

For use by authorised intermediaries only



**MORTGAGE
SOLUTIONS FOR
POLICE OFFICERS**



ABOUT US

We have partnered with Tenet Mortgage Solutions to provide a range of exclusive discount mortgage products, which offer lending solutions to long-serving, senior and retired police officers.

We aim to assist TMS in **servicing** the needs of its **customers**, particularly for those whose circumstances are complex or do not fit the standard high street lenders and algorithms.

We provide individually underwritten mortgages. That way we get to completely understand the needs of the customer and we are experienced in dealing with complex mortgage applications.

Our pragmatic and sensible approach ensures mortgage applications are individually assessed using common-sense.



Best Local Building Society

WHY CHOOSE US?



We take an individual approach to your application

- No use of over-mechanical, tick-box credit scoring
- An individually-assessed, common-sense approach using good judgment and sound lending practice
- Repayment, Interest-only or a combination of both



We take a flexible view on the merits of your case

- No upper age restriction
- Up to 4 borrowers per application
- No LTI cap - affordability is key



We have clear, fair and transparent charges

- We will ensure all charges and costs associated with the mortgage are clear at the outset
- No other hidden charges



We look at many types of income when assessing affordability (please refer to BDMs regarding furlough income)

- Self-employed income
(minimum 1 years full financial history - see page 9 for full requirements)
- Pension, drawings, dividends, rental income, investment income, trust income and maintenance

OUR SOLUTIONS FOR LONG SERVING, SENIOR OR RETIRED POLICE OFFICERS

In this specially designed product range:

- ✓ We offer mortgages split across two term lengths.
- ✓ We allow interest-only with a minimum remaining equity on completion of £150k up to 75% LTV*, including on a sale and downsize basis
- ✓ We can discount any voluntary pension contributions above the minimum amount from our affordability assessment
- ✓ We have no maximum age limit and allow a term up to 35 years.

For those already retired from the police force but still working:

- ✓ We consider newly self-employed applicants in related industry, who can evidence 1 years' full self-employed track record and provide a projection for the following year (our standard requirement is for 3 years self-employed financial history - less will be considered on a case-by-case basis)
- ✓ We accept employed or self-employed income up to age 75
- ✓ And we accept income from multiple sources in addition to earned income including pension, investment and rental.



OUR EXCLUSIVE TMS PRODUCTS FOR POLICE OFFICERS

Available where one or more applicants are serving Police Officers, or are retired from the Police Force and in receipt of a police workplace pension.

	2 Year Discount		3 Year Discount	
Initial Rate	2.09%	2.59%	2.09%	2.59%
Followed by Standard Variable rate	4.19%	4.19%	4.19%	4.19%
ERCs	2%	None	2%	None
Repayment types	Repayment, Interest-Only, Part & Part			
Available for	Purchase, Re-Mortgage, Release of Equity			
Min/Max Mortgage	£75,000 - £1,000,000			
Maximum term	35 years			
Max LTV Repayment	80%*			
Max LTV Interest Only	75%**			
Arrangement Fee	£999			
Application Fee	£100			
Valuation Fees	Free up to £500 (as per standard fee scale)			
Estimated Legal Fees	£360			
Redemption Fees	£125			
Procuration Fee	0.4%			

*Maximum of 75% when lending into retirement – 70% when lending in retirement

**Maximum of 70% when lending in or into retirement

OUR LENDING CRITERIA GUIDELINES

Financial Statements/Information

Financial information should be supported with the evidence detailed below:

Current Bank Account	<ul style="list-style-type: none"> • Three months most recent personal bank statements for all active current accounts
Credit or Store Card	<ul style="list-style-type: none"> • Full Experian/Equifax report confirming 12 months payments (preferred) OR <ul style="list-style-type: none"> • Two months detailed statements even if paid in full each month
Personal Loan, Car Finance or Other Finance Agreement	<ul style="list-style-type: none"> • Full Experian/Equifax report confirming 12 months payments OR <ul style="list-style-type: none"> • Latest annual statement confirming 12 months repayment history and current balance
Assets	<ul style="list-style-type: none"> • Savings, Investments, ISAs/PEPs, Unit / Investment Trust/OEICs, Shares, Pension Funds, Business Assets - recent statement or valuation

