

# The Criteria Corner

## Top tips from the Paradigm Mortgage Helpdesk



Diane Jones



Katrina Ostrowski



Gio Chanda

The Criteria Corner is our mini newsletter designed to give you a brief insight 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!

Over recent months, our mortgage helpdesk has seen a noticeable rise in enquiries from expats and applicants earning in foreign currencies. With evolving market criteria—such as Halifax's introduction of foreign currency lending—we'll explore the key lenders operating in this space and share tips that help highlight niche areas of criteria.

### Foreign Currencies

The range of currencies accepted by lenders varies depending on their risk appetite and the specific economic and political circumstances of each country. A useful way to assess a country's risk profile is by consulting resources such as the [Corruption Perceptions Index](#), the [Basel AML Index](#), the [Financial Action Task Force \(FATF\) Member List](#), or the [UK Government's Financial Sanctions List](#).

With that in mind, the following lenders currently offer mortgages to applicants paid in foreign currencies: **Santander, Halifax, NatWest, Darlington BS, Suffolk BS, Newbury BS, Family BS, Harpenden BS, Market Harborough BS and Penrith BS.**

Additionally, in our experience, the following lenders tend to be more flexible and are likely to consider a broader range of global currencies: **HSBC, Dudley BS, Marsden BS and Gatehouse Bank.**

Building on our understanding of foreign currencies and the lenders that accept them, we can now identify which lenders offer residential mortgage solutions for expatriates. While not all lenders mentioned earlier are involved in this space, we've highlighted those who are.

**Top Tip!** Gatehouse Bank can also consider applications from foreign nationals residing overseas for residential mortgages!





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clients

## A specialist lender with a common-sense approach to later life lending

- ✓ Multiple income streams accepted
- ✓ Downsizing accepted as repayment vehicle
- ✓ No credit scoring because your clients are more than a number
- ✓ Earned income accepted to age 75
- ✓ Up to 70% LTV accepted on interest only
- ✓ No 'computer says no' result, as every case is assessed individually

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## Haircuts on Foreign Income

Most lenders in the market apply a “haircut” to foreign income—this means they reduce the amount of income considered for affordability purposes, typically by 10–30%, depending on the country and currency involved. This adjustment helps mitigate the risk of currency fluctuations that could negatively impact the borrower’s financial position.

However, some lenders take a different approach, for example:

- **NatWest:** Instead of applying a haircut, NatWest contacts the client directly to highlight any adverse exchange rate movements that may affect affordability.
- **Dudley BS:** Uses the lowest exchange rate from the past three years (as listed on xe.com) to assess affordability, offering a more conservative but transparent method.
- **Newbury BS:** Uses the current exchange rate at point of application.



## Consumer Buy-to-Let (BTL) & Expatriate Applicants

It’s increasingly common for individuals who have moved abroad to retain and let out their former UK residences. These cases often fall under consumer BTL, which many non-regulated expat BTL lenders are unable to support.

Fortunately, our Helpdesk has identified several lenders who are willing to consider these scenarios, offering valuable options for expatriate clients with retained UK properties.

**Beverley BS, Buckinghamshire BS, Cambridge BS, Dudley BS, Family BS, HSBC, Mansfield BS, Marsden BS, Newbury BS, Stafford BS, Suffolk BS and West One.**



*As always, we must advise that criteria does regularly change and therefore it is always prudent to double check with a Lender prior to submitting an application. Lenders provided are based on findings at the time of research, and may not include every option available.*



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