

# Buy to let criteria guide

30 April 2024



**Aldermore**

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Cases will only be passed for underwriter review once our office based BDM team are confident everything is supplied to our minimum standards. This helps us to make quicker lending decisions and improve our app to offer time.

You'll find a list of our packaging minimum standards [here](#)

## Contact us

Key contact information

[Click here](#)

## Buy to let mortgage guide

Read the full guide

## Our calculators

Want to know if your client could get a mortgage with us?

### Did you know?

If you want to find something quickly in this guide, just hit **CTRL** and **F**, add the keyword you're searching for and you'll see a list of the options.

LOAN			
Purpose	Purchase or remortgage of residential investment property		
Applicant type	Individual (including sole traders) or Corporate body (Limited Companies, Partnerships and Limited Liability Partnerships)		
Property type	• Single residential investment properties	• Up to 6 flats in a block per customer	
	• Houses of multiple occupation, up to 6 bedrooms	• Multi unit freehold, up to 6 units	
Minimum loan	£25,000		
Repayment type	• Capital and interest only repayments		
	• Interest only		
Minimum term	6 years		
Maximum term	40 years		
LTV & Loan Amount - Standard	Maximum LTV (%)		Maximum Loan Amount (£)
	75%		£1,000,000
LTV & Loan Amount - Other Limits			Maximum LTV (%)
			Maximum Loan Amount (£)
	First time landlord	75%	£500,000
	Multi-Unit Freehold - up to 6 units	75%	£1,000,000
	Let to Buy (Experienced Landlord)	75%	£1,000,000
	HMO – up to 6 bedrooms	75%	£1,000,000
	Residential investment portfolio (i.e. single loan application on multiple properties)	75%	£5,000,000
	New build flats - <a href="#">see property section</a>		
Up to 6 flats in a block ( <a href="#">subject to exposure limits</a> )			
Standard purchase / remortgage ( <a href="#">see page 4</a> )			

Where the total Aldermore lending exceeds £5m, the maximum lending on any new borrowing will be considered on a case-by-case basis. Please get in touch with your Relationship Manager to discuss your borrowing requirements.

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## LOAN

<b>Purchase</b>	Property must have previously been owned by the seller for a minimum of 6 months
<b>Remortgage</b>	<p>Remortgage considered up to 75% LTV if the property has been owned for at least 6 months or if it was purchased over 1 month using bridging or purchased for cash:</p> <ul style="list-style-type: none"> <li>• <b>Bridging</b> – the maximum loan is the amount required to redeem the existing facility plus any documented improvement cost</li> <li>• <b>Cash transaction</b> - maximum loan is based on the lower of (i) evidenced purchase price plus any documented improvement costs or (ii) market value</li> </ul> <p>Remortgage with additional borrowing <b>not considered</b> when for:</p> <ul style="list-style-type: none"> <li>• Payment of overdue income/corporation tax; or</li> <li>• Repayment of debts that haven't been satisfactorily maintained; or</li> <li>• Capital raising to support an ailing business</li> </ul>
<b>Inherited property owned for less than 6 months</b>	<ul style="list-style-type: none"> <li>• Capital raise to pay off existing mortgage - maximum loan is the amount required to redeem any existing mortgage plus any documented essential improvement costs</li> <li>• Capital raise to pay off other beneficiaries - maximum loan is based on the evidenced equity share due</li> </ul> <p>For all other applications the property must have been owned for at least 6 months</p>
<b>Let to Buy</b>	Let to buy refinance of current residential home to a buy to let product acceptable. Any additional borrowing must relate to the purchase of a new residence.
<b>Consumer buy to let</b>	Acceptable - maximum 75% LTV

## Deposit

<b>Applicant's own funds</b>	Evidence required - If from equity being raised on other property a copy of ESIS is required
<b>Gifted deposit</b>	<p>Full or part deposit as a non-repayable gift from a spouse, parent, child, grandparent, brother, sister, uncle/aunt, foster parent or legal guardian and includes step relatives</p> <p>We do not accept gifted equity</p>
<b>Builder gifted deposit</b>	The total value of all financial incentives, including deposit gifted by the builder, can't exceed 5% of the purchase price.
<b>Builder part exchange</b>	Equity from the sale of existing property to a builder
<b>House builder incentives</b>	<p>Monetary sales incentives, such as builder gifted deposit, payment of legal costs and stamp duty are acceptable if the total value of these financial incentives don't exceed 5% of the purchase price</p> <p>Non-monetary sales incentives, such as white goods, electrical equipment, flooring and curtains/blinds and the upgrade of kitchen/bathroom are acceptable.</p>