Residential Status

Residential status should be verified with the evidence detailed below:

Tenants	<ul style="list-style-type: none"> • We require a statement for the last 12 months showing all rental payments
Existing Mortgage (Residential and Buy To Let)	<ul style="list-style-type: none"> • Full Experian/Equifax report confirming 12 months payments • Where the mortgage has been redeemed in the last three years, please provide a redemption statement or detailed annual statement OR <ul style="list-style-type: none"> • Most recent annual mortgage statement confirming 12 months repayment history and current balance

Impaired Credit

The Society does not usually accept applications from:

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

Property Type

The Society will consider the following types of property:

Tenants	<ul style="list-style-type: none"> • All conventional types of construction – brick/tile/stone/slate • Flats – converted or purpose built
Not Acceptable	<ul style="list-style-type: none"> • Properties where high-alumina cement has been used in the construction • Pre-cast, reinforced concrete houses designated as defective under Housing Act 1985 • Freehold, Studio or Bedsit flats • Multiple occupancy property • Property affected by subsidence • Houseboats • Any properties that the Society's valuer does not consider suitable as security
Tenure Acceptable	<ul style="list-style-type: none"> • Freehold • Leasehold (must have at least 40 years remaining at the end of the mortgage term) • Share of freehold



INTEREST ONLY REPAYMENT STRATEGY

The following Interest Only strategies can be considered

Sale of Owner-Occupied Property	<ul style="list-style-type: none"> • Minimum Property Value - £250k • Minimum Equity - £150k • Maximum LTV - 75%
Sale of HBS Security Property (Let/2nd Home)	<ul style="list-style-type: none"> • Minimum Equity - £75k • Maximum LTV - 75% • Only acceptable where security property is BTL or Second/Holiday Home
Sale of Additional Property (Non-HBS Security)	<ul style="list-style-type: none"> • Maximum LTV - 75% • Minimum Equity on HBS Security - £150k • Current equity in additional property sufficient to repay HBS mortgage • LTV on additional property is under 50% and equity exceeds £150k • Property is in an area with a track record of strong demand/property values
Development/ Upgrade and Sell	<ul style="list-style-type: none"> • Maximum LTV - 65% (75% for qualifying Self-Builds) • Minimum Equity - £150k
Overpayments from Income & Bonuses	<ul style="list-style-type: none"> • Maximum LTV - 75% • Minimum Equity - £150k
Investment	<ul style="list-style-type: none"> • Maximum of 70% of current value if a lump sum invested in equities • 100% of current value if savings in cash ISA or bank/building society savings account • Maximum 70% of projected end value if regular investments/savings for at least the last 12 months
Inheritance	<ul style="list-style-type: none"> • Probate already granted • Maximum LTV - 75% • Minimum Equity - £150k
Re-Mortgage to Another Lender	<ul style="list-style-type: none"> • Minimum Property Value - £250k • Minimum Equity - £150k • Maximum LTV - 75% • Maximum term three years following development, upgrade or conversion
Convert to Repayment	<ul style="list-style-type: none"> • Minimum Property Value - £250k • Minimum Equity - £150k • Maximum LTV - 75% • Maximum term three years following development, upgrade or conversion
Endowment	<ul style="list-style-type: none"> • With profits policy - up to 75% of the current surrender value • Unit linked policy - up to 50% of the current surrender value • Endowment policy within 10 years of maturity • Assignment of policy
Pension Lump Sum	<ul style="list-style-type: none"> • Minimum age 55 years • Pension fund minimum value - £500k • Maximum loan 75% of the allowable lump sum

