

Residential Mortgages

10 June 2019

For Intermediary use only



saffronforintermediaries.co.uk



Special Situations. Everyday

WHAT'S SPECIAL ABOUT SAFFRON FOR INTERMEDIARIES

You probably have two types of applications on your desk. There's the big pile - the straightforward ones. They're simple because they fit the criteria demanded by most lenders. Then there's the little pile. The ones where the applicant has unusual circumstances or the property is out-of-the-ordinary. The self-employed, expats and people with irregular income. The odd properties, self-build projects or buy-to-let homes. These are the tough ones. So make them simple. Call Saffron first. We are experts in specialist mortgages with a more flexible approach to many other lenders that's based on people, not products. Our underwriters examine every application. They work harder, delve deeper and may even ask you a few more questions. Sure, this may take a little more time but it's good news for you because we're often able to say the one word your customers want to hear most: **Yes**

We can also help borrowers facing everyday situations such as buying a first home, moving to another home or remortgaging.

If one of our existing mortgages doesn't quite fit, then we may be able to tailor a mortgage to suit their precise needs.

**For cases already in progress please call
The Mortgage team on: 01799 582966**



FOR NEW ENQUIRIES CALL

Your dedicated Business Development Manager
as listed on saffronforintermediaries.co.uk/



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SELF BUILD AND CUSTOM BUILD MORTGAGE

Available to self-builders who want to buy a plot of land to build a new house or refurbish an existing structure for their own occupation. Funds for the project can be drawn down in flexible stage payments. Available to First Time Buyers. Available for custom-build. For custom-build applications, please select the self-build product and mark as custom-build in the notes section.

Initial Rate	Product Term	Revert Rate	Arrangement Fee	LTV	
3.99% (SVR -1.65%)	24 months	4.64% (SVR-1.00%)	1.00%	65% of purchase price	100% of the build and max Gross Development Value
75%					
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	No	None	4.7%	0.50%	DR0689

Initial Rate	Product Term	Revert Rate	Arrangement Fee	LTV	
4.19% (SVR -1.45%)	24 months	4.64% (SVR-1.00%)	1.00%	80% of purchase price	80% of the build and max Gross Development Value
80%					
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	No	None	4.8%	0.50%	DR0690

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

Product Detail

- Minimum age 21
- Minimum term 5 Years
- Maximum term 40 Years
- Owner Occupied only
- Minimum loan size: £30,000. Maximum loan size: £1,000,000. Loans over this are priced on a bespoke basis and have restricted LTV's
- Interest only or repayment
- Interest only subject to meeting lending policy and having an acceptable repayment strategy
- If the mortgage is taken out on a repayment basis, interest only is available for the build period up to a maximum of 24 months. You must explain the consequences of this to your client and evidence this in your suitability letter
- Available for custom-build
- Available for first time buyers

Specific Product Criteria

- **Loan must be fully serviced by applicants' income**
- **Outline Planning permission** required at application
- **Full planning permission** and building regulations required before offer
- Full breakdown of works together with **costings and architectural drawings** required
- **Funds can be drawn down in flexible stage payments** to suit the clients' needs (no more than one drawdown per month) subject to re-inspection. Re-inspection fees can be found on our website.
- **Retained funds** must be drawn within the first 24 months or will be removed from the loan
- **A new home warranty/certificate** is required from one of the following:
 - NHBC
 - Premier Guarantee
 - BLP
 - ICW Limited
 - Zurich
 - Buildzone
 - LABC
- **Application Fee £300**

FIRST TIME BUYER

This mortgage is available to first time buyers looking to purchase their first home.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.27% Fixed	Fixed to 30.09.2024	4.64% (SVR-1.00%)	None		95%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase	Yes	3% for five years* The ERC term is from completion	4.2%	0.35%	DR0676

Product Criteria

- Free Valuation Fees
- Minimum age 21
- Repayment only
- Max LTV 95% inclusive of fees
- Minimum loan size: £30,000
- Maximum loan size: £500,000 (Up to £1m within the M25 subject to max 90% LTV and underwriter assessment)

