council). **C type** All other property types, including ex-council flats and maisonettes (over 4 floors), non-standard construction, defective, high-rise (over 6 floors) or poor remarks on valuation. **Bankrupts** Not accepted. **IVAs** Not accepted. Applicants in a **Debt Arrangement Scheme (DAS)** in Scotland are not accepted. **Interest Only** available. **Right to Buy** Max 100% of the purchase price up to a maximum LTV (OMV) of: A type properties - 65% LTV; B type properties - 60% LTV; and C type properties - 50% LTV. Right to Buy in Scotland by referral. **First Time Buyers** accepted. Must have no declining unsecured credit. **Retired applicants** accepted. **Lending into retirement** Strictly by referral only. **Non-conforming lender as first charge** Must be with same lender for a minimum of 12 months. **Explanations required** Satisfactory explanations are required in all cases for arrears and defaults/CCJs/rent arrears. **Maximum LTV** may be reduced if there is more than a 10% difference between market value and the 90 day projected market valuation; a 'cash' valuation has been supplied or 'poor' is detailed on the valuation. Please refer to underwriters. **Address history** All clients must have a minimum of 3 years address history. **Responsible Lending** If a client is remortgaging or redeeming a second charge it must be in the client's best interests and to their benefit. **All other standard terms and conditions apply. See overleaf for more details.**

**Micro Mortgages**  
from £3,000



**Interest Only**  
available on  
all mortgages



**Right to Buy**  
available



## Demerit Points - Arrears, CCJs, etc.

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureaux search)	Individual CCJs/Defaults			
	≤£300	>£300 and ≤£3,000	>£3,000 and ≤£10,000	>£10,000
Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Satisfactory explanation required for all CCJs, Arrears, Defaults.

**Demerit points** are defined as arrears, a CCJ or a Default. CCJs and Default definitions- see matrix. **Secured arrears** \* Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are defined as arrears as detailed on the credit bureaux or confirmation from the mortgage lender at the time of completion. Maximum arrears is the total of the first and second charge arrears. Any CCJs or defaults that require an Underwriter Approval will count as a demerit.

## Shared Ownership Residential

	RCMS:00	RCMS:01	RCMS:02
Max LTV based on Property Value	75%	75%	70%
Max LTV based on Client's Share	100%	100%	100%
Maximum Demerits	0	1	2
Max Secured Arrears (highest) *	(0 in last 12 months)	1 in last 12 months (0 in last 6)	1 in last 12 months (0 in last 6)
Max CCJs / Defaults	0	1	2
Declining unsecured credit	No declining unsecured credit in the last 6 months		
Nominal Rate	6.69%	8.35%	8.60%
Property Type	A	A B C	A B C
Minimum Valuation	£75,000		
Term	3 - 30 years		
Loan Amounts	£3,000 - £200,000		
Commission	2.5% (loan size <=£60,000); 1.5% (loan size £60,001 to £120,000); 1% (£120,000+)		
Employed	Accepted		
Self-employed	Accepted		
Retired / Benefits / DWP	Accepted		
Interest Only	Available		

**Any demerits will require a plausible explanation** surrounding the circumstances detailed on the application form: reason for demerit; details leading up to the demerit, details of measures taken to rectify the situation which has/will break the cycle (evidence may be required); future circumstances which will ensure the situation isn't repeated. Proof may be required.

## Shared Ownership & Key Worker Mortgages

100%

Up to 100% of buyer's share available  
Many status profiles and property types accepted  
Interest Only option

### Notes for Shared Ownership

**All other term loan underwriting criteria applies. Loan to Value** = ((Property valuation x Percentage to be purchased by client) x by criteria) e.g. Property value = £150,000. Client's share of 50% = £75,000. Maximum mortgage = £75,000 at 100%. **Minimum Valuation** £75,000. **Mortgagee Protection Clause (MPC)** in favour of Together required on all mortgages or strictly subject to underwriter approval. Where fees are added to the loan advance MPC must cover the gross loan. **Valuation Bypass Schemes** not allowed. **LTV** Maximum LTV is 75% based on market value. Fees can be added. Rent reference required in all cases. Rent arrears accepted strictly by underwriter approval. All other standard conditions apply. Strictly subject to underwriter approval. **Remortgages - Strictly subject to underwriter approval.** Maximum LTV as plan with a Mortgagee Protection Clause (MPC), which must be included in the lease. LTV reduced to maximum 60% without an MPC, with underwriter approval. **Please see Shared Ownership notes overleaf.**

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# Residential Mortgages

## Terms & Conditions (Page 1 of 2)

### Acceptable Security

All property structures including land considered in England, Scotland and Wales. Minimum of 50 years + term of loan for leasehold properties. See plans for details.