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**LOAN**

The number of properties owned by applicant(s) on completion with Aldermore

Exposure limits - when lending on multiple properties in the same block, street, or full postcode

**Separate applications on individual standard buy to let properties**

Maximum % of properties in block, street or full postcode that we will lend on	Number of properties	Max Total LTV on individual applications (based on market value)
50%	2 - 5	75%
	6 - 10	65%
	11 - 15	60%
	16 and over	55%

**Single applications on multiple properties\***

Maximum % of properties in block, street or full postcode that we will lend on	Number of properties	Max Total LTV (based on market value)	Max LTV (based on single investment value)
Up to 50%	2 - 5	75%	N/A
	6 - 10	65%	70%
	11 - 16	60%	65%
	16 and over	55%	60%
Up to 100%	2 - 5	75%	N/A
	6 - 10	65%	70%
	11 - 16	60%	65%
	16 and over	50%	55%

\* When lending on multiple properties of 6+, the maximum lending will be based on the lower of market value or single investment value

APPLICANTS				
Maximum number of applicants and properties	Portal	Applicants	Applicant type	Property type
	Residential	Up to 2 individuals	Individuals	Single residential investment properties
	Specialist buy to let	Up to 6 individuals	Sole Traders General Partnerships* Limited Liability Partnerships (LLP)* Limited Companies (Ltd)*	Single residential investment properties Up to 6 flats in a block Houses in multiple occupation, up to 6 bedrooms Multi unit freehold, up to 6 units
	Applications from corporate entities must include <b>all</b> : Directors, Members (in the cases of LLP), Partners (in the cases of Partnerships); and Individuals with a shareholding of 25% or more All directors, members, partners, and ultimate beneficial owners must be UK based			
	*Registered and/or based in the United Kingdom, the Isle of Man or the Channel Islands			
Min age at application	21 years (for existing landlords) and 25 years for first time landlords			
Max age at application	85 years (at end of mortgage term) for individual landlords For Limited Companies, Limited Liability Partnerships and established professional partnerships at least one of the directors/partners must meet the minimum age requirements and there should be clear evidence of appropriate experience for the principal's capability of running the business as a going concern			
Residency status	<ul style="list-style-type: none"> <li>• All applicants must have been resident in the UK for the last 2 years; <b>and</b></li> <li>• All EU and EEA nationals must have either settled or pre-settled status or in receipt of a biometric residency permit.</li> <li>• All <b>other</b> non-UK/Republic of Ireland nationals acceptable if they have indefinite leave to enter/remain or rights of abode or biometric residency permit under the 'No Time Limit Application'</li> <li>• UK nationals and Republic of Ireland nationals, no additional requirements.</li> <li>• Applicants with diplomatic immunity and UK nationals who are not resident in the UK (i.e. expatriate) are unacceptable</li> <li>• For corporate applications, all directors, members, partners, and ultimate beneficial owners must be UK based</li> </ul>			
Power of Attorney	Not accepted			
Lending into retirement	Additional affordability assessment if the term takes the applicant beyond their planned retirement age or age 70, and personal income is used			
Personal guarantees	For applications from limited companies, personal guarantees from UK based shareholders/directors, who have a shareholding of 25% or more are required			
First time landlords				
Max loan	£500,000			
Max LTV	75%			
Min age	25			
Min income	£25,000			
Residency requirement	Must have been an owner occupier for 12 months			
Property type	Single dwelling residential security only			
Additional requirements	<ul style="list-style-type: none"> <li>• Where both applicants are first time landlords, one of the applicants must meet the key criteria</li> <li>• A minimum of 6 months is required following a completed application for a first time landlord before a subsequent application can be submitted</li> <li>• For multi unit freeholds, at least one applicant must have been a landlord for 6 months</li> <li>• For HMO's at least one applicant must have been a landlord for 1 year</li> </ul>			