**Overpayments of up to 10% per annum are allowed without penalty.*

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

FAMILY SUPPORT MORTGAGE - THE BORROWER

This mortgage is available to first time buyers looking to purchase their first home with support from a family member. The family support allows the borrower to access an enhanced rate on their mortgage. **The information for the supporter can be found on page 4.**

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.97% Fixed	Fixed to 30.11.2024	4.64% (SVR-1.00%)	None		95%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase	Yes	3% for five years* The ERC term is from completion	4.1%	0.35%	DR0688

Product Details

- Free valuation fee
- Minimum age 21
- Must be a First Time Buyer
- Repayment only
- Minimum loan size £30,000
- Maximum loan size £500,000

** Overpayments of up to 10% per annum are allowed without penalty.*

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

PLEASE READ THE GUIDANCE NOTES BEFORE SUBMITTING A CASE. THESE ARE AVAILABLE UNDER THE OTHER DOCUMENTS SECTION OF OUR WEBSITE.

Specific Product Criteria - Borrower

- An additional 5% of the purchase price must be placed into a Family Support savings account and Legal Charge over the account signed
- We will share information about the mortgage account with the Savings Supporter if mortgage payments are missed or if we are going to take action to collect these payments.
- If the mortgage falls into arrears of two contractual monthly instalments or more, we will take money from the Savings account. We will tell the Supporter before we do this.
- If the mortgage account falls into arrears, we may extend the period of the Legal Charge on the Savings account until the mortgage has been up to date for 6-months.
- If we repossess the property and following sale there is a sale shortfall, we will take money from the Savings account. We will tell the Supporter before we do this.
- The amount the borrower owes will include any costs, fees and additional interest. This means the amount the borrower owes may increase.
- Further Advances or Second Charges will not be permitted whilst the Legal Charge on the Savings account remains in place.

FAMILY SUPPORT MORTGAGE - THE SUPPORTER

This mortgage is available to first time buyers looking to purchase their first home with support from a family member. The family support allows the borrower to access an enhanced rate on their mortgage.

Specific Product Criteria - Supporter

- A maximum of two Family Support Accounts can be held per Family Support Mortgage
- Supporter must be at least 18 years old and at least one must be a close family member, defined as one of:
 - Parents, step parents and adoptive parents;
 - Brothers and sisters, half brothers and sisters, and step brothers and sisters.
 - Children, step children and adopted children
 - Grandparents and step grandparents
 - Grandchild and step grandchild; and
 - Aunt and uncle
- Powers of Attorney are not acceptable
- You must deposit an amount equivalent to 5% of the purchase price of the property to be mortgaged, by the Family Support Mortgage into the Family Support savings account
- Funds must be deposited at least 14 days before the anticipated mortgage completion date.
- If the Savings Account is closed in the cooling off period, the borrower's mortgage application will be cancelled.
- The Family Supporter must obtain Independent legal advice before they sign the application form and open the savings account.
- The Family Supporter does not have any legal rights or other interest in the property in mortgage to us under the Family Support Mortgage.
- Your savings are connected to the Family Support Mortgage and provides security for payments due under the mortgage during the first 5 years of the mortgage (term to match the fixed rate period). This means you may not get back what you put in.
- The money in the Family Support account cannot legally be accessed by you, the supporter, for 5 years (term to match fixed rate period) or whilst these terms and conditions remain in place
- We will share information about the mortgage account with you, the Family Supporter, if mortgage payments are missed or if we are going to take action to collect these payments.
- The amount the borrower owes will include any costs, fees, and additional interest. This means the amount the borrower owes may increase.
- If the mortgage falls into arrears of two contractual monthly instalments or more, we will take money from the Savings account and credit the money to the Family Support mortgage account. We will tell the Supporter before we do this. We may also require you to deposit additional funds in the account to replace the funds withdrawn
- The savings account may not be closed and you will not be able to make withdrawals before the mortgage fixed rate period under the Family Support Mortgage has ended or while there are any unpaid amounts under the terms of the Family Support Mortgage.
- If we repossess the property and following sale there is a sale shortfall, we will take money from the Savings account and credit the money to the Family Support Mortgage. We will tell the Supporter before we do this.
- If you become bankrupt the terms and conditions will still apply.
- You may not transfer ownership of your account or the account balance to anyone else and you may not use the account or the account balance as security for a loan except as set out in these terms and conditions.