### Acceptance Fee

Added to LTV. Will be applied to all loans and mortgages. Please refer to Quick Quote Calculator.

Loan Amount	Fee
£3,000 - £60,000	5% (minimum £499)
£60,001 - £120,000	3.5%
£120,001 - £200,000	2.5%

### Bankrupts/IVAs/CVAs

Not accepted.

### Broker Fees

May be charged on all plans and must have been agreed with the client. **Mortgages and Shared Ownership:** Maximum Broker Fee that can be charged is the lower of 15% of the net loan or £7,500. **Right to Buy:** Maximum Broker Fee that can be charged:

Loan Amount	Fee
£3,000 - £60,000	5%
£60,001 - £120,000	3.5%
£120,001 - £200,000	2.5%

### Buildings Insurance

You must submit the current buildings insurance policy for the security address prior to offer. For purchases, this must be obtained at exchange of contract and supplied prior to completion.

### Client's Solicitors

If the mortgage is a purchase or a re-mortgage over £200,000, solicitors must act for the client. All solicitors acting for clients must have 2 or more partners within the practice, with a Law Society membership of 5 years or more. Re-mortgages only up to £200,000 free legal service from in house legal team.

### Debt Consolidation

Where a mortgage is being used for Debt Consolidation, we will disburse the funds directly in the name of the creditors. We will require an up to date and valid statement or redemption figure prior to the loan completion. We will send the individual creditor cheques to the customer who is responsible to ensure they are forwarded on, paying any residual balances to extinguish the account.

### Debt Management

We do not accept applicants currently in a Debt Management Plan. We will accept applicants that have had a Debt Management Plan that was satisfied more than 2 years ago.

### Early Repayment Charges

There are no Early Repayment Charges.

### Ex-council Properties

England & Wales - Ignore all pre-emption. We will also take into account any future costs or service charges that the applicant will be liable for and reduce the LTV accordingly. Also see property type list on plans.

Scotland - we do not lend on ex-council properties in Scotland within the pre-emption period.

### Execution Only

Accepted for the following reasons: Rejected advice, High Net Worth, Mortgage Professional or a business loan. NOT accepted for Right to Buys and debt consolidation mortgages.

### Fees

Where an applicant requests to pay any of the fees as detailed in the Mortgage Illustration up front, we will contact them prior to completion for payment. All fees include VAT where applicable.

### Fraudulent Applications

Please note: Cases will be reviewed by the Fraud Committee for the purpose of identifying potential fraud. This will include income and valuation fraud. Should in our opinion any case you present be deemed to be fraudulent, the case will be rejected and action taken by the fraud Committee, which will ultimately result in your Accreditation being revoked.

### Free Valuation Scheme

Available on all applications. Your Together underwriter will instruct a valuation, AVM or Drive By, once they have approved the affordability assessment.

For Sale Details: If the property is currently for sale with an estate agent, please supply a copy of the sales particulars.

The Market Valuation and projected 90 day Market Valuation should not have more than a 10% difference between them. If the difference is >10% then underwriter approval is required.

### Gifted deposit and gifted equity

Gifted deposits are only accepted from the following close relatives of the applicant(s):  
Parent/Step-Parent/Parent-in-Law; Sibling; Child/Step-Child/Son-in-Law/Daughter-in-Law; Grandparent/Grandchild; Aunt/Uncle.

### Ground Rent and Service Charges

When the security is a leasehold property we will require confirmation in writing from any freeholder that all ground rent and service charges are paid and up to date. Where there are arrears these will need to be cleared from the advance and we will need written authority from the applicant(s) that they understand and authorise them to be disbursed from the loan.

