

Better banking, made for you



Buy to Let

Maximise your client returns
with our Professional Property
Investment Solution



FOR INTERMEDIARIES ONLY 21.11.2023

- For over six decades, Birmingham Bank has been a trusted source of funding to business customers who have sought support for their individual growth ambitions.
- We specialise in providing property finance solutions for today's professional landlord.
- Our approach is simple - to enable the ambition of all professional buy-to-let landlords.
- We take pride in delivering outstanding service to intermediaries in assisting their landlord customers access funding to satisfy their individual requirements.
- Our portfolio product offers a flexible approach to landlords in a changing market allowing for a mix of property types to be funded together to increase leverage.
- We cater for professional landlords with unlimited portfolios, providing portfolio loans and offering loan amounts up to £2m, with no binding commitments.



Why Brokers Work with Us

Adaptable Approach

We adapt to landlords' evolving needs, offering flexible solutions to fulfil property portfolio ambitions.

User-Friendly Experience

We are dedicated to being easy to work with, simplifying the process for our partners and customers alike.

Customer Focus

We ensure every interaction with us is seamless and trustworthy. We handle the technical aspects and only request the necessary information from you.

Efficient Service

We are committed to providing a swift and effective service, allowing you to focus on what matters most.

Key Features

Specialising in Portfolio Landlords

We specialise in serving Portfolio Landlords, whether they are individuals, Limited Companies (SPV), or Limited Liability Partnerships.

Generous Lending

We offer lending options of up to £2 million, with no portfolio restrictions.

Streamlined Portfolio Lending

We provide a Portfolio Lending facility that accommodates up to five properties within a single account, simplifying your management.

Property Location Focus

We cater to properties located in England and Wales.

Property Variety

Our services cover both standard properties, HMOs with up to 6 rooms and MUFBs up to 6 units, ensuring flexibility to meet your diverse needs.



Standard Property Portfolio Lending Single Loan and Multiple Properties

Fixed Rate Term	5 years				5 years			
Max LTV	75%	75%	75%	75%	65%	65%	65%	65%
Max Loan	Max 75% up to £1m for single property Max 70% >£1m-£2m for single property				£2m			
Min/Max Number of properties	Minimum 1 property. Maximum Unlimited on a single account							
Initial rate	6.10%	5.80%	5.50%	5.20%	6.00%	5.70%	5.40%	5.10%
Product fee	1.49%	2.99%	4.49%	5.99%	1.49%	2.99%	4.49%	5.99%
Reversion rate	Birmingham Bank Standard Variable Rate (currently 9.25%)							
ERC	Year 1 5%; Year 2 4%; Year 3 3%; Year 4 1%; Year 5 1%							
Product Code	BTLS57561149013	BTLS57558299014	BTLS57555449015	BTLS57552599016	BTLS56560149017	BTLS56557299018	BTLS56554449019	BTLS56551599020

HMO/MUFB Property Portfolio Lending Single loan and Mixed Multiple Properties

Fixed Rate Term	5 years				5 years			
Max LTV	75%	75%	75%	75%	65%	65%	65%	65%
Max Loan	Max 75% up to £1m for single property Max 70% >£1m-£2m for single property				£2m			
Min/Max Number of properties	Minimum 1 property. Maximum Unlimited on a single account							
Initial rate	6.30%	6.00%	5.70%	5.40%	6.20%	5.90%	5.60%	5.30%
Product fee	1.49%	2.99%	4.49%	5.99%	1.49%	2.99%	4.49%	5.99%
Reversion rate	Birmingham Bank Standard Variable Rate (currently 9.25%)							
ERC	Year 1 5%; Year 2 4%; Year 3 3%; Year 4 1%; Year 5 1%							
Product Code	BTLM57563149021	BTLM57560299022	BTLM57557449023	BTLM57554599024	BTLM56562149025	BTLM56559299026	BTLM56556449027	BTLM56553599028

Borrower type – Limited Company or LLP

Business type	Registered Limited Companies and Limited Liability Partnerships (LLPs), specifically those set up with the sole purpose of buying/holding property (SPVs); Partnerships and Sole Traders
Address	Businesses must have a UK registered address and must operate entirely within the UK
Directors / Shareholder	Maximum of 4 Directors/Shareholders/ Members
Personal Guarantees	Personal Guarantees will be required from Directors/Shareholders/Members

Borrower type – Individual or Partnership

Address History	Minimum of 3 years residential history
Age	Minimum 21 Maximum 85 at end of term
First Time Buyer / Landlord	First time buyers / landlords are not accepted
Number of Applicants	Maximum 4 applicants
Residency Status	UK and EEA Nationals (including Switzerland). Must be resident with Permanent rights to reside in the UK.
Minimum income	There are no minimum income requirements.