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INCOME AND AFFORDABILITY						
<b>Personal Income</b>	Evidence of personal income is not routinely requested if the rental income alone is sufficient to meet the higher income cover ratio (ICR) based on the high rate tax thresholds. (Excluding first time landlords).					
<b>Affordability</b>	Aldermore uses an affordability calculation to assess the maximum available loan using the income and expenditure for the applicant(s). <b>Please refer to our online affordability calculator</b>					
<b>General requirements</b>	Minimum Interest Cover Ratio (ICR) affordability is based on: (i) Gross rental income; or (ii) Gross rental income to the lower cover limits, plus surplus personal income to top up to the higher limits					
<b>Minimum income</b>	£25,000 for first time landlords None for experienced landlords, although they are required to demonstrate they have sufficient income to cover their existing expenditure					
<b>Single residential investment property - including multi unit freehold</b>	<b>Applicant type</b>	<b>Minimum ICR</b>	<b>Use of surplus personal income</b>		<b>stress rates</b>	
					<b>subject property(s)</b>	<b>background portfolio</b>
	<b>Individual</b> - higher or additional rate tax payer	145%	Minimum ICR using surplus personal income to meet shortfall is:	120%	Fixed rate products less than 5 years and discounted rate products - Higher of (i) pay rate + 2% or (ii) 5.5%	5+ year fixed rate products - Higher of (i) pay rate or (ii) 4.0%
<b>Company or individual</b> - basic rate tax payer*	125%	110%				
<b>Houses in multiple occupation (HMO)</b>	<b>Applicant type</b>	<b>Minimum ICR</b>	<b>Use of surplus personal income</b>			
	<b>Individual</b> - higher or additional rate tax payer	160%	Minimum ICR using surplus personal income to meet shortfall is:	135%		
	<b>Company or individual</b> - basic rate tax payer*	140%		125%		
	* To be accepted as a basic rate tax payer the applicant's total income (including all gross earned income, total gross monthly rental income, dividends and investment income) must not exceed £50,270 (£43,662 in Scotland)					
<b>Loans on capital repayment</b>	Must meet interest only ICR requirements as well as the rental income alone being at least 100% of the stressed mortgage payment					

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## INCOME AND AFFORDABILITY

### Employed applicants

<b>Requirements</b>	<ul style="list-style-type: none"> <li>The position must be permanent</li> <li>Must be in the same line of work for at least three months prior to application</li> </ul>
<b>Evidence of income</b>	<ul style="list-style-type: none"> <li>Latest 3 month's payslip prior to application (the year to date figure must cover 3 months); and</li> <li>Latest P60 or March payslip if not available; and</li> </ul> <p>Hand-written documents will not be acceptable and bank statements may be requested in support of poor quality references or payslips.</p>

### Self employed applicants

<b>Minimum Trading period</b>	Accounting information for at least 2 years is normally required (can consider less than 2 years)
<b>Classification</b>	<p>Self-employed applicants may be classified into one of four categories:</p> <ol style="list-style-type: none"> <li>Sole traders</li> <li>General Partnership</li> <li>Director - private limited company (if 25% or greater shareholding)</li> <li>Director - public limited company (if 25% or greater shareholding)</li> </ol> <ul style="list-style-type: none"> <li>An applicant who is employed on a subcontractor basis will be classed as a sole trader</li> <li>If the applicant's shareholding of a limited company is less than 25% they will normally be classified as being an employee of the company</li> <li>Where joint applicants are directors of the same private limited company and their joint shareholding is greater than 25% of the company they will be treated as self-employed</li> </ul>
<b>Evidence of income</b>	<p>Last 2 years Tax Calculations and corresponding HMRC Tax Year Overview documents.</p> <p>If surplus personal income is required to meet affordability requirements, applicants with 1 year's accounts are acceptable if they can:</p> <ul style="list-style-type: none"> <li>Evidence previous employment in the same line of work; or</li> <li>Demonstrate guaranteed income for the next accounting period; or</li> <li>Provide previous accounts/business valuation where the business is an ongoing concern; or</li> <li>Provide management accounts for the first 6 months of the current year showing turnover is sustainable</li> <li>Latest personal bank statement or statement showing rent payment for the subject property (if remortgage)</li> </ul> <p>Where 1 year's accounting information is used the following will be required in addition to the tax calculation and tax year overview:</p> <ul style="list-style-type: none"> <li>If appropriate, VAT returns for the two previous quarters</li> <li>Personal and business bank statements for the previous 3 months</li> </ul>

