

Abbey Intermediary Lending Criteria

August 2010

What's changed?

The following sections have been updated:

Credit commitments

We do not accept applications from customers with five or more existing secured commitments and a total balance exceeding £150,000.

Interest only application

Maximum LTV where interest only is any part of the loan is 75%.

Let to Buy

Requirement for proof of 6 months savings to cover rental payments on Let to Buy applications removed.

If you answer **yes** to any of the questions below, unfortunately we will decline the application.

1. Are the applicant(s) unable to provide written confirmation of all types of income, which will be used in the application?
2. Is this a Buy To Let application?
3. Is this a Guarantor application?
4. Is this a Shared Equity application?
5. Are all the applicants unemployed?
6. Are any of the applicants under 18?
7. Will any applicant be over the age of 75 at the end of the mortgage term?

8. Will an occupier who is not an applicant on the new mortgage application be paying a lump sum towards the purchase of the property?
9. Will the applicant or their immediate family live in less than 40% of the property either on completion of the mortgage or at a later time?
10. If this is a remortgage application, does the applicant currently not occupy the property?
11. Is this a type of property or loan that we do not lend on?
Also, has any applicant:
 12. Ever had a property repossessed by a Mortgage Lender?
 13. Ever been Bankrupt or subject to an IVA?
 14. Ever had a criminal conviction, unless the conviction is for a minor traffic offence, or spent under the Rehabilitation of Offenders Act 1974?

General conditions

- All product offers are subject to availability and may be withdrawn at any time
- All applicants must meet our normal lending policy
- We reserve the right to withdraw the mortgage rate and reclaim the benefit if the property is no longer owner occupied or the customer does not comply with the conditions of their mortgage
- If the property has been owned by the vendor for less than six months, the application may be referred for investigation. This could result in delays to completion or in some instances the application being declined.



Abbey

FOR INTERMEDIARIES

PART OF THE
SANTANDER GROUP

Affordability

Consideration of any application is primarily based on the customer’s ability to repay the mortgage loan.

Calculation of the amount we will lend to an applicant is based on assessing affordability taking account of income, regular commitments and living expenses.

The affordability calculator is available on www.abbeyforintermediaries.com.

An application will be deemed unaffordable (and will therefore be automatically declined) where either income multiples or levels of unsecured debt are too high.

To ensure a realistic figure is used for affordability purposes, the system will automatically use 100% of primary income and a maximum of 50% of secondary income, to calculate the net monthly income figures. The table below shows the income types considered.

Primary income is income that is permanent, reliable, sustainable and regular. Secondary income is income that, whilst not permanent or guaranteed, is nevertheless regular and sustainable.

Please note that applications will be subject to additional policy including maximum income multiples and debt:income ratios.

Income types

Primary income (100% of income)		Secondary income (50% of income)
Gross basic	Other	
Permanent contract of employment Fixed term contracts Basic salary Pensions and annuities Employed income (Salary) for director of a limited company Net profit of a sole trader/partnership Second job in the same line of work as the primary job	London weighting Large town allowance Shift allowance Employer’s mortgage subsidy Housing allowance Car allowance Dividends for directors (>20% shareholding only) DWP/HMRC benefits guaranteed for life Working tax credit Child benefit ¹ Child tax credit ¹	Overtime Second job not in the same line of work as the primary job Bonuses that are paid monthly or less frequently Performance related bonuses Commissions Discretionary mortgage subsidies and housing allowances Investment income Maintenance payments Non-guaranteed DWP benefits, e.g. Carer’s allowance Rental income from mortgage free property Rental income in excess of 150% of the mortgage payment Fostering income

¹ Where you are using child benefit and/or child tax credit as other primary income, you need to ensure that the mortgage will remain affordable when the benefits end. You must record this fact in the Notes section on Introducer Internet.

Applicants

Maximum of four applicants. If the application includes a person who is going to be living in the property and they are also providing a lump sum towards the purchase, that person must be included as an applicant and appear on the mortgage.

If the application includes a person who is 18 and over who is going to be living in the property and is not on the mortgage, it is essential that this person postpones their rights to occupy the property in favour of Santander by signing a Deed of Consent and Charge, which is on the back of the Mortgage Deed (Standard Security in Scotland).