ICR calculation	Standard property	HMO
Basic Rate Taxpayers	125%	130%
Higher Rate Taxpayers	145%	160%
Limited Company	125%	130%
Assessment rate	Fixed rate products of 5 years and over = product pay rate Variable rate and Fixed rate products of less than 5 years = higher of: product pay rate +2%; product reversion rate; or 5.5%.	
Rental valuation method	Market rental valuation. Or passing rent up to maximum of 110% if higher. For HMOs the valuation will be required on a rental valuation basis assuming the property is multi-occupancy let. However, we also require a valuation on a bricks and mortar basis and for our exposure to be no higher than 85% LTV on that basis.	

Credit profile

CCJs	None in last 36 months
Defaults	None in last 36 months
Secured arrears	None in last 12 months Maximum 2 in last 36 months
Unsecured arrears	Maximum 2 in last 36 months
Bankruptcy/Debt Relief Order	None (6-year history)
IVA/Debt Management Plan	None (6-year history)
Repossession	None (6-year history)



Portfolio Landlord requirements

Portfolio Size	No background portfolio limits. Maximum aggregated lending exposure of £2m.
Definition	A Portfolio Landlord is defined as any borrower with four or more distinct mortgaged Buy-to-Let properties, including any new property applied for and unencumbered properties.
Experience	Portfolio landlords should have a minimum of 12 months demonstrable experience.
Portfolio detail required	Full Portfolio Details – to include addresses / outstanding mortgage balances / mortgage payments / rental income Assets & Liabilities Statement - Outline Business Plan - Cash Flow Statement if appropriate One month's business/private bank statements to support the declared cash flow
Portfolio assessment	Supported by AVMs (capital and rental valuations) of the portfolio together with the validation items submitted. The overall portfolio should achieve a minimum 125% ICR and have a maximum 75% LTV. The underwriter will consider the following and be satisfied with the suitability of the Landlord for lending purposes: <ul style="list-style-type: none"> • The borrower's experience in the Buy-to-Let market and their full portfolio of properties and outstanding mortgages. • The assets and liabilities of the borrower, including any tax liability. • The merits of any new lending in the context of the borrower's existing Buy-to-Let portfolio together with their business plan; and • Historical and future expected cash flows associated with the borrower's properties. Where subsequent applications are received within 28 days of full assessment, then the case can proceed without further verification being obtained.

Loan requirements

Deposit	<p>The deposit should usually come from the applicant(s) own resources, originated within the EEA and without recourse to additional borrowing. The exceptions are:</p> <ol style="list-style-type: none"> 1. Capital Raising Remortgage / Secured Loan – It is acceptable for deposit funds to be raised by way of a remortgage or 2nd Charge of existing property holdings. 2. Family Gift – Acceptable unless the property is being purchased from the family member from which the gift originates. The gift must not be repayable and the person providing the gift cannot have a financial or legal interest in the security. 3. Inter-Company Loan – This is acceptable for Limited Company lending.
Purpose	<p>For purchase or remortgage of the applicant's investment property(ies). Capital raising as part of a remortgage proposal is acceptable.</p> <p>Remortgages are not acceptable where the security property has been owned, or the existing mortgage has been in place, for less than 6 months.</p> <p>The exception to this rule is where the application is to exit a Bridging facility. In these circumstances, the existing Bridging loan must have been in place for at least one month and any increase in capital value from the original purchase price must be validated by evidence that improvement works have been completed. If no improvements have been undertaken lending should be based on the original purchase price.</p> <p>Loans for the payment of outstanding tax liabilities, consolidation of bad debt or to support businesses in financial difficulties are not acceptable.</p>
Minimum Loan Amount	£100,000
Maximum Loan/LTV	<p>Max 75% up to £2m (portfolio of properties,)</p> <p>Max 75% up to £1m for single property (standard or HMO/MUFB)</p> <p>Max 70% >£1m- £2m for single property (standard or HMO/MUFB)</p>

Property Criteria – for guidance only

Minimum property value	£135,000
Adapted Properties	Accepted subject to surveyor's comments on future marketability.
Annex	Accepted subject to surveyor's comments if in keeping with the property. Must be let out under one tenancy agreement. Must not have separate council tax or utilities. Must not have its own access/driveway.
Assignment of Contract	Not accepted.
Back-to-back/Sub sales	Not accepted.
Balcony Access	Accepted subject to surveyor's comments.
Bed & Breakfast	Not accepted.
Cast in Situ Concrete	Not accepted (e.g., Wimpey No-Fines & Laing Easiform)
Cladding	Valuers are expected to comment on the nature of any cladding present at the block.
Commercial Property - near or adjacent to	Accepted - subject to surveyor's comments that the property and location does not adversely affect marketability.
Common Hold	Not accepted.
Contaminated Land	Not accepted.
Deck Access	Accepted subject to surveyor's comments.
Defective under any Housing Act legislation	Not accepted.
Discounted purchase	In all cases applicants are required to commit their own funds to a transaction. Any vendor deposit will be deducted from the lower of purchase price / valuation and lending based on the net figure.
Energy Performance Certificate	Required confirming that an energy performance indicator of no less than E is in place.
Ex Local Authority Houses	Acceptable where the house is currently in private ownership and the surrounding area has a well-established and significant proportion of private ownership. The property should be judged to have good 'kerb appeal'.
Ex Local Authority Flats	Not accepted.
Flats	Accepted in blocks up to 6 Storeys
Flying Freehold	Maximum 10% of total floor area can be on a flying freehold.
Freehold Flats	Not accepted.
Holiday Lets	Not accepted.
Holiday Letting (Airbnb)	Not accepted.
HMO	Accepted up to 6 lettable rooms
Japanese Knotweed	Not accepted (irrespective of whether a treatment plan is in place).
Kitchens (More than One)	Not accepted. Unless MUFB.
Leasehold	Minimum 85 years unexpired term on lease at start of mortgage term.

