

Moda
Mortgages.

Criteria guide

Buy to let mortgages

Smarter. Faster. Simpler.

THIS INFORMATION IS FOR THE USE OF MORTGAGE INTERMEDIARIES AND OTHER PROFESSIONALS ONLY

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General applicant criteria

Applicant profile	Individual	Limited company
Minimum age	21. 18 is acceptable where the principal applicant is aged 21+.	
Maximum age	85 at the end of the mortgage term	
Maximum number of applicants	2	4
Criminal convictions	Criminal convictions must be spent, as defined under the Rehabilitation of Offenders Act	

First-time buyers

- First-time buyers are individuals who've not owned a UK property within the last 18 months
- Joint applications will be treated as a first-time buyer case where both applicants are first-time buyers. If either applicant is an existing landlord then the application will be treated as standard
- First-time buyer applications will require a minimum income of £30,000 from at least one applicant
- The maximum age at the end of the term is 75
- First-time buyer applications are not permitted where the property is an HMO or multi-unit
- Proof of deposit is required on first-time buyer applications. See page 15 for the list of acceptable documentation
- First-time buyer applications are not eligible for top slicing
- Maximum borrowing limited to 75% net LTV

First-time landlords

- First-time landlords are individuals who've not operated a buy to let property within the last 24 months, but who've owned a property within the last 18 months
- First-time landlord applications (where all applicants are first-time landlords) are not permitted where the property is an HMO or multi-unit
- Maximum borrowing limited to 75% net LTV

Limited companies

- Buy to let lending is acceptable to limited company applicants with the following:
 - Businesses must have a maximum of 4 directors
 - Registered limited companies including those with the specific purpose of buying property and layered company structures accepted
 - Layered or group structures are permitted where there is a single layer connecting the borrower limited company / SPV to one other company only
 - Special purpose vehicles (SPVs) are acceptable where the principal activity must be for buying and holding residential investment property under SIC codes 68100, 68209 and 68320
 - Businesses must have a UK registered address and operate entirely within the UK
 - All shareholders who own 25% of shareholding or more must be named on the application
 - The applicants named must cover at least 75% of the shareholding and the beneficial owners must be private individuals
 - Bank statements are required covering the last three months to evidence that rental and mortgage payments are evident, as well as to observe account conduct
 - Personal guarantees will be required for all directors/shareholders party to the application for which independent legal advice will be required
 - The application will be assessed on the strength of the directors as if they are applying for lending facilities on a personal basis. Therefore, personal credit searches will be conducted against each director
- Exclusions:**
- All unincorporated business types (e.g. sole traders, partnerships)
 - Registered limited liability partnerships (LLPs)
 - Non-UK businesses
 - Businesses that have restrictions on the borrowing, purchasing, owning, managing, and sale of investment properties
- Legal advice on personal guarantees**
- The legal advice can be provided by the solicitor acting as the conveyancer or a separate solicitor within the same company, providing they are prepared to give the guidance and ensure there is no conflict of interest.
- Obtaining legal advice may incur additional costs for the applicant, and they should contact the acting conveyancer for details.

Portfolio landlords

- A portfolio landlord is an applicant with four or more distinct mortgaged buy to let properties (or has three, plus one pending purchase application with ModaMortgages)
- Portfolio lending limits and portfolio ICR can be found on page 7
- Where an applicant is a portfolio landlord, we'll ask additional questions in the online application – no supplementary documents or forms need to be uploaded
- The additional questions we'll ask for more information include:
 - Assets and liabilities
 - Experience and intentions as a portfolio landlord
 - Background portfolio
- You can key the details of the applicant's background portfolio online, or upload our Portfolio Template during the full mortgage application
- We'll run an AVM on the applicant's background portfolio to assess the value and rental income of each property and compare this to the values entered in the application

Maximum allowable adverse: Individual

We'll verify any information relating to adverse credit on both the individual's credit bureau record and in the case of limited company applications, the commercial bureau record. The table below defines what a prime customer is, and the level of adverse for non-prime customers that we'll consider.