Any significant service or ground rent arrears may be considered when assessing the customer's affordability of the new loan with us, and where there are concerns the loan may be rejected.

### Home Credit Loans (also known as Doorstep Loans)

We do not accept applicants who have had any of these loans in the last 3 years.

### Loan to Value (LTV)

LTVs based on market value or purchase price whichever is the lower. Shared Ownership properties are based on market value multiplied by client's share. LTV based on OMOV for Right to Buy.

### Loan Terms

3 to 30 years.

### Lending Into Retirement

For employed and self employed applicants the term of the mortgage must not exceed the earlier of the applicant's intended retirement age or the age of 70. We may lend beyond the applicant's retirement age subject to the following:

If the applicant is **greater than 10 years from the agreed retirement age** then:

- The applicant must sign a Lending into Retirement Declaration to confirm they are aware the loan extends past their retirement age stating how they plan to meet repayments post retirement;
- Where pension income is intended to be used to meet payments post retirement then the existence of a plausible pension provision must be evidenced by sustained contribution into a pension by way of payslips or current year's pension statement. If there is a concern over the level of pension payment being made then a full illustration of projected benefits may be required

If the applicant is **within 10 years of the agreed retirement age** we may proceed on a **referral basis only**. In addition to the above, a full assessment of affordability post retirement must be completed based on:

- The expected income post retirement;
  - Expenditure may be adjusted to reflect known changes in income such as maturity of a first charge loan or other committed loan payments or a reduction in number of dependents
- Please ensure that the Affordability Assessment Form, affordability assessment post retirement, lending into retirement declaration and any relevant proofs are sent as part of the referral.

### Lending to Retired customers at point of funding

Affordability must be assessed based on pension income and expenditure at point of completion.

### Maximum Age

The loan term should end before the applicants 80th birthday.

### Maximum Loan Amount

Includes loan amount, all insurances and all fees.

### Mortgage History

Proof of 12 months mortgage payment history required (excluding first time buyers). First time buyers must have no declining unsecured credit. Unencumbered cases do not require a 12 months mortgage payment history.

### Pay Day Loans

We do not accept applicants who have had a pay day loan in the last 3 years.

### Rental Income History

Proof of last 12 months rental payments required if applicant has been a public sector or private tenant.

### Right to Buy

Please note: Right to Buy applications **MUST** be submitted as an advised sale. We will not accept them as Execution Only. A section 125 must be submitted with all Right to Buy applications and a breakdown of any future costs / charges if applicable.

### Proof of Residency

The following will be accepted as proof of residency:

- Utility Bills;
- Bank Statements.

### Know Your Customer Requirements (KYC)

Together has procedures in place to protect itself and others from financial crime.

It is a requirement that brokers and lenders verify identification for every customer. As part of that process we must take reasonable steps to establish that a customer is who he/she claims to be by obtaining sufficient evidence of identity.

In most cases Electronic Identification (EID) will satisfy our Know Your Customer (KYC) requirements. The EID result must be a 'pass'

and the applicant must be on the voters roll, which will satisfy KYC for that applicant.

In cases where full KYC requirements are needed certified copies of documents will be acceptable from Accredited and FCA Authorised brokers. We will also accept documents certified by the applicant's solicitor provided they are registered with the Law Society.

As a broker you must (if applicable):

- see original documents and provide certified copies with date validation;
- check that any documents requiring a signature have been pre-signed; and
- confirm where possible that any associated photograph of the applicant bears a good likeness.

### Non UK Passport Holders

We are happy to proceed with applicants who have passports from the following countries who reside in the UK:

Any EU country, Switzerland, Channel Islands, USA, Australia, Canada and New Zealand.

Any applicants who do not have a UK Passport or do not satisfy the above criteria are subject to underwriter referral.

### UK Passport Holders Living Overseas

We are happy to proceed with applications where a UK Passport holder is resident in the following countries:

Any EU country, Switzerland, Channel Islands, USA, Australia, Canada and New Zealand.

These applications must be witnessed by a Notary Public.