Property Criteria – for guidance only

Listed Buildings	Not accepted.
Live/Work Units	Not accepted.
Mineshafts	Not accepted where marketability may be adversely affected by local planning or by an unsatisfactory mining search.
Modern Method of Construction	Applications can be considered. The property/site must be registered on the Build Offsite Property Assurance Scheme (BOPAS). If less than 10 years old an acceptable warranty must be available. The surveyor must be satisfied that the property represents suitable security.
MUFB	Accepted up to 6 units. (subject to each having minimum 30sqm floor area)
New Build (previously unoccupied)	Applications can be considered. Our conveyancer will be required to obtain a completed Disclosure of Incentives Form (DIF).
New Build Incentives	Any cash-based incentives, e.g. discounted purchase price, stamp duty paid, legal fees paid, cash-back after completion, mortgage paid etc. must be deducted from the lower of the purchase price / valuation, and the LTV calculated from this net figure. If considered reasonable by the Underwriter non-cash incentives (to include white goods and soft furnishings only) can be ignored.
Non habitable condition	Not accepted.
Planning/Occupancy Restrictions	Not accepted.
Social Housing	Not accepted.
Structural movement	If the surveyor advises that there is evidence of structural movement that is progressive and/or not longstanding a structural engineers report must be obtained and referred to the surveyor for comment. Reports are only acceptable from members of the following bodies: The Institution of Structural Engineers (www.IStructE.org.uk) Institution of Civil Engineers (www.ice.org.uk) If the report is not addressed to the applicant, written confirmation must be obtained from the originator that its contents can be relied upon by the applicant(s).
Studio flats	Not accepted.
Shared Equity/Ownership	Not accepted.
Timber or Steel framed	Not accepted except where under a Modern Method of Construction.
Warranties	Properties aged less than ten years must benefit from one of the following warranties: Advantage HCI, Aedis Warranties Ltd, Ark Residential New Build Warranty, BOPAS, Build Assure, Building Life Plans, Buildzone, Checkmate (Castle 10), Global Home Warranties, International Construction Warranties (ICW), LABC, N.H.B.C. guarantee, Premier Guarantee Scheme, Protek, The Q Policy. Note: Retrospective warranties are not acceptable.

Portfolio Product Example

- ✓ How to achieve higher leverage by adding up to 5 properties into a single loan.
- ✓ Add different property types into a single loan

	Value	Rent	Yield	Mortgage	LTV
Property 1	£275,000	£12,600	4.58%	£169,412	61.60%
Property 2	£225,000	£10,020	4.45%	£134,723	59.88%
Property 3	£325,000	£15,000	4.62%	£201,681	62.06%
Property 4	£226,000	£25,980	11.50%	£169,500	75.00%
Total	£1,051,000	£63,600		£675,315	64.25%

Individual loans available. Based on product pay rate of 5.95% standard property and 6.29% HMO

Total	£1,051,000	£63,600		£749,779	71.34%
Portfolio Loan Based on product pay rate of 5.85% with a 5.5% product fee. Extra £74,464 secured					

THIS INFORMATION IS FOR MORTGAGE INTERMEDIARIES EXCLUSIVELY.

Our range of products are exclusively accessible through our approved Intermediary panel, and the information provided here should not be relied upon by individuals lacking professional expertise in investment matters. The information provided here is correct as at 21 November 2023.

Please note - we reserve the right to modify or withdraw our product offerings at any time, without prior notification.

This serves as an overview of our eligibility criteria, and in specific cases, our underwriters may exercise discretion to assess deviations from our lending policies. Each application is evaluated on an individual basis, and we do not guarantee approval for all cases that fulfil our basic criteria. To discuss the specific details of your case, please contact us.



Submitting applications	
Applications will only be accepted from our Registered and Approved Intermediary Panel. DECISION IN PRINCIPLE FORM https://mortgage.app.birminghambank.com/buy-to-let/decision-in-principle	
APPLICATION FORM https://mortgage.app.birminghambank.com/buy-to-let/intermediary-business-application	
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