Allowable adverse: Consumer	Prime	Non-prime (maximum advance £1m)
Bankruptcy	Nil	Nil
Individual Voluntary Arrangement (IVA)	Nil	Nil
Active Debt Management Plan	Nil	Nil
Repossession/secured default	Nil	Nil
County Court Judgment (CCJ)	Nil	0 in 24 months, 1 in 36 months
Defaults	Nil	0 in 12 months, 2 in 24 months
Missed mortgage/secured loan repayments	Nil	0 in 12 months, worst status of 1 in 36 months
Missed unsecured loans/products	Worst status of 1 in 12 months, 2 in 36 months	Worst status of 1 in 12 months, 3 in 36 months
Active payment arrangements	Nil	Nil

Additional exclusions: applicants currently in arrears or have historically defaulted on a product supplied by any other Chetwood Financial Limited brand.

Maximum allowable adverse: Limited company

Allowable adverse: Commercial

Derogatory item	Nil
Active Debt Management Plan	Nil
Repossession/secured default	Nil
County Court Judgment (CCJ)	0 in 24 months, 1 in 36 months
Defaults	0 in 12 months, 2 in 24 months
Missed mortgage/secured loan repayments	0 in 12 months
Missed unsecured loans/product repayments	0 in 12 months
Active payment arrangements	Nil

Additional exclusions: applicants currently in arrears or have historically defaulted on a product supplied by any other Chetwood Financial Limited brand.

Nationality and residency

Residential status	In all cases, we require two years of UK residential address history
EEA and Swiss Nationals	<p>EU citizens are acceptable, providing they have a two-year UK residential history and must provide valid evidence that a settled status has been granted under the EU Settlement Scheme.</p> <p>A pre-settled status can be considered, where there is more than one applicant and at least one applicant has either a settled status or indefinite rights to reside in the UK.</p> <p>The evidence can be a Residence Card or via the View and Prove Your Immigration Status Online Checking Service provided by the UK Home Office. To use the UK Home Office checking service, the applicant must obtain and provide a 'Share Code' that will allow ModaMortgages to check the applicant's settlement status. Visit https://www.gov.uk/view-prove-immigration-status.</p> <p>A UK Government Home Office letter confirming settlement status cannot be used as evidence</p>
Non-EEA nationals	Must have been resident in the UK for the last two years and have permanent rights to reside in the UK
Diplomatic immunity	Is not accepted if diplomatic immunity applies to immunity from UK law

Income criteria

Minimum earned income

- Where all applicants are first-time buyers, at least one applicant must have a minimum income of £30,000
- No minimum income requirements on loans under £1m, but applicants will need to be able to cover rental voids should they arise
- For loans over £1m, a minimum income of £100,000 is required from at least one applicant
 - Income can be from multiple sources associated with the individual; proof of income must be provided
 - We won't accept aggregated income of £100,000 across multiple applicants

Employed

- PAYE applicants must have been in their current role for a minimum of three months and have 12 months of continuous employment
- Applicants on a fixed-term contract basis are acceptable, provided they've been in continuous employment
- Zero hour contracts are only permitted when the secondary applicant (i.e. not the main income earner) is employed on this basis
- Where an applicant has a shareholding of 25% or more or is responsible for the overall payment of their tax and national insurance, they'll be classed as self-employed
- Casual or seasonal employment is not acceptable
- Company directors who own less than 25% of the company shares are treated as employed

Self-employed

- Applicants must have been trading for a minimum of 12 months
- Where a company director owns more than 25% of the company shares, they must be treated as self-employed
- Income should be referenced from the latest year

Acceptable income

- For sole traders – net profit and private pension payments where declared on their tax calculation
- For partnerships – share of net profit
- For limited company directors – salary plus dividends, director's car allowance, director's pension payment

Pension income

Personal or occupational pension income can be considered the sole source of income.

Income verification

For details of the documentation required for income verification, see the documentation guidance on page 15.