Any applications for a UK Passport holder residing in a country outside the list above are subject to underwriter referral.

### Redemption Administration Fee

On redemption of the loan a fee of £150 is charged.

### Responsible Lending

If a client is re-mortgaging or redeeming a second charge it must be in the client's best interests and to their benefit.

Please check the following before submitting your application:

- It must be evident from the credit search that the Customer's financial position is stable or improving.
- The expenditure stated on the affordability assessment form should be reflected from any evidence you have seen such as bank statements before submitting the case to us.
- We would expect the stated expenditure and affordability to reflect the last 12 months credit profile for example, we wouldn't expect low expenditure and a high relative MAMR if the customer is not servicing current credit commitments, including CCJs and defaults, or they have credit card balances which are close to their credit limits. Obviously in these circumstances it may suggest that the stated expenditure is inaccurate as the credit profile infers that there is a strain on their current affordability and you should review this with all the evidence that you have and challenge the customer where their responses do not seem plausible.

### Self-build Properties & Developments

Each case considered on its own merits. Strictly by underwriter approval only. Must have NHBC, Zurich or Premier Guarantee or Architect's Certificates along with a copy of the architect's indemnity details.

### Shared Ownership Properties

No Bypass Schemes accepted. For purchases, a draft lease will be required which must include a Mortgage Protection Clause (MPC). If there is no MPC then LTV is restricted to 60% of the client's share. Term loans and mortgages are subject to all approval conditions of the Housing Association. Once the lease has been reviewed your underwriter will provide you with a list of requirements to complete the case. Strictly subject to underwriter approval.

### Solicitor's Costs

The customer is responsible for paying own legal costs. No Together legal costs will be charged.

### Solicitors to Witness and Advise

Up to £150,000 not required. Required on certain cases, e.g. loans >£150,000, clients of state pensionable age, customers who appear to be vulnerable, parent and child borrowers, etc. Independent Legal advice will be required if the mortgage is for business purposes and for a married couple where the business only relates to one of the applicants. All solicitors acting for clients must have 2 or more partners within the practice, with a Law Society membership of 5 years or more. If the client's solicitor does not fulfil these requirements please refer to the underwriter. Please refer to the General Underwriting and Processing Guide for more information.

If the applicant(s) do not speak English as their first language then they must receive Independent Legal Advice and a solicitor must witness the documents. The Solicitor should complete the Solicitors Witness and Advice Certificate specifically for non English speaking applicants, and establish that the applicants will have support throughout the life of the loan to help interpret any correspondence we may send to them.

# Residential Mortgages

## Terms & Conditions (Page 2 of 2)

**Telegraphic Transfer**  
£30 fee.

### Title Deeds

The Title Deeds to the property are always required when lending on a first charge unencumbered property in Scotland.

### Title Insurance

No charge.

### Underwriter Referral

Please use the 'Out of Plan Assistance Form' should you need to refer an application for any element prior to submission.

### Vulnerable Applicants

A vulnerable applicant can be described as "someone who due to their personal circumstances is especially susceptible to financial detriment."

Should you have any reason to believe that an applicant is vulnerable for any reason, perhaps they have declared they have a mental health issue, are recently bereaved or they appear to have difficulty in understanding the loan application process, then you should take additional care to ensure that they understand the transaction and make us aware if you have any concerns about them and their loan application.

## MORTGAGES

### Capital Repayment

All products are available on a capital and interest basis.

### Interest Only

Interest only is available across selected products and are strictly subject to the plausibility of the repayment strategy. Acceptable repayment strategies are the sale of owner occupied property (downsizing) and the sale of a second property, where there is sufficient equity to make this strategy plausible. Other repayment strategies considered include tax free cash from a suitable pension plan, endowment policies and stocks and shares ISAs.

The following repayment strategies will NOT be accepted: Sale of property to move into rental property / Cash Savings (inc cash ISA) / Switching to Capital Repayment mortgage / Re-mortgage / Inheritance / Increase in house prices / Sale of business.

The Interest Only Declaration should be completed by the customer which an Underwriter will assess.

