The Society will consider the following types of property:

• Any applicant with County Court Judgments totalling more than £500 during the past three years

The Society does not usually accept applications from:

Impaired Credit

Residential Status should be verified with the evidence detailed below:

Residential Status

Financial Statements/Information

Assets

Finance Agreement

Buy To Let

Existing Mortgage

Credit or Store Card

Current Bank Account

Mardall House, 9-11 Vaughan Road, Harpenden, Hertfordshire AL5 4HU

Tel: 01582 765 411  Email: brokers@harpendenbs.co.uk

Visit our website www.harpendenbs.co.uk

This document is available on our website www.harpendenbs.co.uk

This document reflects the Society’s current approach to mortgage lending. This document is available to our website www.harpendenbs.co.uk

All applications will be subject to the Society’s full standard underwriting and credit search, which may require an application being declined, despite appearing to meet the Society’s lending criteria.

Mortgage products are approved by the Financial Services Authority under the Financial Services and Markets Act 2000 (Financial Services) Regulations 2010 (version number: 201003).
The Society will consider the following types of property:

- Any applicant who has been subject to an IVA or Bankruptcy Order at any time within the last three years
- Any applicant with County Court Judgements totalling more than £500 during the past three years

Impaired Credit

Residential status should be verified with the evidence detailed below:

- Financial information should be supported with the evidence detailed below:
  - Financial Statements/Information
  - Assets
  - Finance Agreement
  - Finance or Other

Not Acceptable

- The property having no unusual features or characteristics that would require specialist knowledge
- The firm having a minimum of three regulated partners (SRA Approved Managers); and
- The property having no unusual features or characteristics that would require specialist knowledge

Application criteria

- No maximum age limit
- Minimum age 18

Additional Borrowing

- Additional borrowing is available for property improvement and investment purposes.

- Residential
- Buy to let
- Holiday let
- Corporate

- Set to Buy/Consumer R.
- Special Holiday let
- Holiday let
- Residential (Investment) Self Build

Submissions

- The Society receives submissions that are in Council of Mortgage Lenders (CML) lender handbook. Although it does not maintain a panel for residual property transactions, it is prepared to instruct a borrower’s solicitor to act on its behalf subject to:
- The firm having a minimum of three regulated partners (SRA Approved Managers); and
- The property having no unusual features or characteristics that would require specialist knowledge

- The Society will not instruct sole practitioners or firms with fewer than three principals for any transactions relating to a mortgage (purchases, re-mortgages or sales). If a borrower wishes to use a firm with fewer than three principals, the Society will instruct the Society’s solicitors to act on its behalf.

- Corporate

- The Society will instruct the Society’s solicitors to act on its behalf.

- The Society will not instruct sole practitioners or firms with fewer than three principals for any transactions

- Customers choosing to work beyond State Pensionable age will be accepted, providing the intended expected pension and/or other income will be required towards affordability with no age limit

- Our mortgage products are available for purchase, re-mortgage and capital raising

- We’re 100% mortgage intermediated.

- Welcome to Harpenden, where our open-minded approach to lending makes a big difference.

- From mortgage questions to mortgage answers, these guidelines explain our lending criteria to help you with your queries.

This document reflects the Society’s current approach to mortgage lending.

- This document is available on our website www.harpendenbs.co.uk
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Lending Criteria Guidelines

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- From mortgage questions to mortgage answers, these guidelines explain our lending criteria to help you with your queries.

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- Welcome to Harpenden, where our open-minded approach to lending makes a big difference.

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- We're 100% mortgage intermediated.
**Deposits**

- Savings from different sources
- Equity from rental or other properties.
- Capital deposit from parents
- Up to 60% equity stake
- Income and expenditure, and net worth calculations
- Written certification of the high

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**Income**

The following types of income are acceptable subject to the relevant evidence being provided:

- **Employed Applicants**
  - **Three months payslip** and P60
  - Two most recent Payslips for any bonus payments, overtime or additional income

- **Self-Employed**
  - Tax calculations (self-assessment) for the last three years, along with the last three years’ witness accounts. Accountant/Chartered Accountant confirmation if the financial arrangements are established for more than three years, in development at the Application Date

- **Contractor**
  - Up to 12 months’ financial arrangements can be considered if experienced in the profession