Where there are two applicants

- Both primary incomes can be used together with 50% of any secondary income.

Where there are more than two applicants

- The two highest primary incomes can be used plus 50% of their secondary incomes, and 50% of primary and secondary income from the other applicants.

Arrears

Arrears in the previous 12 months are not acceptable.

Bankruptcy

Any applicant who has ever been bankrupt will be declined.

Benefit solutions

We offer remortgage and homebuyer benefit packages on selected products. A benefit ERC will be payable if the mortgage is redeemed early.

Home buyer solutions (for first time buyers and movers only)

Free valuation

All customers will receive a free valuation for mortgage purposes (up to a property value of £2.5 million) – provided by our Group Survey Office. If a customer requires a Homeview survey, they will have to arrange and pay for this separately. We will not refund the valuation for mortgage purposes fee.

Either – £250 cashback

All customers will receive £250 cashback at completion, as a contribution towards legal costs.

Or – Homebuyer Plus

We also arrange and pay for the cost of legal work involved in the purchase of your customer's new property. However, your customer will be required to pay for any disbursements like searches, land registry fees, the fees for submitting the Stamp Duty Land Tax form and the Stamp Duty Land Tax, if applicable.

If any additional work is required, which is not normally associated with a standard purchase, then this will be at your customer's own cost. Your customer will be advised of the cost of additional work before any work is carried out.

If your customer wants to use our conveyancer for the sale of their own property this can be arranged at an additional cost. Your customer will have to pay these costs direct to our conveyancer.

Remortgage solution (for remortgage customers only)

- We will provide a free valuation for mortgage purposes (up to a maximum property value of £2.5 million). We will arrange and pay for the legal work involved in transferring the mortgage. Alternatively, if a solicitor of the customer's choice is used we will provide £250 as a contribution towards the standard legal costs incurred.

Buy to Let (background)

If your customer has Buy to Let properties remaining mortgaged with Santander UK plc, the maximum LTV is:

- Houses 75%
- Flats 65%

We also require the Rental Income – Additional Information Form as evidence

Cashback

All cashbacks are telegraphically transferred on completion.

CAT mortgages

We do not offer CAT mortgages.

Contractors

We will consider applicants on non-permanent employment contracts. Income will be treated as primary, subject to evidence of the following:

- regular monthly income;
- continuous employment for the last 12 months;

- confirmation from employer of long-term employment arrangement; or
- confirmation from reputable agency of secure further positions.

Credit Commitments

We do not accept applications from customers with five or more existing secured commitments where those commitments have a total balance over £150,000.

Credit score

The following provides examples of the types of application that fall into our credit scores.

High credit score	Low credit score
Not over indebted	No existing mortgage
An established clear credit history	Little to no credit history
Likely to have a lower LTV	Likely to have a high LTV
A well conducted existing mortgage	Some adverse credit history
A record on the voters roll	No record on the voters roll

Criminal record

We do not accept applications from customers with a criminal record (or where they are living with someone who has), unless the conviction is for a minor traffic offence, or is spent under the Rehabilitation of Offenders Act 1974.

Daily interest

Interest is calculated daily and charged monthly.

Declines

If a full mortgage application has been declined for affordability reasons an appeal will only be considered if the applicant has a substantial Santander relationship which should consist of at least one of the following:

- A Santander UK plc mortgage with no arrears in the last 12 months.
- A well-conducted Santander current account that has been operated continually within agreed limits and showing salary credits for a minimum of six months.
- A Santander savings account with a balance of at least three months net earnings of all applicants in the last twelve months.

Direct debit

Payment by direct debit mandate is compulsory for all products. Payments can be taken on any day of the month between 1st and 28th.

Early repayment charges (ERC)

The mortgage must remain with us until the product charge end date or an ERC will apply. In addition, if a benefit package is taken with the product, there is a benefit end date which may differ from the product charge end date. If the benefit end date is before the product charge end date, the mortgage must remain at the appropriate Fixed/Tracker rate until the product charge end date.