The following are acceptable income sources:

Income type	Proportion allowable in calculation
Basic salary	100%
Shift allowance	100%
Large town allowance	100%
Childcare payments	100%
Mortgage subsidy	100%
Car allowance	100%
Regular overtime/ bonus/commission	50%

Other income

Source	Amount eligible	Criteria
Tax credits	100%	Must have a minimum three years left to run
Pension	100%	Confirmation from pension provider
Maintenance	50%	Must have a minimum three years left to run
Permanent second job	50% maximum	Job must have been held for longer than 12 months, and hours worked must be sustainable
Net rental income	100%	Must be sole source of income and is subject to validation as per our self-employment guidelines
State benefits/ DWP income	0%	Not acceptable
Investment income	0%	Not acceptable

Loan criteria

Acceptable loan purpose

Non-regulated buy to let loans for purchase or remortgage on a first-charge basis. Applicants or their family members are not permitted to reside in the property.

Unacceptable loan purpose

- Consumer buy to let (CBTL)
- Let to buy
- Applications for a second home/pied a terre/holiday home

Loan amounts and LTV limits

- Minimum loan size: £25,000
- Maximum loan sizes:
 - £3m up to 70% net LTV
 - £2m up to 75% net LTV
 - £750,000 up to 80% net LTV
- The above are subject to specific product restrictions that may apply. Please refer to our product guide for product specific limits.
- Loan limits are based on a gross loan limit

Portfolio landlords

A portfolio landlord is an applicant with four or more distinct mortgaged buy to let properties (or has three, plus one pending purchase application with ModaMortgages).

The following should be included in the number of properties a portfolio landlord holds:

- All mortgaged buy to let properties owned by the applicant, whether jointly, in their sole name or by a company of which they are a director or shareholder
- Any property owned on a residential basis with consent to let
- If the application is for a limited company, properties owned by the company’s directors and shareholders, or owned by other companies of which the directors/shareholders are a shareholder or director

As part of our underwriting process, we’ll assess an applicant’s portfolio based on their circumstances and consider the impact of future interest rate increases. ICR and LTV requirements are as follows:

	Personal ownership	Limited company
Minimum portfolio ICR% @ 5%	140%	125%
Maximum portfolio LTVs	80%	80%

Portfolio lending limits

- Aggregated buy to let exposure (with ModaMortgages): £10m
- Maximum buy to let portfolio size (with ModaMortgages): Unlimited
- Maximum buy to let portfolio size (external): Unlimited

Subject to underwriting review and assessment.

Remortgage applications

- The current registered property owners must be a party to the application
- Capital raising through a remortgage is acceptable where the applicant has sufficient equity in an existing property. See page 8 for the stress rates that are used for remortgage applications
- The following are acceptable reasons for capital raising:
 - Debt consolidation
 - Home improvements
 - Purchase of investment property
 - School/education fees
 - Transfer of equity
- The following are not acceptable reasons for capital raising:
 - Payment of tax bill
 - Speculative investments (e.g. cryptocurrency)

Day one remortgage applications

Remortgage applications within six months of property ownership are acceptable. For all day one remortgage applications, we require:

- Land Registry evidence of the first charge registration or charge application submission
- the underwriter to be satisfied that the property is intended to be let
- a physical inspection of the property to be carried out

Where the application is to repay an existing bridging loan, the bridging provider must be an FCA registered firm. We also require:

- evidence of the bridging loan agreement

Where the property was originally purchased using your clients’ own funds we require evidence of the source of funds, such as:

- **proof of regular savings:** bank statements to evidence build-up of funds
- **lump sum:** latest statement plus evidence of originating source of funds

Repayment methods

- Interest only – details of the repayment strategy must be provided
- Capital and interest

If top slicing is required, the application must be interest only.