- **Income multiples**
  - Setting out of the expected income
  - Affordability based on five days/46 weeks

---

**Affordability**

Income multiples will be used in part of our initial assessment. Detailed income and expenditure analysis will be carried out at the full application stage. The Society will retain the right to request the following information or evidence, where appropriate:

- The income of the applicant, net of income tax and national insurance
- The applicant’s current expense base, material expenditure and basic living costs
- Affordability throughout the term of the Society’s loans base
- Future changes in income and expenditure
- Inheritance proposal analysis will be based on independent verification
- Up to two applicants can be considered for a mortgage. The highest three incomes will be assessed

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**Engagement Methods**

- Capital and interest (repayment mortgage)
- Interest only
- Part & Part 75% interest only mortgages
- Part & Part 75% interest only mortgages
- Interest Only 75%

---

**Housing Building Society**

The following lending policies apply to family and specialist mortgages.
### Deposit Requirements

- **Savings from different sources**
- **Gifts from relatives or other properties**
- **Gifted deposit from parents**
- **Income/Expenditure analysis will be based on independent information**

<table>
<thead>
<tr>
<th>Incomecategory</th>
<th>Types of income acceptable for the related evidence provided:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee</strong></td>
<td>- Wages/salary from employment, from one employer only</td>
</tr>
<tr>
<td><strong>Self-Employed/Occupied</strong></td>
<td>- Annual trade income from self-employment (One year term)</td>
</tr>
<tr>
<td><strong>Consumer Lending in Holiday Let</strong></td>
<td>- Rising rental income from the property</td>
</tr>
<tr>
<td><strong>Bridging</strong></td>
<td>- Alternative sources of income that arise from property services held as an investment</td>
</tr>
<tr>
<td><strong>Development/Premium</strong></td>
<td>- Capital gain from the sale of one's own property</td>
</tr>
</tbody>
</table>

### Income Sources

- **Fees**
  - Bank minister, solicitor, conveyancer, accountant, chartered accountant
  - Financial planner

### Lending Products

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Loan Term</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Whole of Life</strong></td>
<td>25 years</td>
<td>75% Repayment</td>
</tr>
<tr>
<td><strong>100% ISA</strong></td>
<td>25 years</td>
<td>70% Interest Only</td>
</tr>
<tr>
<td><strong>100% ISA Plus</strong></td>
<td>25 years</td>
<td>70% Part &amp; Part</td>
</tr>
<tr>
<td><strong>Pension Lump Sum</strong></td>
<td>25 years</td>
<td>70% Interest Only</td>
</tr>
</tbody>
</table>

### Trustee Information

- **Trustee**
  - Trustee must be able to provide a valid UK address

### Other Information

- **Future changes to income and expenditure**
  - Affordability throughout the term at the Society’s Stress Test Rate
  - The income of the applicant, net of income tax and national insurance
  - The applicant’s committed expenditure, basic essential expenditure and basic quality-of-living costs

### Lenders

- **Lenders**
  - Residential development appraisal to be obtained

<table>
<thead>
<tr>
<th><strong>Lenders</strong></th>
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<th><strong>Interest Rate</strong></th>
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<td>25 years</td>
<td>70% Interest Only</td>
</tr>
</tbody>
</table>

### Contact Information

- **Contact Details**
  - For more information on how to apply, please contact your BDM (BDM contact details are available on the reverse of this guide).
  - For application forms and other information, please contact your BDM.

### Affordability

- **Affordability**
  - Income multipliers will be used as part of our affordability assessment.
  - Detailed income and expenditure analysis will be carried out. The loan application will be subject to our affordability analysis.

### Income Details

- **Income**
  - The following types of income are acceptable according to the related evidence provided:
    - **Employed Applicants**
      - Three months prior and (P&I) or interest only
    - **Self-Employed**
      - The calculation of the income received for the period
    - **Income Sources**
      - annum income from income tax returns or the balance of accounts
    - **Lenders**
      - Affordability based on the Social Security basis
      - For application forms and other information, please contact your BDM.