Should your customer redeem their mortgage before the end date on the benefit package, they will need to repay the benefit (£250 cash back or a maximum of £400 for homebuyer plus or £200 for remortgage legal work). The benefit end date is shown on the KFI and on the Rate Bulletin. The repayment of the benefit will be in addition to any product early repayment charge which may apply.

The customer will not pay an ERC if on or before the charge end date, they:

- Simultaneously with redemption take a mortgage on a new property that completes with us for the same amount and product terms as the previous mortgage. Please refer to the portability section for more information.
- Simultaneously with redemption, where their existing deal has less than six months to expiry, elect to take a new product with us for at least the same amount. Please refer to the ERC waivers for existing customers moving home section for more information.

All customers are able to make capital repayments of up to 10% of their total outstanding loan balance each calendar year without incurring a charge. The minimum capital repayment is £500.

For Variable Rate Tracker and Fixed Rate mortgages, the ERC is expressed as a percentage of the customer’s outstanding mortgage balance at the time of redemption. The level of charge differs by product type and term. The ERC percentage remains the same until the charge end date. Product ERCs do not apply to the Flexible Offset mortgage.

ERC waivers for existing customers moving home

If an existing customer moving home does not want to port their existing deal they have the following options if they are still within their product period:

1. Pay their ERC in full and select a new business product.
2. If the customer has less than six months remaining until product expiry at the time of application for a new mortgage, 100% of the ERC will be waived as long as they borrow at least the same amount. If the new mortgage amount is less than 100% of their current balance they are eligible for a proportionate ERC waiver.

See an example below of an indicative proportionate ERC waiver:

Current mortgage	£100,000
New mortgage	£90,000
ERC waived	90%

You will need to inform the customer that they must tell their solicitor to deduct the full or partial percentage of ERC waiver from the redemption monies if redemption and completion are simultaneous. If completion is non-simultaneous, the customer must pay the full ERC due on redemption. As long as completion of the new mortgage is within three months of redemption, the customer can then request a refund of the full or partial ERC.

See also 'Portability' section.

Eligibility

Anyone aged 18 years or over (subject to status) with three years' address history.

Expenditure

Regular expenditure items need to be included to assess affordability. To include:

- loans and outstanding credit card balances;
- shared ownership rent;
- services charges;
- maintenance;
- student loans; and
- cost of investments to be used to repay interest-only loans.

Fast track policy

An application that meets certain criteria may be fast tracked, i.e. submitted without proof of income, to simplify the paperwork required to speed up the mortgage process. The AIP will confirm the documentation required.

This agreement is on the basis that you, the intermediary, are satisfied that the income declared is accurate and that you retain evidence of income which meets our requirements on file for a minimum of 2 years from the date of completion. Our detailed income evidence requirements are set out on www.abbeyforintermediaries.com. We reserve the right to request this evidence and random checks are in place with intermediaries to request this proof of income.

We undertake regular monthly checks with a sample of intermediaries to request this proof of income. Failure to supply the evidence will result in the use of Fast Track being restricted.

If a case is re-submitted the AIP may result in different evidence requirements.

First time buyers, right to buy, shared ownership and low cost housing case types are not eligible for fast track.

Conditions

- Affordability is proven within the affordability calculator and subject to credit score;
- Employed, self-employed for two years or retired;
- Maximum LTV is 75%;
- If an existing homeowner, the applicant must have a satisfactory payment history (no arrears in the previous 12 months);
- Maximum loan size is £500k; and
- High risk applications will require evidence of income and we reserve the right to confirm income on any application made.

First time buyer

An applicant who has never owned a residential property, whether in the UK or abroad. On joint applications all applicants must meet the definition.

Flexible Offset

- Maximum credit limit (including available funds) is 75% LTV.

- No second charges allowed on the property.
- Not available for business customers, right to buy cases within the first five years, homebuyer scheme, shared ownership properties, buy to let, DWP mortgage benefit customers.
- Not available in the Isle of Man.
- The loan is not used for business purposes.
- The Flexible Offset mortgage cannot be used in conjunction with any other product.
- The Flexible Offset mortgage does not have a product ERC, however a benefit ERC may apply.

Foreign nationals

We allow applications from foreign nationals where the property is for their own use and for immediate occupation.