Offer validity

- An offer is valid for three months from the date of issue
- If the property is a new build, an offer is valid for six months from the date of issue
- Please contact our Broker Support Team if you have an offer that you need to extend

Affordability

Interest coverage ratio (ICR)

The minimum amount of rental cover (ICR) is dependent on the applicant's income tax band (highest tax band on joint applications) at the rates shown below:

Tax band*	ICR rate
Basic rate	125%
Higher and additional rate	140%
Limited companies	125%

*The applicant's tax band should be based on all validated current income plus gross rental income (excluding any deductions) from all rental properties, including the security. Refer to our online buy to let calculator for further guidance.

The interest rate used in the ICR calculation is determined by the chosen product as follows:

- 5 year fixed rates assessed at product rate
- Variable rates or short-term fixed rates assessed at product rate plus 2%. Minimum 5.50%.
- Where the applicant is remortgaging an existing buy to let loan without additional capital raising, then the ICR can be calculated using the product rate for applications up to 80% gross LTV
- Where more than the rental income is needed to meet the minimum rental cover requirements, we may reduce the loan amount accordingly

Top slicing

- Where the property rental income alone is insufficient to meet the minimum ICR requirement, borrowers can use surplus earned disposable income to supplement the rental shortfall
- Proof of earned income will be required, see the documentation guidance on page 15 for further information
- Not available on first-time buyer applications
- To qualify for top slicing, the property must achieve a minimum ICR of 110% when calculated using the pay rate of the selected product
- Top slicing is available across all buy to let products, including limited company applications
- Top slicing is only available on prime applications, see the maximum allowable adverse table on page 4 for details for our definition of a prime application
- The repayment method must be interest only

Deposit criteria

Source of funds

- The deposit should usually come from the applicant's own resources, originated within the EEA and be without recourse to additional borrowing
- Proof of deposit is required where the loan amount is more than £1m and/or where all applicants are first-time buyers. See page 15 for the list of acceptable documentation
- Capital raising through a remortgage, second charge or further advance is acceptable where the applicant has sufficient equity in an existing property

Family gift

- This is acceptable unless the property is purchased from the family member from whom the gift originates
- The gift cannot be repayable
- A completed Gifted Deposit Form, which we require as part of the application, can be found on our [website under 'Documents'](#)
- We may also require ID for the donor(s) as part of our money laundering and fraud checks. We'll advise you once the application has been submitted if this is needed

Intercompany loan

This is acceptable for limited company lending subject to:

- Majority shareholder to mirror SPV and connected company
- Must be UK to UK company (no offshore companies)
- Loan is repayable and a term agreed and evidenced with a copy of the signed loan agreement
- Rate of interest applied should be HMRC's ordinary rate of interest
- Any monthly payment will be used within the ICR calculation
- Connected company is not to have any interest or charge over the property

Unacceptable sources of deposit

- Help to Buy Shared Equity Scheme
- Builders deposit – where the builder is offering a cash-based incentive, e.g. discounted purchase price, stamp duty paid, legal fees paid, mortgage repayments paid etc – the associated deposit should be deducted from the purchase price/valuation
- Vendor’s deposit/discounted purchase price – the associated deposit

should be deducted from the purchase price/valuation

- Purchase from family at a discount purchase price
- Purchase from a company where the applicant has an interest
- Forces Help to Buy or Ministry of Defence Loan
- COVID related support loans
- Cryptocurrency (e.g. Bitcoin)
- Purchase from property investment clubs/syndicates

Property criteria

Acceptable property types

- **Standard houses** (single residential dwelling unit) – detached, semi-detached, terraced, cottage and bungalow
- **Flats/maisonettes/apartments** –
 - Must be self-contained with private facilities and access to the highway
 - Must not contain more than 20 storeys in the block
 - Flats above or near commercial properties can be considered if they’re good quality
 - Minimum floor area of 30m²
- **Basement flats** –
 - Only accepted within London
 - Minimum floor area of 30m²
- **Studio flats** –
 - Maximum 70% LTV
 - Minimum floor area of 30m²