### Trustee Information

- **Trustee**
  - Trustee must be able to provide a valid UK address

### Lenders

- **Lenders**
  - Residential development appraisal to be obtained
The following lending criteria applies to our Family and Specialist Mortgages:

**Harpenden Building Society Mortgages**

**Loans for house purchase, re-mortgage or release of equity, where the property will be occupied by the borrower**
- Minimum income £30k or net assets of £500k
- Houses in multiple occupation are not accepted
- Applicable where any applicant is already retired or is above age 75 at the start of the mortgage
- Up to four applicants considered and not all applicants have to reside in the property
- No Portfolio Landlords
- Customer to take independent financial and legal advice
- Conversion/refurbishment projects considered (houses as their primary residence)
- Maximum of three properties as their primary residence
- Holistic approach to affordability

**Repayment Methods**

- **Interest Only**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Part & Part**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Repayment**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%

**Repayment Terms**

- **Interest Only 25 years**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Repayment 25 years**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Interest Only 35 years**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Repayment 35 years**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%

**Other Lending**

- **Bridging**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%
- **Equity from residential or Savings from different sources other properties**
  - Minimum LTV - 75%
  - Maximum LTV - 75%
  - Interest Only 75%

**Minimum Loan**

- Minimum property value £250k
- Minimum mortgage proceeds £150k

**Maximum Loan**

- Maximum property value £3,500,000
- Maximum mortgage proceeds £2,000,000

**Deposit**

- Minimum deposit 20% of the property price
- Maximum deposit 75% of the property price
- Minimum deposit £150k
- Maximum deposit £2,000,000

**Income**

The following types of income are acceptable subject to the related evidence being provided:

**Deposits**

- Savings from different sources
- Earnings from residential or other properties

**Income**

- Child benefit from parents
- Up to £60k earnings statements
- Up to £40k self-employment income
- Up to £30k rental income
- Up to £10k dividends
- Up to £10k casual incomes
- Up to £6k rental income

**Legal document and bank statements for the last three months**

**Employment**

- Full time employment
- Self-employed
- Unemployed
- Pensioners
- Other income

**Maintenance**

- Partner's income
- Child benefit
- Maintenance
- Maintenance Agreement

**Income from BTLs**

- Schedule of BTL properties to be submitted showing
- Local area preferred (South East of England). For other areas please contact your BDM to discuss
- Maximum of three properties
- Maximum LTV - 75%

**BTLs**

- Minimum LTV - 75%
- Maximum LTV - 75%

**Repayments**

- Up to 3 years contract remaining
- Affordability based on five days/46 weeks

**BDM**

- Pension statement or P60 for each individual pension
- Endowment policy within 10 years of maturity
- Unit linked policy - up to 50% of the current surrender value
- With profits policy - up to 75% of the current surrender value

**Insurance**

- New Homeowner
- Tenure
- Local authority
- Registered Social Landlord
- Other

**Affordability**

- Income multiples will be used as part of our overall assessment. Detailed income and expenditure analysis will be carried out if full application is received
- When assessing affordability, the Society will take into account:
  - The income of the applicant, net of income tax and national insurance
  - The applicants contribution towards accommodation expenses and basic quality of living costs
  - Affordability throughout the term of the Society’s loans
  - Fixed charges in excess of an income
  - Insured expenditure analysis will be based on independent advice
  - Up to four applicants can be considered for a mortgage. The highest three incomes will be assessed

**Engagement Methods**

- Capital and interest (mortgage mortgage)
- Interest Only
- First Repayment at last interest Only
Any applicant who has been in serious arrears (90 days or more overdue on a mortgage or loan) during the past 2 years

Any applicant with County Court Judgments totalling more than £500 during the past three years

The Society does not usually accept applications from:

**Impaired Credit**

Residential status should be verified with the evidence detailed below:

- Financial information should be supported with the evidence detailed below:
  - Financial Statements/Information
    - Savings, Investments, ISAs/PEPs, Unit/Investment Trust/OEICs, Shares,
    - Assets
    - Two months detailed statements even if paid in full each month
    - Credit or Store Card
    - $5,000
    - Certified full Experian/Equifax report confirming 12 months payments

Tenure Acceptable

- Finance Agreement
  - Personal Loan, Car
- Tenants
  - Current Bank Account

Tenure Not Acceptable

- Finance Agreement
  - Existing Mortgage (Including Buy to Let)

- Two years
- Tenure
- Acceptable
- Not Acceptable

Additional borrowing

- Additional borrowing is available for property improvement and investment purposes.
  - Residential Owner Occupied
  - Buy to Let
  - Holiday Let
  - Corporate Let

Application criteria

- No maximum age limit

- Minimum age 18 years

- The Society will assess affordability for the whole of the mortgage term. Where the term of the mortgage is impacted by the intended retirement age of the customer, or State Pensionable age, verification of the intended retirement age and/or retirement income will be required.