European Economic Area (EEA) Nationals and Swiss Nationals

The above citizens are treated as UK Nationals.

The following countries are members of the European Economic Area (EEA).

Austria	France	Liechtenstein	Romania ²
Belgium	Germany	Lithuania ²	Slovakia ²
Bulgaria ²	Greece	Luxembourg	Slovenia ²
Cyprus	Hungary ²	Malta	Spain
Czech Republic ²	Iceland	Netherlands	Sweden
Denmark	Ireland	Norway	UK
Estonia ²	Italy	Poland ²	
Finland	Latvia ²	Portugal	

² Nationals of A8 Member States, and Bulgarian and Romanian Nationals are subject to additional regulations for employment in the UK. We will not ordinarily require evidence of this.

Other foreign nationals

Standard lending policy will apply where the application is a system accept without the need for further documentation.

Applicants with limited right to remain in the UK, with a low credit score and an LTV in excess of 75%, are not acceptable where dependent on that applicant’s income.

All other applications with a foreign national applicant (e.g. applicants with indefinite rights to remain in the UK) may be considered subject to full underwriting and supported by the following:

- Indefinite leave or for those with limited leave a minimum of two years right to remain in the UK, with no restrictions on employment, proven by:
 - A Visa stamp in a currently valid passport; or
 - A United Kingdom Residence Permit; or
 - Written confirmation from the Border and Immigration Agency/Home Office.
- If limited bureau data is available, three months bank statements.
- The applicant must have been resident and working in the UK for a minimum of 12 months.

Guarantors

We do not accept guarantor applications.

Higher lending charge (HLC)

A Higher Lending Charge is required to cover the excess loan over and above 75% LTV. We calculate the fee as below and this can be added to the loan or paid at completion.

LTV	Rate
Up to 90.09%	No fee
90.1 to 92.5%	7.25% of the whole loan amount above 75% LTV
92.51% to 95%	8% of the whole loan amount above 75% LTV

Home improvements

Written estimates may be required for any home improvements so that the surveyor can provide an after works value.

Identification

A Confirmation of Verification of Identity Certificate must be completed and meet the requirements set out within the Joint Money Laundering Steering Group Guidance for UK Financial Sector.

We reserve the right to ask for additional customer information, including identity evidence, where it is deemed necessary.

Income evidence

The minimum requirements for income validation are as follows:

	LTV less than 90%	LTV 90% and above
Employed	Latest monthly payslip or five weekly payslips	
Self-employed	Latest two years signed accounts or self-assessment returns and tax calculation forms or an accountant’s letter. The end of the latest financial year/tax period covered must be no older than eighteen months.	Latest two years signed accounts or self-assessment returns and tax calculation forms. The end of the latest financial year/tax period covered must be no older than eighteen months.

Online payslips are acceptable.

If employment has started within the last five weeks a copy of the contract is required.

For self employed applicants and loans above £1 million the latest two year signed accounts are required. Where accounts are marked with a ‘going concern’ qualification the application will be declined.

Where commission, overtime or bonuses are to be included, a cumulative Year to Date figure must be available on the payslip, or you must provide the latest P60.

For large loans, payslips will often not provide sufficient information, for example where bonuses form a large proportion of income, where bonuses are not paid wholly in cash or where income is derived from more than one source. If this is the case submit available evidence of income.

Applications over 90% LTV

Where an application has an LTV greater than 90% we require one month’s bank statements per applicant in addition to any income verification detailed above.

Additional documentation

Underwriters reserve the right to ask for additional information if deemed necessary to approve the application.

Income multiples

All cases are assessed on affordability where affordability is demonstrated on the affordability calculator.

Interest only applications

We allow interest only applications provided there is an acceptable source of funds to repay the capital at the end of the mortgage:

- For pure interest only mortgages the maximum term is 25 years.
- If any part of the loan is taken on an interest only basis, the maximum LTV for the overall loan is 75%.

For applications with or without a funded investment vehicle, we will assess affordability on a capital and interest repayment basis and assume a repayment period of 25 years minimum. If the actual mortgage term selected is longer than 25 years with a funded investment vehicle, the longer term will be used.

Interest only funded investment vehicles

Acceptable vehicles are ISA, Endowment, Pension and Investment Linked.