- **Houses of Multiple Occupation (HMO)** – defined as a property where there are a minimum of three tenants in occupation who form more than one household and share toilet, bathroom or kitchen facilities
 - See specific HMO criteria on page 11
- **Multi-unit freehold blocks (MUFB)** – defined as a single structure that contain separate units or flats that are not subject to individual leases and therefore the property remains on one freehold title (minimum floor areas of 30m² per individual unit)
 - Individual units must be completely self-contained and meet prevailing property criteria including minimum valuation figures and rental calculations
 - See specific MUFB criteria on page 12
- **Ex-local authority properties** –
 - Accepted up to 75% net LTV
 - Flats, maisonettes and apartments accepted where the block is predominantly owner occupied

Minimum property value	Standard properties (Houses/Flats/Maisonettes)	HMO properties	MUFB properties
Outside London	£75,000	£100,000	£50,000 (per unit)
London	£150,000	£250,000	£150,000 (per unit)

Location

- All buy to let properties must be situated in mainland England and Wales
- Properties in Scotland, Northern Ireland, Channel Islands, Isle of Man and Isle of Wight will not be considered
- Properties in the applicant’s background portfolio can be located anywhere in the United Kingdom

Is the property inside or outside of London?

London postcodes are:

BR 1-8	EN 1-9	NW 1-11	TN 1-16
CR 0-9	HA 0-9	RM 1-14	UB 1-9, 11
DA 1,5-8, 14-18	IG 1-11	SE 1-28	W 1-14
E 1-18	KT 1-9	SM 1-7	WC 1-3, 6
EC 1-4	N 1-22	SW 1-20	

Tenure

- Freehold is acceptable for houses
- Leasehold acceptable subject to there being a minimum of 50 years unexpired on the lease at the end of the mortgage term. Extension to leases can be considered subject to the extension being legally completed prior to completion – evidence of this must be provided
- Commonhold is not acceptable
- Flying freeholds are acceptable provided the percentage does not exceed 15% of the total area
- Headleases are not accepted

EPC

- All properties must have an EPC rating of E or above

Modern methods of construction

- A warranty is required for all properties less than ten years old. See page 12 for details of acceptable warranty providers

Applications where the property has been constructed using modern methods of construction can be accepted where the valuer is

Barratt Developments	Crest Nicholson
Berkeley	Galliford Try
Bellway	Persimmon
Bloor Homes	Redrow
Bovis Homes	Taylor Wimpey
CALA Homes	

satisfied that the property represents suitable security. In addition, the property must have been constructed by one of the following:

Acceptable tenancies

- Properties must be let under a single assured periodic tenancy where the rent is up to £100,000 per annum
- For properties where the rent exceeds £100,000, a common law tenancy is required
- Tenancy term should not exceed three years
- Tenant occupation must be for wholly residential purposes
- Student lets are acceptable, subject to meeting all buy to let criteria unless the property has the characteristics of halls of residence
- Multiple lets are acceptable under HMO and MUFb properties

Unacceptable tenancies

Tenancy agreements for tenants in the following categories are not acceptable:

- Asylum seekers
- Persons with diplomatic immunity
- Employees of the applicant
- Holiday lets

- Charities
- Defective tenancies (e.g. sub-let clauses, missing notices etc)
- Leasebacks – it is not allowable for an applicant to lease the property back to a developer for use as a showhome
- The property must not be occupied by the applicant or any immediate family, nor may any business be conducted from the premises

Please get in touch with us for full details of unacceptable tenancies.

Unacceptable property types

- Any property deemed unsuitable security by the valuer or purchased at auction
- Any property where there is ongoing movement, or monitoring is required
- Freehold flats or maisonettes, except MUFbS
- Flats or maisonettes in blocks exceeding 20 storeys
- Flats/maisonettes without access to the highway
- Mobile homes and houseboats
- Property where saleability could be adversely affected by local planning or mining search
- Property affected by Japanese knotweed
- Grade I and Grade II* listed properties
- Properties adapted or altered for commercial use
- Flats directly above public houses or fast-food premises
- Balcony/deck accessed flats
- Basement flats outside of London
- Properties built within the last ten years without a NHBC certificate or suitable alternative
- Non-standard construction
- Defective cladding
- Properties under construction
- Flats of more than six storeys that have cladding without a valid EWS1 form for the property
- Properties with less than 30m² floor area; for MUFbS, this is per unit
- Tyneside leases
- Headleases