THE SAVINGS MAY BE AT RISK IF THE BORROWER DOES NOT KEEP UP REPAYMENTS ON THEIR MORTGAGE

PLEASE READ THE GUIDANCE NOTES BEFORE SUBMITTING A CASE.
These are available under the Supporting Documentation section of our website.

LENDING INTO RETIREMENT DOWNSIZING

An interest only mortgage that allows downsizing as the repayment vehicle when the loan will be repaid in retirement.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.94% (SVR -2.7%)	3 Years	4.64% (SVR-1.00%)	£999		60%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	2.00%* for three years	4.2%	0.35%	DR0655

Product Criteria

- Interest Only subject to sale & downsize of main UK residence as repayment strategy
- Minimum equity £250,000 (without geographical restriction)
- We can consider cases below this level if other assets are in place or if it is appropriate to the geographical area. Subject to Underwriter assessment
- Examples of property available for downsizing to in planned retirement area required
- Evidence of retirement income required
- Minimum loan size £30,000
- Maximum loan size £1,000,000
- Loans over this are priced on a bespoke basis and have restricted LTV's
- Must not be more than 5 years from retirement
- Maximum term determined by ONS tables

** Overpayments of up to 10% per annum are allowed without penalty*

Other repayment strategies are available via our standard product range and which may be more appropriate to the client's circumstances.

Please refer to our 'Lending Into Retirement' Policy

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

RETIREMENT INTEREST ONLY MORTGAGE

This product allows flexibility for borrowers in later life. Only available to retired borrowers on an interest only basis, with the loan being repaid by sale of the property on a set life event. They are for an open ended term.

RETIREMENT INTEREST ONLY MORTGAGE - POA

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.34% (SVR -2.3%)	3 Years	SVR	£999		50%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase or remortgage	Yes	3% for three years* The ERC term is from completion	5.5%	0.35%	DR0682

RETIREMENT INTEREST ONLY MORTGAGE

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.64% (SVR -2.0%)	3 Years	SVR	£999		50%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase or remortgage	Yes	3% for three years* The ERC term is from completion	5.5%	0.35%	DR0683

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

Product Details

- Maximum No of Applicants: 2
 - Minimum age (all applicants): 55 and in retirement
 - Minimum Loan: £30,000
 - Maximum Loan: £1,000,000 (Loans over this are priced on a bespoke basis and have restricted LTV's)
 - Minimum Term: 5 years
 - Maximum Term: no maximum
 - Repayment: Interest Only repayable from sale of property upon vacating (by latest occupant) i.e. death or moving into residential care facility
- *Overpayments of up to 20% per annum are allowed without penalty.*

PLEASE READ THE GUIDANCE NOTES BEFORE SUBMITTING A CASE.
These are available under the Supporting Documentation section of our website.

Specific Product Criteria

N.B. The POA product requires a Power Of Attorney to be in place for contact reasons.

- Affordability (Joint Applicants):**
For joint applications, affordability must be proven against each applicant individually (to ensure the loan remains affordable in the event of death of the other applicant)
- Couples living together** in the property (whatever relationship) must both be named on the mortgage and the Title
- Independent legal advice** is required before entering into the mortgage contract
- Adult Occupiers** are acceptable provided they have the capability to execute a consent form waiving their rights to the property (excluding employed carers).
- Please note **Retirement Properties** (with restricted occupancy clauses) are not within policy.
- Mortgage Exit Fee – Retirement Interest Only Mortgage Product.**
You will have to pay this if:
 - Your mortgage is repaid in full,
 - You transfer the mortgage to another lender, or
 - Transfer borrowing from one property to another