Lease

Minimum term at the start of the mortgage is 55 years. There must be at least 30 years remaining on the lease at the expiry of the mortgage term.

Let to Buy

The maximum LTV on the let property if remaining mortgaged with Santander UK plc is:

- Houses – 75%.
- Flats – 65%.

We also require the following evidence:

- Rental Income – Additional Information Form.
- Proof of deposit.

Maximum age

75 years at the end of the mortgage term. If lending into retirement, see requirements for Mortgages into Retirement.

Maximum LTV

- 95% LTV – up to £550,000
- 85% LTV – up to £1,000,000
- 75% LTV – more than £1,000,000.

The maximum loan to value is also affected by the type and purpose of the loan and the property type.

Maximum term

The maximum term is 35 years. For pure interest only mortgages the maximum term is 25 years.

Minimum loan

£6,000 or £25,000 for Flexible Offset.

Minimum term

Five years (or product term if longer).

Mortgage account fee

There is a mortgage account fee of £225, which is payable on completion of the mortgage. The fee can be deferred until the end of the mortgage.

Mortgages into retirement

We will not accept any case where the applicants' stated age of intended retirement is over 75 years.

We require evidence of both current and retirement income where:

- applicant is within five years of the intended age of retirement; or
- an applicant is 65 or more, they are not yet retired and the LTV is greater than 60%.

In addition, we will not consider cases in this category where our automated check shows that affordability is not proven based on current income.

The evidence must be supplied even where the case would have been eligible for Fast Track.

Mortgage product maximum loan size

The maximum loan size on mortgage products relates to the total borrowing required by the customer, not just the borrowing on that product.

New build

This relates to all new build/converted properties including affordable housing such as shared ownership. We define new build as:

- Property built/converted within the last 12 months (i.e. based on the date of the completion certificate).
- Property not previously occupied (for converted properties – that is since the conversion has been undertaken).
- Property being sold/marketed by the builder or developer.
- Where the property is within a development that was once used for commercial or other use, i.e. not previously used for residential purposes.

Builders may offer sales incentives to prospective buyers to encourage them to purchase their properties. An incentive is anything the builder gives or provides to the buyer in cash or goods. We will accept up to 5% cash back towards the purchase price (no financial limit) and builder's payment of legal fees and stamp duty only. Any reasonable non-cash incentives, e.g. white goods, carpets, curtains etc. will be ignored.

Standard new build LTV limits (all borrowers including First Time Buyers)

- House 80%.
- Flat 70%.

Higher new build LTV limits (First Time Buyers only up to 4x income)

- House 90%.
- Flat 80%.

Please see our 'First Time Buyer' section for a definition of a First Time Buyer.

Please be aware that all applications will be subject to additional policy including maximum income multiples.

Portability

It is possible to ‘port’ most existing products to a new mortgage providing it is for house purchase/home ownership but not to a property being re-mortgaged or owned mortgage-free.

An applicants entitlement to port their mortgage product is always subject to the conditions for transferring the loan to a new mortgage in their Mortgage Terms and Conditions; in particular, any new mortgage application made will be subject to a full credit assessment and the applicant/property must meet our lending criteria at the time of the new application.

If we do not agree a new mortgage the applicant will not be able to port their mortgage product and they may then be required to pay an Early Repayment Charge if they subsequently redeem their existing mortgage.

Where redemption of the existing mortgage and purchase of the new property is not simultaneous, providing the purchase of the new property completes within **three months of the redemption date**, the existing product can be ported to the new mortgage and any early repayment charge will be refunded, as long as the customer takes the previous product for the full amount to their new mortgage.

On redemption of the existing mortgage the early repayment charge is paid in full and a refund will be made on completion of the new purchase, as long as the product is ported. If the new mortgage is less than the existing mortgage, **the early repayment charge refund will be a proportionate amount.**

Any additional borrowing must come from the new business mortgage product range.

See also ‘ERC waivers for existing customers moving home’ section.

Pre-completion product change fee

A product change fee of £199 is payable by the customer if they want to change to another product after their mortgage application has been transmitted and prior to the product expiry/completion deadline.