Valuations

- We'll instruct a member of our valuer panel to undertake a security assessment and valuation report to determine the property value and the realistic, sustainable monthly rental income
- The property needs to be habitable at the point of inspection by our surveyor
- The valuer will be instructed to assess the property on an unfurnished basis
- Valuations are valid for six months
- A new valuation may be required where mortgage offers are extended

Desktop valuations

- To speed the process up, we'll complete a desktop valuation for remortgage applications on standard properties that meet our eligibility criteria – where this is not possible, we'll complete an in-person valuation
- In some cases, we may not get enough information from the desktop valuation and may need to conduct a physical valuation – if that is the case, we'll contact the valuation contact provided in the application. We'll not charge an additional valuation fee
- We'll confirm the valuation type and fee during the application process

The following property types aren't eligible for a desktop valuation:

- Flats/maisonettes/cottages
- Specialist properties – HMOs and MUFBs
- New builds and conversions
- Properties under construction
- Properties with a flying freehold element
- Historic property (built before 1850)
- Listed buildings

- Land greater than one acre

Specialist reports

On occasion, an initial valuation/survey will identify the need for further specialist reports, which the applicant must arrange. These may relate to:

- Structural movement or underpinning
- Damp or timber defects
- Wall tie reports
- Electrical reports
- Risk from trees, asbestos, or environmental hazards
- Cladding
- Essential repairs

HMO criteria

Definition

A property is considered an HMO if the following conditions apply:

- At least three tenants reside at the property, forming more than one household
- Toilet, bathroom or kitchen facilities are shared with other tenants

Acceptance criteria

- Must have a minimum 12 months' experience operating a but to let property
- Not available to first-time buyers and first-time landlords
- Maximum of six bedrooms

Loan

Individual products may have further loan restrictions; see the product guide for further details.

- HMO with six bedrooms or less are offered with our standard LTV and loan size limits
- Subject to physical valuation only
- Rental will be assessed according to our standard ICR calculations

Property

- Minimum valuation of £250,000 in London and £100,000 elsewhere. The capital valuation will be assessed on a comparable residential basis
- Maximum of six bedrooms
- Where applicable, an application for any HMO licence required by the local authority must have been made before completion
- The terms of the licence must be complied with at all times
- We reserve the right to request proof of a licence throughout the mortgage term

MUFB criteria

Definition

MUFB properties are single structures that contain separate flats or units that are not subject to individual leases and the property is on one freehold title.

All individual units must be completely self-contained and meet the current property criteria, including minimum valuation figures and rental calculations.

Acceptance criteria

- Must have a minimum 12 months' experience operating a but to let property
- Not available to first-time buyers and first-time landlords
- Maximum of six self-contained flats/units in a single block

Loan

Individual products may have further loan restrictions; see the product guide for further details.

- MUFB with six units or less are offered with our standard LTV and loan size limits
- Rental will be assessed according to our standard ICR calculations

Property exclusions

- No new builds or conversions (defined as built/converted in the last 12 months and/or has not been previously occupied)
- Each unit to have a minimum floor area of 30m²
- Multiple houses on one freehold title
- Properties where adverse planning restrictions could prevent leases from being created

Valuation and minimum unit value

- MUFBs will be valued on an aggregate basis as opposed to block value
- Each unit must also meet our minimum unit value requirement
- Subject to a physical valuations only; MUFBs are not eligible for desktop valuations

Minimum unit value

Outside London	£50,000 (per unit)
London	£150,000 (per unit)

New build criteria

- A new build property is defined as a property constructed or converted within the last 12 months, and or has not been previously occupied
- New builds/conversions/converted properties may be considered
- For new builds which have not been previously occupied, the conveyancer will be required to obtain a completed Disclosure of Incentives Form (DIF)
- Maximum 75% net LTV

Building warranty

For new build properties and those less than 10 years old, a building warranty from one of the providers shown to the right should be in place:

Please note that we're unable to accept retrospective building warranties.