### ASSESSING AFFORDABILITY

It is important that the broker and the lender assess an applicant's affordability thoroughly to ensure that they can afford the loan both now and in the known future.

To assist you in making this assessment mortgages will be assessed using an affordability assessment model which takes into account the applicant's income, expenditure and credit payments. (See the Affordability Assessment Calculator available in [www.mybrokerveue.com](http://www.mybrokerveue.com)). The Affordability Assessment Calculator will provide a Maximum Affordable Monthly Repayment (MAMR) that Together will accept based on the information provided.

As well as assessing an applicants income and expenditure there are three key elements that need to be considered. These elements are:

- is the income or expenditure stated plausible?
- is the loan payment affordable now?
- is the loan payment sustainable for the period of the loan?

The Affordability Assessment calculator has been built to consider plausibility and sustainability when determining the MAMR; however there are some points that you will need to verify and challenge with the applicant. Please see Affordability Assessment Guide for information on how to complete the calculator.

### PLAUSIBILITY

#### Expenditure

All expenditure declared by applicants should be a realistic reflection of their general spending. You should advise the applicant to use bills, invoices and receipts to help them complete the affordability assessment. Where the expenditure appears unrealistic or lower than we would expect, then we will require a plausible explanation from the applicant as to why their expenditure appears to be low for that particular item. We reserve the right to contact an applicant to confirm their declared expenditure for plausibility to enable the loan to proceed.

#### Income

Income needs to be appraised to ensure that it appears to be relevant to the occupation that has been stated by the applicant, particularly for self employed applicants. Employment and accountant verification calls may be required to be made by the Underwriter.

#### Sustainability

It is essential that an applicant can afford the loan throughout the whole term. It is important therefore that the income they have declared will be sustainable for the whole term of the loan, taking into account the monthly cost of their debt may rise and other household emergencies may happen during the term of the loan.

### Using Benefit Income

Where the term of the proposed agreement will extend beyond the period in which the applicant will receive particular benefits, e.g. Child Tax Credits, the applicant should provide a plausible explanation as to how the income will be replaced or any expenditure related to the benefit will be no longer required. The explanation must be assessed for sustainability and plausibility and in some cases we may require proof.

### INCOME AND INCOME PROOF

Income proof is required for all applicants in all cases. In instances where the proof of income is the applicant's bank statements (including internet bank statements) please remember to cross reference any other items detailed in the bank statements to those stated for expenditure in the Affordability Assessment Form for accuracy.

### Employed Income

Payslips or an 'Employer Confirmation' is required in all cases where the applicant is employed. Please note when an applicant is paid in cash and cheque we will need an Employment Confirmation Form in all cases.

If the applicant receives payslips they should include year to date totals, be computerised or printed and should confirm the applicant's name. If the applicant is paid monthly/4-weekly/fortnightly we require three of the last five month's payslips. If the applicant is paid weekly we require four from the last six weekly payslips. If the applicant does not receive payslips then an Employers Confirmation must be provided, which is available on [www.mybrokerveue.com](http://www.mybrokerveue.com).

Bonuses paid to applicants on a quarterly /half yearly / yearly basis may be used. Proof of bonus must be obtained. Please see the Affordability Assessment Guide for details.

### Probationary Period

Minimum term in employment is 6 months. Applicants who have been employed in a new job under 12 months will be required to evidence they are no longer in a probationary period. Applicants in a probationary period will not be accepted.

### Temporary Contract Workers

Applicants on a fixed term, long term or renewable contract, will be considered on a referral basis. Evidence of their contract must be provided in conjunction with the required relevant proofs of income. Short term contracts are not acceptable.

### Zero Hours Contracts

Minimum term in current employment is 6 months and 6 months payslips are required. Applicants in a probationary period will not be accepted.

### Self Employed Income

Minimum trading period 12 months.

Applicants will be considered to be self employed if they are a:

- Sole Trader (including those who subcontract on an individual or multiple basis);
- Partner who is currently in a Partnership or Limited Liabilities Partnership;
- Shareholder in a Limited company owning more than 20% of any shares issued.