Repayment Methods

- Capital and Interest (Repayment mortgage)
- Interest Only
- Part Repayment & Part Interest Only

INCOME

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

Employed Applicants	<ul style="list-style-type: none"> • Three months payslips and P60 • Two most recent P60s for any bonus payments, overtime or other allowances
Self-Employed	<ul style="list-style-type: none"> • Tax Calculations and Tax Year Overview for the three most recent years, along with three most recent years' accounts. Business Plan/detailed explanation if the business has not been established for three years, is developing or the results fluctuate. (Evidence of minimum 1 full years self-employed business track record required).
Contractor	<ul style="list-style-type: none"> • 12 months contracting is usually required but less can be considered if experienced in this profession. • Minimum three months contract remaining • Affordability based on five days/46 weeks
Lending into Retirement	<ul style="list-style-type: none"> • Recent pension projections
Retired	<ul style="list-style-type: none"> • Pension statement or P60 for each individual pension
Maintenance	<ul style="list-style-type: none"> • A copy of the signed Court Order or • Six months bank statements demonstrating the income, along with a letter confirming the informal arrangement by the person paying the maintenance
Investment and Savings Income	<ul style="list-style-type: none"> • Three most recent Tax Calculations and Tax Overviews from HMRC • Savings and/or investment statements over the last 12 months and bank statements for the last three months
Rental Income	<ul style="list-style-type: none"> • Three most recent Tax Calculations and Tax Overviews from HMRC • Assured Shorthold Tenancy agreement
Future Let	<ul style="list-style-type: none"> • We require confirmation from the Society's Valuer regarding anticipated rental income (for proposed Security property) • An appraisal letter from a local letting agent
Trust Income	<ul style="list-style-type: none"> • Legal document and bank statements for the last three months

AFFORDABILITY

Income multiples will be used as part of our initial assessment. Detailed income and expenditure analysis will be carried out once the full application is received.

When assessing affordability, as a guide, the Society will take account of:

- 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
 - Affordability throughout the term at the Society's Stress Test Rate
 - Future changes to income and expenditure
 - Income/expenditure analysis will be based on independent information
 - Up to four applicants can be considered for a mortgage.
- All four incomes will be assessed. (please refer regarding furlough income).

MORTGAGE AFFORDABILITY CALCULATOR

Our Mortgage Affordability Calculator is designed to provide you with an estimate of how much money may be borrowed, upon completing the necessary details.

Here are a few useful tips:

- Make sure you print a copy for your records
- There are stages within the income/expenditure section where the figures required are annual and monthly – so be careful when inputting the figures
- There are Tool Tips added in some sections

Please note that this calculator's purpose is to act as a guide only. You can save and print your completed estimate and contact our Business Development team to discuss your requirements in more detail. You can find our affordability calculator in the intermediaries section of our website.

We do have some planned enhancements occurring, however, please do share with us any suggestions which would help to improve your experience. Please speak to our BDMs.



The screenshot shows the Harpenden Building Society Affordability Calculator form. The form is titled "Affordability Calculator" and is divided into several sections: "About the Loan", "About the Property", and "About the Property Expenditure". The "About the Loan" section includes fields for "Type" (Purchase), "Purchase Price / Property Value", "Method" (Capital & Interest), "Capital & Interest", "Interest Only", "Deposit / Equity" (£ 5), "Term (Years)", "Number of Applicants", "Property Type" (Freehold), and "Location" (England). The "About the Property Expenditure" section includes a field for "Annual property expenditure". The Harpenden Building Society logo and "for intermediaries" tagline are visible at the top left. A link "Go to Intermediaries Mortgage Products and Lending Criteria" is at the top right.

ONLINE APPLICATIONS - BROKER ONLINE

You can submit a full mortgage application and any supporting documents by using our Broker Online Application portal.