Advantage HCI	International Construction Warranties (ICW)
Aedis Warranties	LABC
Ark Residential New Build Warranty	NHBC Guarantee
BOPAS	One Guarantee
Build Assure	Premier Guarantee Scheme
Building Life Plans	Professional Consultants Certificate (previously Architect's Certificate)
Buildzone	Protek
Checkmate (Castle 10)	The Q Policy
Global Home Warranties	Zurich Municipal 'New Build'

Validation

ID and residency documents

- We'll attempt to electronically verify the identity of all applicants – if this fails we may require proof of name and/or address
- If originals are not available, certified photocopies are acceptable if:
 - They're certified by an independent professional (e.g. FCA regulated broker, solicitor, accountant) and not by an applicant or relative
 - They're certified using the phrase 'this is a true copy of the original'
 - Where the document contains a photograph, they're certified using the phrase 'this is a true likeness of the applicant'
 - The full name of the person certifying the documents, firm/employer name, the address of the firm/employer, and their licence number (either FCA registration number, SRA registration number or ACCA registration number) must be clearly written on the certified copy
- We retain the right to request original documentation
- Refer to [Anti Money Laundering Guidelines](#) for certification requirements and acceptable documents

Income verification, proof of deposit and account conduct

If any documentation is required to verify income, deposit or account conduct, we'll tell you during the online application.

For further information see the list of acceptable documentation on page 15.

Fees

Tariff of mortgage charges

This document sets out our current tariff of mortgage charges for new and existing mortgage applicants. The most recent version of this document will always be available on our website at: modamortgages.co.uk/customer/documents.

Fees that may be added to the loan

Only the arrangement (product) fee can be added to the loan amount. Any fees added will not be incorporated into the LTV calculation but will be included in our affordability assessment.

Conveyancing

We require dual representation on all mortgages which speeds up the process, and keeps costs down for applicants.

We've partnered with LMS, the UK's leading conveyancer and panel management specialist. LMS provide a fully vetted and secure panel. We review and add to our conveyancer panel continuously.

Details are available on our [website](#).

Submission requirements

At full mortgage application we'll confirm the full list of supporting documents that need to be provided as part of the application. This list is tailored to the application as we only ask for information that is needed to assess the specific case.

You can find this list from the application dashboard and upload the required document(s) at any time.

You can submit the application without all of the required document(s) but please note that the case cannot proceed to underwriting until all required documents have been provided.

The following page shows the documentation required at full mortgage application for a case to proceed to underwriting.

Submission checklist

If you have any questions about submitting a case, please contact our sales team.

Documents required	Loan requirements		Landlord type					
			Portfolio landlord			Non-portfolio landlords		
	More than £1m	Using top slicing	Limited company	Prime personal ownership	Non-prime personal ownership	Limited company	Non-prime personal ownership	First-time buyer
P60: Must be most recent		✓ Latest						
Payslips: Must be most recent	✓ 1 month	✓ 3 months						✓ 1 month
Bank statements: Most recent and must show salary or pension credits, residential mortgage or rental payments, personal expenses and any rental credits and, where applicable portfolio cashflow	✓ 3 months		✓ 3 months	✓ 1 month	✓ 3 months	✓ 3 months	✓ 3 months	✓ 3 months
Self-employed proof of income: Most recent SA302 or tax calculations with corresponding tax year overview, or accounts	✓ 1 year	✓ 2 years						✓ 1 year
Proof of pension income: Most recent pension slip, annual pension statement or P60	✓	✓						✓
Background portfolio details: Can be keyed directly or uploaded using our portfolio template			✓	✓	✓			
Proof of deposit	✓							✓

We may ask you to provide additional documents. This could include, but is not limited to:

When required	Document required
If the applicant fails electronic ID checks	Certified proof of name and/or proof of current address dated within the last 3 months. Refer to our Anti-Money Laundering Guidelines for certification requirements and acceptable documents
If the applicant is a non-UK national	Proof of the right to reside in the UK
If an applicant's mortgage conduct is not visible on the credit search	We may request bank statements and/or a mortgage statement evidencing the previous 12 months payment history
If the deposit is gifted from a family member	Completed ModaMortgages gifted deposit form
If the deposit source is an intercompany loan	Signed intercompany loan agreement

We reserve the right to request additional documentation not listed above during underwriting.