- Customers choosing to work beyond the intended retirement age will be subject to the intended retirement age being based on the nature of their job.

- Any Self-employed mortgage applicant should submit an abbreviated income statement, providing a current income, subject to maximum age of 75. Mortgage, rental and investment income considered towards affordability with no age limit.

Submissions

- The Society invites submissions that are subject to the Council of Mortgage Lenders (CML) lenders’ handbook. Although it does not encourage CML guidelines to be considered in a submission, it is important to consider the principles stated in the CML handbook.

- All applications must be accompanied by a forward-looking income projection.

- Any Self-employed mortgage applicant should submit an abbreviated income statement, providing a current income, subject to maximum age of 75. Mortgage, rental and investment income considered towards affordability with no age limit.

IF your application is being processed please contact our Mortgage Processing Team: Tel: 01582 463 133  Email: applications@harpendenbs.co.uk

Mardall House, 9-11 Vaughan Road, Harpenden, Hertfordshire AL5 4HU

Tel: 01582 765 411  Email: brokers@harpendenbs.co.uk

Head Office: Tel: 01582 462 673  Email: customers@harpendenbs.co.uk

www.harpendenbs.co.uk

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From mortgage questions to mortgage answers, these guidelines explain our lending criteria to help you with your queries.

We’re 100% mortgage intermediated.

Our mortgage products are available for purchase, re-mortgage and capital raising.

There is no upper age limit placed on applicants that are looking to borrow into later life.

Products are available with no Early Repayment Charges (ERCs)

We will consider new applications for mortgage finance against unencumbered property in England and Wales only.
The Society will consider the following types of property:

**Property Type**
- Any applicant who has been subject to an IVA or Bankruptcy Order at any time within the last three years
- Any applicant who has been in serious arrears (90 days or more overdue on a mortgage or loan) during the past three years
- Any applicant with County Court Judgements totalling more than £500 during the past three years

The Society does not usually accept applications from:

**Residential Status**
- Tenants

**Financial Statements/Information**
- Savings, Investments, ISAs/PEPs, Unit/Investment Trust/OEICs, Shares
- Concrete/steel-framed houses

**Tenure Acceptable**
- All conventional types of construction – brick/tile/stone/slate

**Existing Mortgage**
- Two months detailed statements even if paid in full each month
- We require a statement for the last 12 months showing all rental payments
- Certified full Experian/Equifax report confirming 12 months payments

**Solicitors**
- The firm having a minimum of three regulated partners (SRA Approved Managers); and
- The property having no unusual features or characteristics that would require specialist knowledge
- Corporate Let

**Solicitors**
- There is no upper age limit placed on applicants that are looking to borrow into later life

**Application criteria**

**Mortgage products** are regulated by the Financial Conduct Authority except Buy To Lets (excluding CBTL) and development to sell/let.

This document is available on our website www.harpendenbs.co.uk

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**Joan Emerton**
**Business Development Manager** • 01582 315916

**Graeme [redacted]**
**Business Development Manager** • 01582 315924

**Andrew Foster**
**Business Development Administrator** • 01582 682 152

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**Graeme**
Industry Experience: Graeme's extensive knowledge of the mortgage market comes from over 30 years of working in financial services. What they say about Graeme: Graeme translates complex mortgages into a language that’s clear to both the broker and their customers.

**Jean [redacted]**
Industry Experience: Jean has worked in the mortgage industry as a supporting broker - lender relations and compliance until the anticipated retirement age of 75. What they say about Jean: Jean is a fully qualified to level 4. She is also an experienced underwriter, qualified to level 4.

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**Application process**

If your application is being processed please contact our Mortgage Processing Team:
Head Office: Mardall House, 9-11 Vaughan Road, Harpenden, Hertfordshire AL5 4HU
E-mail: applications@harpendenbs.co.uk • Direct Line: 01582 463 133 • Fax number: 01582 462 673

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