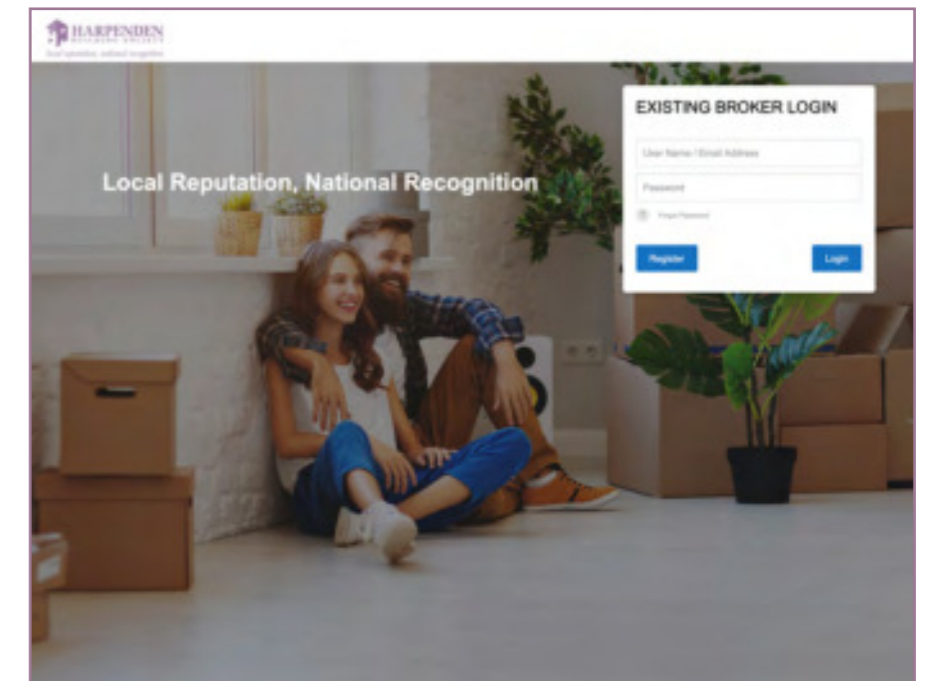
By using Broker Online you can;

- Register as an intermediary
- Complete and submit a full mortgage application and supporting documents
- Provide any additional documents or information requested by our mortgage team once your application has been initially assessed

Please ensure you have referred your case to our Business Development team and have received an Agreement in Principle before submitting a full application – you can contact our BDMs at brokerteam@harpendenbs.co.uk

Please note our Online Application portal is for new mortgage applications only - If you have a client who is looking to increase the amount of their existing mortgage with us (and is not changing property), please complete the Additional Borrowing form from the intermediaries section of our website and email to brokerteam@harpendenbs.co.uk

When submitting an application for a case agreed on a split term structure, please complete the online form by inputting the total borrowing over the longer-term length – Our team will ascertain from the existing Agreement in Principle that a split term is to be applied and update our system accordingly.



The screenshot shows the Harpenden Building Society Existing Broker Login form. The form is titled "EXISTING BROKER LOGIN" and includes fields for "User Name / Email Address", "Password", and "Repeat Password". There are "Register" and "Login" buttons. The background image shows a couple sitting on the floor in a room with boxes, suggesting a new home. The Harpenden Building Society logo and tagline "Local Reputation, National Recognition" are visible at the top left.



OUR BUSINESS DEVELOPMENT TEAM



Jean Errington

Business Development Manager

07483 310314

jerrington@harpendenbs.co.uk



Graeme Aitken

Business Development Manager

07483 310334

gaitken@harpendenbs.co.uk



Jacqueline Turner

Business Development Manager

07767 114982

jturner@harpendenbs.co.uk



Craig Middleton

Mortgage Sales Manager

cmiddleton@harpendenbs.co.uk

YOUR MORTGAGE WILL BE SECURED ON YOUR PROPERTY AND YOUR HOME MAY BE REPOSSESSED
IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and
Prudential Regulation Authority. Firm reference number: 157260.

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harpendenbs.co.uk/Tenet