OWNER OCCUPIED/RESIDENTIAL MORTGAGE – FIXED RATE

Fixed rate mortgages for purchase or re-mortgage.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.57% (fixed)	Fixed to 31.08.2024	4.64% (SVR-1.00%)	£999		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase (including First Time Buyers) & Remortgage	Yes	3.00%* for five years The ERC term is from completion	3.1%	0.35%	DR0672

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.57% (fixed)	Fixed to 31.08.2021	4.64% (SVR-1.00%)	£999		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase (including First Time Buyers) & Remortgage	Yes	2.00%* for two years The ERC term is from completion	3.9%	0.35%	DR0673

Product Criteria

- Free Valuation Fees
- Minimum age 21
- Interest only or repayment
- Interest only to 70% max LTV and subject to an acceptable repayment strategy
- Minimum loan size £30,000
- Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV. Loans over this are priced on a bespoke basis and have restricted LTV's

* Overpayments of up to 10% per annum are allowed without penalty

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

OWNER OCCUPIED/RESIDENTIAL MORTGAGE – 2 YEAR DISCOUNT

A 2-year discount mortgage for purchase or re-mortgage.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
1.74% (SVR -3.9%)	2 Years	4.64% (SVR-1.00%)	None		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase (including First Time Buyers) & Remortgage	Yes	1.00%* for two years	3.6%	0.35%	DR0678

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.74% (SVR -2.9%)	2 Years	4.64% (SVR-1.00%)	None		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase (including First Time Buyers) & Remortgage	Yes	1.00%* for two years	4.0%	0.35%	DR0679

Product Criteria

- Free Valuation Fees
- Minimum age 21
- Interest only or repayment
- Interest only to 70% max LTV and subject to an acceptable repayment strategy
- Minimum loan size £30,000
- Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV. Loans over this are priced on a bespoke basis and have restricted LTV's

* Overpayments of up to 10% per annum are allowed without penalty

For 80% LTV the interest rate charged will not fall below 1.74% (the minimum interest rate) at any point during the mortgage.

For 90% LTV the interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

OWNER OCCUPIED/RESIDENTIAL MORTGAGE – 2 YEAR DISCOUNT

A 2-year discount mortgage for purchase.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.84% (SVR -1.8%)	2 Years	4.64% (SVR-1.00%)	None		95%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase	Yes	1.00%* for two years	4.4%	0.35%	DR0680

Product Criteria

- Free Valuation Fees
- Minimum age 21
- Repayment only
- Not available to first time buyers
- Applicants cannot have other property in the background if LTV is above 90%. Minimum loan size £30,000
- Maximum loan size £500,000.
Loans over this are priced on a bespoke basis and have restricted LTV's

** Overpayments of up to 10% per annum are allowed without penalty*

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

SELF EMPLOYED MORTGAGE - FIXED RATE

For those working on a self-employed basis, this mortgage is available for applicants with only 1 year's accounts. It is also available to First Time Buyers who are self-employed.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.27% (Fixed)	Fixed to 31.07.2021	4.64% (SVR -1.00%)	£999		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	2%* for 2 years	4.5%	0.35%	DR0664

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.77% (Fixed)	Fixed to 31.07.2021	4.64% (SVR -1.00%)	£999		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	2%* for 2 years	4.6%	0.35%	DR0665

Product Criteria

- Minimum 12 months' accounts plus a projection of future earnings
 - 6 months' personal and business bank statements
 - Minimum age 21
 - Minimum term 5 years
 - Interest only or repayment
 - Interest only to 70% max LTV and subject to an acceptable repayment strategy
 - Minimum loan size £30,000
 - Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV.
- Loans over this are priced on a bespoke basis and have restricted LTV's*
- *Overpayments of up to 10% per annum are allowed without penalty.*

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

SELF EMPLOYED MORTGAGE

For those working on a self-employed basis, this mortgage is available for applicants with only 1 year's accounts. It is also available to First Time Buyers who are self-employed.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.74% (SVR-2.90%)	3 Years	4.64% (SVR -1.00%)	£499		60%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.3%	0.35%	DR0610

