The Criteria Corner

Top tips from the Paradigm Mortgage Helpdesk

Paradigm MORTGAGE SERVICES

Our mini newsletter is designed to give you insights into the topics we see frequently on the Mortgage Helpdesk. We aim to provide you with some great hints and tips which will help you with future cases.

If you think we may be able to assist with your next case, please don't hesitate to get in touch!

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Large Loans and Dedicated Large Loan Teams

Large loan enquiries continue to account for a significant share of calls to the Paradigm Mortgage Helpdesk. As property values and client wealth increase, many advisers are finding that standard criteria and service levels do not always meet the needs of six and seven-figure borrowing.

Lender appetite varies significantly, with construction type, condition, location, floor level, block size and lease terms all influencing viability. Identifying the right lender early is essential to avoid wasted time for adviser and client alike.

The challenge is rarely lender appetite; many lenders will lend well above £1 million. The difference is how the case is assessed. Complex income, including bonuses, dividends, restricted stock and portfolio rental income, together with higher deposit and source-of-wealth requirements, often requires a more bespoke underwriting approach. This is where dedicated large loan teams can make a real difference.

The Value of a Dedicated Large Loan Team

Once a case moves beyond everyday high-street lending, the team behind the lender can be as important as the criteria itself. A dedicated large loan proposition typically provides:

- Direct access to senior underwriters or decision-makers before submission
- Assessment of complex income, including bonus, dividends, restricted stock and overseas income
- Pre-submission support to help structure cases, reducing the risk of a late decline
- A dedicated named case handler throughout the application process
- Greater flexibility on affordability and loan-to-value limits
- Faster decisions and a more tailored client experience where multiple accounts, properties or income sources are in play.

There is no universal definition of a large loan. Most lenders have thresholds, typically between £500,000 and £1 million, above which cases are referred to specialist teams. Eligibility may be based on loan size alone or factors such as loan-to-value, existing borrowing levels and equity release requirements.

Top Tip! Criteria, thresholds and lender appetite in the large loan market can change quickly. Before placing a case, call the Paradigm Mortgage Helpdesk Team on **03300 536061** to help identify the most suitable lender and discuss potential options for complex scenarios.

Foreign national mortgages

Helping foreign nationals and returning expats own a home

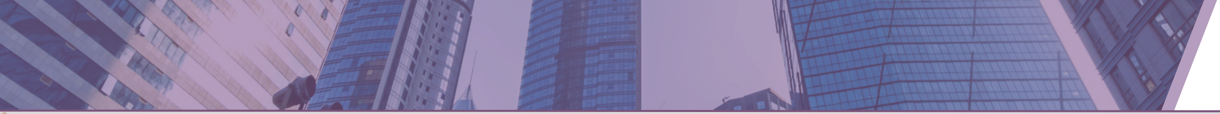
Who is it for?

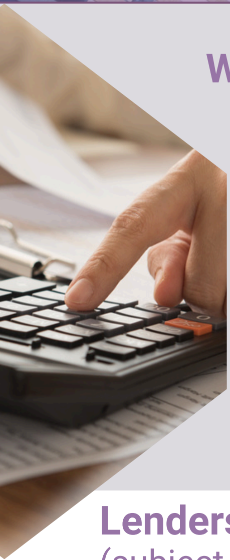
- Foreign nationals on a visa with a route to permanent residency, already living and working in the UK.
- Applicants returning to the UK who are purchasing a main residence.
- Residential purchase and remortgage only.

- ✔ No minimum time in the UK
- ✔ No minimum visa requirements
- ✔ No minimum income
- ✔ No UK credit history? No problem!
- ✔ Up to 90% LTV

Find out more:

Nottingham Building Society





Which Lenders Offer a Large Loan Proposition?

A number of lenders operate a large loan proposition, each with its own dedicated team. Subject to client circumstances and lender criteria, the following may be worth considering:

- Accord Mortgages from £1,000,000
- Halifax Intermediaries from £500,000 (increasing to £650,000 on the 27th of July)
- HSBC from £1,000,000
- Santander for Intermediaries from £570,000
- Together for Intermediaries from £1,000,000

Lenders that will consider up to £5,000,000:
(subject to LTV and Underwriting)

Accord Mortgages, Halifax, HSBC, Market Harborough, Precise, Saffron for Intermediaries and Skipton for Intermediaries.

Metro Bank does not have a maximum loan amount. If you require over £5,000,000, please contact your local BDM.

Gatehouse Bank (on referral can consider up to £10,000)

Lenders that will consider up to £3,000,000:

Coventry for Intermediaries, Family BS, Furness BS, LiveMore, Newcastle Building Society and Santander for Intermediaries.

Afin Bank can consider up to £3,500,000, and Harpenden BS can consider £3,500,000 and above on a referral basis.

A number of the lenders listed above will accept investment income (stocks and shares as an example). We have set out below which of them apply a 'haircut' to that income and which will consider it in full. Always check with the lender prior to submitting an application to the lender.

No Haircut
Afin Bank, Coventry for Intermediaries, Furness BS, HSBC, Market Harborough BS, Metro Bank and Santander

Haircut Applied
Harpenden BS and Saffron for Intermediaries

Where can Private Banks add value?

Coutts specialises in the £1,000,000-plus loans market, providing tailor-made solutions.

For clients with significant assets, complex, irregular or international income sources and/or needs that sit outside standard criteria, a private bank relationship can unlock options for you and your clients. Investments, dividends and other wealth or assets can all be taken into account and the lending is usually built around the client's profile.

- Presentation is key: showcase the opportunity and client value.
- Follow a clear proposal structure with key pillars.
- Strong banker relationships are essential.
- Detail matters as private banks lend on appetite, not just criteria.
- Highlight any Assets Under Management (AUM) potential.

Do you have a suggestion for a topic? **Email** us!