You need to fax the written request to change the product to your local Regional Office, who will then contact you by telephone to obtain the customer’s valid debit/credit card details.

If the customer has already paid a booking fee upfront for the original product and wants to change to another product, the new product booking fee would be payable as well.

Proof of deposit

We may request proof of deposit, for example if a First Time Buyer was putting down a large deposit. We always require evidence of the deposit where it is £100,000 or more and is not coming from the simultaneous sale of a borrower’s existing property.

We can accept deposits provided by gift or loan, but please record full details in the Notes section of Introducer Internet to include:

Gifts	Loans
Amount	Amount
Name of donor	Lender (explain background if not a financial institution)
Relationship to applicant	Loan terms (e.g. interest rate, payments required)
Any protection required e.g. 2nd charge ³	Any security required e.g. 2nd charge ³
Any circumstances in which gift is repayable	Confirmation that payments have been factored into affordability

³ If the donor wishes to protect their gifted deposit by taking a second charge, we will accept this if the gift is only repayable on the sale of the property.

Second charges are not acceptable in some circumstances i.e. Flexible offset products; low cost housing schemes and Shared equity.

We will not accept a gifted deposit if:

- provided by the vendor (unless an acceptable new build incentive from the builder/developer);
- protected by a Deed of Trust (or similar);
- the person providing it will be living in the property, but is not named on the mortgage; or
- there is a beneficial/equitable ownership/interest in the property.

An example of a suitable note would be:

‘A gifted deposit of £x,xxx from (name of person and relationship to applicant). (Name of person) will not have any interest in the property nor protect the gift by taking a second charge’.

Proof of mortgage payments

Not required unless requested specifically.

Proof of rental payments

Not required unless requested specifically.

Refund of booking fees

If your customer changes their mind after we have collected a booking fee paid upfront, we would not refund it unless one of the following applies:

- We decline the application for any reason prior to the valuation being requested.
- After the valuation has been completed our surveyor decides that the property would be inadequate security for us.
- Our surveyor down-values the property and your client needs to select a different product.

Refund of valuation fees

All our valuation fees are non-refundable. However:

- If we have not instructed the valuation, we would refund the fee in full.
- If we have instructed the valuation, but it has not been undertaken, we would refund the valuation, less the non-refundable survey set up fee.

Rental property income

We require the affordability of the BTL mortgage to be assessed at the higher of:

- the actual monthly mortgage payment x 125%; or
- the mortgage balance x 6% (affordability rate) x 125%/12.

Any shortfall must be added to the commitments in the affordability calculator.

Where the existing residential property is being retained and let out, or if the applicant owns other rented property, we may be able to include some or all of the rent as secondary income:

- If the property is mortgage-free, the gross rent may be included as secondary income;
- If the property is mortgaged, then we can accept as secondary income any gross rent in excess of the higher of:
 - the actual annual mortgage payments x 150%; or
 - the mortgage balance x 6% (affordability rate) x 150%.

To consider this we require completion of the 'rental income additional information form' available to download from the Literature section of www.abbeyforintermediaries.com.

Repayment methods

Repayment methods available are ISA, Repayment (Capital and Interest), Endowment, Pension, Investment Linked and Pure Interest Only.

Right to buy/acquire

Customer must live in the property and right to buy/acquire papers are required.

Self build

We do not offer self build mortgages.

Self certification

We do not allow self certification of income.

Self employed

If 20% or more shareholding in a company treat the applicant as Self-employed. For family business employment, we require three months' bank statements showing the salary and an Accountant's letter.

We will not accept applications from customers who have been self-employed or owned their business for less than two years.

Shared equity

We do not accept shared equity applications.

Shared ownership

Where the customer owns less than 100% of the property, with the remaining share being owned by a third party, our LTV restrictions apply to the value of the share owned by the customer. The shared ownership agreement must allow staircasing to 100% ownership.

Telegraphic transfer

All cashbacks together with advance monies will be telegraphically transferred to the legal adviser at the time of completion. A fee of £35.00 will be deducted from the loan on completion. No monies need to be collected from the customer.

Tenanted properties

We do not currently offer Buy to Let products through the intermediary channel. Please note that remortgage applications where the property is currently tenanted and/or is not currently occupied by the applicant will be declined, regardless of any future intentions.