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.04% (SVR-2.60%)	3 Years	4.64% (SVR -1.00%)	£499		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.4%	0.35%	DR0611

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.64% (SVR-2.0%)	3 Years	4.64% (SVR -1.00%)	£499		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.5%	0.35%	DR0612

Product Criteria

- Minimum 12 months' accounts plus a projection of future earnings
- 6 months' personal and business bank statements
- Minimum age 21
- Minimum term 5 years
- Interest only or repayment
- Interest only to 70% max LTV and subject to an acceptable repayment strategy
- Minimum loan size £30,000
- Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV.

Loans over this are priced on a bespoke basis and have restricted LTV's

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

Capital Repayment incentive

- Borrowers can repay capital at any time (within the limits of your overpayment allowance if applicable) and reduce the mortgage interest rate if you move into a lower loan-to-value band, with no additional fee.
- LTV is always based on the original property value when the mortgage was taken out
- Borrowers will never be required to move up to a higher rate within the product period.

CONTRACTOR MORTGAGE - FIXED RATE

Available for individuals who are working on a contract basis, Saffron takes into account the contractor's circumstances and income structure. It is also available to First Time Buyers in contractor roles.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.17% (Fixed)	Fixed to 31.07.2021	4.64% (SVR -1.00%)	£999		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	2%* for 2 years	4.5%	0.35%	DR0666

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.67% (Fixed)	Fixed to 31.07.2021	4.64% (SVR -1.00%)	£999		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	2%* for 2 years	4.6%	0.35%	DR0667

Product Criteria

- Evidence of existing or new contract
All contracts are considered
- Income calculated as Daily Rate x 5 x 48
- Minimum Age 21
- Minimum term 5 years
- Interest only or repayment
- Interest only to 70% max LTV and subject to an acceptable repayment strategy
- Minimum loan size £30,000
- Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV.

Loans over this are priced on a bespoke basis and have restricted LTV's

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.

Income Documents Required:

- Current and previous contract
- Last 6 months' invoices
- Last 6 months' bank statements showing invoice credits
- CV outlining previous employment history

**Overpayments of up to 10% per annum are allowed without penalty.*

CONTRACTOR MORTGAGE

Available for individuals who are working on a contract basis, Saffron takes into account the contractor's circumstances and income structure. It is also available to First Time Buyers in contractor roles.

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.64% (SVR-3.00%)	3 Years	4.64% (SVR -1.00%)	£499		60%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.2%	0.35%	DR0615

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
2.94% (SVR-2.70%)	3 Years	4.64% (SVR -1.00%)	£499		80%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.3%	0.35%	DR0616

Initial Rate	Product Term	Revert Rate	Arrangement Fee		LTV
3.54% (SVR-2.1%)	3 Years	4.64% (SVR -1.00%)	£499		90%
Purpose	Portable	ERC	APRC	Procuration Fee	SBS Code
Purchase & Remortgage	Yes	None	4.5%	0.35%	DR0617

Product Criteria

- Evidence of existing or new contract
- All contracts are considered
- Income calculated as Daily Rate x 5 x 48
- Minimum Age 21
- Minimum term 5 years
- Interest only or repayment
- Interest only to 70% max LTV and subject to an acceptable repayment strategy
- Minimum loan size £30,000
- Maximum loan size £1,000,000 up to 80% LTV or £500,000 above 80% LTV. Loans over this are priced on a bespoke basis and have restricted LTV's

Income Documents Required:

- Current and previous contract
- Last 6 months' invoices
- Last 6 months' bank statements showing invoice credits
- CV outlining previous employment history

Capital Repayment Incentive

- Borrowers can repay capital at any time and reduce the mortgage interest rate if they move into a lower LTV band, with no additional fee
- LTV is always based on the original property value when the mortgage was taken out
- Borrowers will never be required to move up to a higher rate within the product period.

The interest rate charged will not fall below 2.00% (the minimum interest rate) at any point during the mortgage.