### Applicants who employ an Accountant

If the applicant has an Accountant, we require an original copy of the Accountant's Certificate. This must be completed by an Accountant who holds a current practicing certificate and is a member of accepted accounting bodies. For details please see the current Accountant's Certificate.

### The net income figure used to complete the Affordability

Assessment is the amount shown on the certificate in the relevant box titled 'Profit after tax + NI (before deducting drawings)' for Sole Traders and Partnerships and the box titled 'Client's total income (dividends + salary) for Directors and Owners of Limited companies. This can be used providing the information provided is less than 6 months old. If the information is greater than 6 months old then the lesser of the amount detailed in the Accountant's Certificate or the projected earnings will be used.

If the applicant's projected earnings are higher than those detailed on the Accountant's Certificate we will require a plausible reason for the increase in net income and confirmation that the increase is sustainable. The Accountant can enter this information into the relevant section of the Accountant's Certificate.

### Applicants who do not have an Accountant

If the applicant doesn't have an Accountant then a SA302 or a 100% Submitted Tax Calculation will be accepted both must be submitted with a Tax Overview. SA302 - The HMRC will provide the applicant with an annual SA302 statement which details the applicant's income and deductions and the Tax Overview. Tax Calculation - We will accept a copy of the "100% Submitted Tax Calculation" from HMRC and the Tax Overview. We will accept either an original or copy of the SA302 / Tax Calculation and Tax Overview that is <12 months old as proof of income providing that the applicant supports their current trading and capacity status with two strong proofs (e.g. original trading invoices which are billed to

the applicant, VAT or HMRC correspondence dated within the last 3 months that is relevant to the current trading period, etc). The net monthly income from the SA302 will be calculated using the following method:

#### Average Net Income is:

Income for tax purposes -  
(Income Tax + NI Contributions due for the year)  
Divided by 12

If the applicant doesn't have an Accountant, SA302 or the SA302 that isn't dated within the last 12 months the applicant will need to employ the services of an Accountant, who can then provide an Accountant's Certificate.

### Retired and Unemployed Applicants

The net monthly income for the relevant income is calculated using the following method:

- Annual pension - the last annual award statement or P60
- If the applicant doesn't have the requirements above:
- Monthly pension - two payslips or bank statements dated within the last 3 months which shows the credit to their account
  - Annual pension - bank statement showing the amount credited State Pension / Pension Credit / Disability Living Allowance/ Child Tax Credit / Working Tax Credit / Child Benefit/ Widowed Parent's Allowance /Carer's Allowance/ Attendance Allowance accepted, proof required:
  - Award statement for the current year
  - OR two bank statements dated within the last three months

### Incapacity Benefit /Employment and Support Allowance after 2008

Accepted, proof required:

- Award letter dated within the last six months;
- OR two bank statements dated within the last 3 months, with confirmation that it will continue to be awarded throughout the term of the loan.

Benefits for Children - accepted if the:

- Income will not cease during the term of the loan, as the children may attain an age during the term of the loan that makes them ineligible for the benefit
- Applicant provides a letter detailing a satisfactory and plausible explanation that they can sustain the payments once the benefit ceases

### Child Maintenance

Accepted in the following circumstances:

- Arrangements must be made by:
  - made via the Child Support Agency (CSA);
  - OR by Court Order.

The terms of the arrangements must be assessed by the broker before submitting the case to the lender.

In both arrangements the ages of the children must be established and the terms of the CSA Agreement or Court Order reviewed to assess for future affordability as the terms may vary.

Proof required:

- A certified copy of the CSA Agreement or Court Order.

### Other Acceptable Benefits

Industrial Injuries Benefit/War Pensions:

- Award letter dated within the last 6 months;
- OR two bank statements dated within the last 3 months.

### Job Seekers Allowance/Income Support/Employment and Support Allowance

Only accepted as income for the second or subsequent applicant where the first applicant is working and is a joint owner of the security.

### Unacceptable Benefits

Bereavement Allowance, Bereavement Payments, Health in Pregnancy and Sure Start Maternity Grant. This list is not exhaustive so please refer any that have not been detailed above as we may be able to accept them.

**ATOM**  
All Types of Mortgages Ltd  
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