

THE CRITERIA CORNER

Top tips from the Mortgage Helpdesk



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Welcome back to The Criteria Corner!

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!

Properties!

The Mortgage Helpdesk frequently receives enquiries about enquiries that are specific to a property and also around construction, and this month has been no exception. This edition will look to cover the most frequently asked questions in this area, covering topics such as leases, commercials, and more!

Leases

Which Lenders will allow a lease as low as 65 years remaining at application stage?

While the term of the mortgage is likely to be affected, the following Lenders could allow a lease this low to have a term between 15-30 years:

Bath BS, Beverley BS, Bluestone Mortgages*, Clydesdale Bank*, HSBC*, Kent Reliance, Metro Bank, Nationwide, NatWest*, Quantum Mortgages, Keystone, Family BS, Landbay, Santander*, Scottish BS, The Mortgage Lender, West One, Vida Homeloans, CHL Mortgages, and Together.

***Useful Tip:** While these Lenders can consider a lease as low as 33-40 years by the end of the term, this will severely affect marketability, so bear in mind an undesirable property with a low lease would likely receive a nil-value and it would be best to refer the case prior to submitting.

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.

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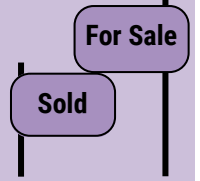
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We think outside the box with our JBSP Mortgage products, allowing parents and grandparents to help their children with affordability or the other way round, to ensure people get the support they need for buying a home, when they need it.

The borrower's property may be repossessed if they do not keep up repayments on their mortgage.

T&Cs apply.

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Spray Foam Insulation

This type of insulation has been asked about frequently on the helpdesk, where clients have understandably had this applied to the roof of their property to alleviate the costs of heating their homes without knowing it would adversely affect their ability to mortgage the property.

For those that are unaware of the problems behind this, the insulation restricts airflow within the property, causing a wealth of problems such as damp, mold, rotting roof timbers and it also presents a major fire hazard.



While most Lenders will typically require the spray foam insulation to be removed, we have found that Together and Live More have the facility to consider these properties.



HOT TOPICS



Appetite for commercial adjacency

Properties with a commercial premises in the immediate vicinity can sometimes be tricky cases to place. Whilst it will always be subject to valuer's comments, we've found the following Lenders have a higher risk appetite for these situations:

United Trust Bank, Bluestone Mortgages, Vida Homeloans, West One, Molo Finance, Quantum Mortgages, Keystone and LendInvest.

Mainstream Lenders, other specialists and the smaller building societies are still able to consider these properties, however, a property would need to be highly desirable in it's own merit if it were to be located in close proximity to a fast food restaurant. Remember, some Lenders offer pre-valuation facilities, free valuations and our building society collective can be a great way to get a steer on a Lenders' appetite. Please get in touch if you need details on how to contact the collective.

Freeholds and Flats

This month has brought us a few enquiries about freeholds properties and flats, with some confusion around freehold flats and flats with a share of freehold. While Freehold flats have no lease in place and are typically unmortgageable for most Lenders outside of NatWest, a share of freehold flat will be subject to a lease and is acceptable with many mainstream Lenders – providing there is sufficient time remaining on the lease and the freehold is held in a separate legal entity.

Unsure which Lenders may consider your case?

Save time by contacting the Mortgage Helpdesk with your complex cases.



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