Documentation guidelines

Where we require documentation as detailed in our submission checklist, the minimum requirements are shown below. We reserve the right to request any additional documentation as part of our underwriting assessment if and when required.

If original documents are not available, we'll accept copies subject to the documents being fully legible and the underwriter having no concerns in respect of authenticity.

Proof of income – employed

- Most recent payslip(s) and P60 – we'll tell you at full mortgage application whether we require one month or three months
- If the applicant is paid weekly, we'll require four weeks of payslips if we request one month of payslips, and 12 weeks of payslips if we request three months of payslips
- During underwriting we may also ask for the following evidence where these have been included as income sources on the application:
 - If the applicant is employed by a family member, a letter from accountant to support this
 - If the applicant has a fixed term contract, a copy of the contract (if fewer than six months to run, evidence of contract extension is required)
 - If the applicant has zero hours contract(s), payslips covering the last six months and the latest P60 (this will only be considered for the secondary applicant)

Proof of income – self-employed

- SA302 or tax calculations and corresponding tax year overview, or accounts
- We'll tell you at full mortgage application whether we require information for the last one or two years

We only accept accounts prepared by accountants with the following qualifications:

- Institute of Chartered Accountants in England and Wales (ICAEW): ACA qualified
- Association of Chartered Certified Accountants (ACCA): ACCA/FCCA qualified
- Chartered Institute of Management Accountants (CIMA): ACMA/FCMA qualified
- Association of Authorised Public Accounts (AAPA): AAPA qualified
- Chartered Institute of Taxation (CIOT): CTA qualified
- Institute of Certified Public Accountants (Ireland) CPA Ireland: CPA/FCPA qualified
- Association of International Accountants (AIA): AIA/FAIA qualified
- Institute of Financial Accountants (IFA): FFA
- Chartered Accountant (CA): CA qualified

Proof of income/other income

During underwriting we may ask for the following evidence:

- Tax credits – all pages of their latest Final Tax Credits award
- Pension – most recent pension slip(s), or annual pension statement(s), or P60
- Second job – see requirements relevant to the type of employment for their second job
- Maintenance – copy of their current court order (must have a minimum of three years left to run)
- Rental income – last full month's bank statement

Bank statements

- Latest three months required

Must show: salary/self-employed income, household utilities, daily expenditure, current mortgage or rent payments.

Deposit source

- Where the deposit source is stated as 'Gifted from a family member' in the application, provide a completed [Gifted Deposit Form](#) which is available on our website
 - We may require ID for the donor(s) as part of our anti-money laundering and fraud checks. We'll advise you once the application has been submitted if this is required
- Where the deposit source is stated as 'Intercompany loan' in the application, you'll need to provide a copy of the signed intercompany loan agreement

Proof of deposit (savings/other)

- Required if all applicants are first-time buyers and/or the loan is greater than £1m
- Regular savings – bank statements to evidence build-up of funds
- Lump sum – latest statement plus evidence of originating source of funds

Identification

- Required only where the applicant(s) fails our electronic identity check – we'll tell you at full mortgage application whether we require proof of identity and/or address
- Refer to [Anti Money Laundering Guidelines](#) for certification requirements and acceptable documents

Proofs for right to reside

- Naturalisation letter, residence card or visa required for all non-EU applicants
- Share code required for European applicants

Get in touch with our
intermediary support team

01978 803333

enquiries@modamortgages.co.uk

modamortgages.co.uk

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