Top up of an existing product

Prior to completion, the maximum top up available is 10% of the original loan amount, the minimum is £1,000.

Voter's roll (Electoral register)

Applicants who cannot be traced on the voter's roll for the years they have lived at a property, may be considered subject to a letter from the local authority confirming they had registered for those years.

For applicants who did not register at the address a written explanation should be obtained and submitted for consideration.

Types and purpose of loans where we lend

The maximum LTV varies by the type and purpose of the loan and by the property type.

Type of Loan	Maximum LTV	Comments
Standard residential mortgage	95%	Residential use only.
Flats	85%	Can go over seven storeys subject to survey. Suitability of the property must be established.
New build – houses – flats	80% 70%	See new build section.
New build for First Time Buyers – houses – flats	90% 80%	See new build section.
Remortgage – capital raising – debt consolidation	85% 75%	Residential use only. Can be no more than £30,000 or 30% of the proposed total loan value, whichever is lower.
Right to Buy /Acquire	100%	100% of discounted purchase price subject to standard maximum LTVs. Additional lending may be considered for home improvement purposes only. This will be subject to the local authority's/housing association's unconditional postponement of their charge. If they will not provide this the application may not proceed.
Second homes/Holiday homes	80%	For owner occupation.
Shared ownership	95%	On share of purchase amount – if scheme provider requires applicant to obtain a Homebuyers report this will be down to applicant to arrange their own report. Minimum 25% of share.
Occupation by applicant's immediate family (customer not resident)	80%	No tenancy agreement in place.

Types of property where we lend with certain conditions

Type of Loan	Conditions to be met
Farms	We do lend on farmhouses that are independent from the farm.
Precast Reinforced Concrete properties (PRC)	We lend on PRC homes where they have been repaired to certain standards confirmed by a structural engineer under a PRC approved licence.

We do not lend on the following types of property/loan

- Agricultural restrictions.
- Bridging loans.
- Buying a property for investment.
- Commonhold tenure.
- Farms where the farm and accommodation are together.
- Freehold flats/maisonettes.
- Guarantor Mortgage.
- Mobile homes/River boats.
- Purchase of land.
- Shared Equity.
- Sheltered housing and properties with restricted age for the occupants.

Valuation services and fees

Purchase price up to ⁴	England, Wales & Northern Ireland		Scotland	
	Valuation for Mortgage Purposes ⁵	Home Buyer ⁶	Valuation for Mortgage Purposes ⁵	Home Buyer ⁶
£50,000	£185	£350	£95	£350
£100,000	£220	£400	£95	£400
£150,000	£260	£450	£95	£450
£200,000	£295	£500	£95	£500
£250,000	£330	£550	£95	£550
£300,000	£365	£600	£95	£600
£400,000	£430	£700	£340	£700
£500,000	£490	£800	£400	£800
£600,000	£550	£875	£460	£875
£700,000	£615	£950	£525	£950
£800,000	£680	£1000	£590	£1000
£900,000	£740	£1050	£650	£1050
£1,000,000	£805	£1100	£715	£1100
£1,500,000	£940	£1385	£850	£1385
£2,000,000	£1065	£1700	£975	£1700
£2,500,000	£1190	£2025	£1100	£2025

⁴ Where the purchase price is a concessionary or reduced figure, for example, when purchasing a council home, the fee will be based on the valuation rather than the purchase price.

⁵ This includes a non-refundable survey set up fee of £90.

⁶ This includes a non-refundable survey set up fee of £100.

For properties over £2.5 million, please contact us.

External Inspection Valuation

An External Inspection Valuation (EIV) or Automated Valuation (AVM) is applicable to certain products. They are for the sole use of us and no fee is charged. No reports will be provided to the customer or the conveyancer.

We reserve the right to upgrade the EIV to a full inspection, in which case the surveyor will contact the customer direct. No fee is charged in these circumstances.

Re-inspection fee

There is a re-inspection fee of £55 if one of our surveyors has to make an additional visit to a property before we release any money we've retained.

Aimed at Intermediaries and Investment professionals only. Abbey for Intermediaries is a brand and not a regulated company.

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