### Contract employment

<b>Requirements</b>	<ul style="list-style-type: none"> <li>Current contract must be for at least 6 months</li> <li>Applicants must have been working in the same line of work for a minimum of 12 months</li> <li>If at application the contract has run for more than 50% of the total duration, we require confirmation that the contract will be renewed</li> <li>If the current contract is the applicant's first contract and there's less than 6 months to run, the applicant must have been employed for 24 months in the same line of work</li> </ul>
<b>Evidence of income</b>	<ul style="list-style-type: none"> <li>Certified copies of the current contract is required</li> <li>If the applicant is directly employed on a fixed term contract by a local authority or other government department / agency (e.g. NHS) or through an umbrella company, which is responsible for the deduction of tax and national insurance, income can be verified and assessed on an employed basis</li> <li>Where the applicant has switched from a contractor status to a permanent employee with the same client company/employer, the income can also be verified and assessed on an employee basis</li> <li>Otherwise, income must be assessed on a self employed basis</li> </ul>

### Professional sportspeople

<b>Requirements</b>	If employed on a contract applicants must have competed professionally for 24 months and the current contract must have at least 12 months left Additional income earned from endorsements is allowed
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## INCOME AND AFFORDABILITY

### Income we accept at 100%

<b>From employment</b>	<ul style="list-style-type: none"> <li>Basic salary (also for second jobs)</li> <li>London or large city/town allowance</li> <li>Shift allowance</li> <li>Overtime</li> </ul>	<ul style="list-style-type: none"> <li>Bank nursing (an average of the last 3 months will be used)</li> <li>Car allowance</li> <li>Housing allowance (paid by the employer only)</li> <li>Mortgage subsidy</li> </ul>
<b>From self employment</b>	<ul style="list-style-type: none"> <li>Sole Trader: net profit</li> <li>Partner: share of net profit</li> <li>Limited Company Director: salary and dividends</li> <li>Salary + dividends</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>Salary + share of net profits (see exclusions)</li> </ul>	<p>Exclusions: For Limited Company Directors where salary + share of net profits are applicable this is subject to the following exclusions:</p> <ul style="list-style-type: none"> <li>Where the business has recorded a net loss during the current or previous trading year</li> <li>Where the business has carried forward losses from previous trading years</li> <li>Where the nature of the business requires the profits to be retained to enable on-going trading</li> </ul>
<b>Benefit Income</b>	<ul style="list-style-type: none"> <li>Universal credit</li> <li>Working Tax Credits (WTC)</li> </ul>	<ul style="list-style-type: none"> <li>Child Tax Credits (CTC)</li> <li>Disability Living Allowance (DLA)</li> </ul>
<b>Other income</b>	<ul style="list-style-type: none"> <li>Income from trust funds</li> <li>Occupational pension income</li> <li>Guaranteed income under the Armed Forces Compensation Scheme</li> <li>War widows or widowers' pension</li> </ul>	<ul style="list-style-type: none"> <li>War disablement pension</li> <li>State pension (not acceptable as the only source of income)</li> <li>Investment income</li> <li>Rental income, adjusted to reflect the estimated impact of future tax liability</li> </ul> <p>*Note: rental income cannot be used as surplus personal income for top slicing and/or for the portfolio resilience calculation.</p>

### Income we accept at 75%

<b>From employment</b>	<ul style="list-style-type: none"> <li>Bonus</li> <li>Commission</li> </ul>
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### Income we accept at 50%

<b>From employment</b>	<ul style="list-style-type: none"> <li>Profit Related Pay</li> </ul>	
<b>Benefit income</b>	<ul style="list-style-type: none"> <li>Contribution-based Employment &amp; Support Allowance - if in the 'Support Group'</li> <li>Severe Disability Allowance</li> <li>Carer's Allowance</li> <li>Income-related Employment &amp; Support Allowance (ESA)</li> </ul>	<ul style="list-style-type: none"> <li>Incapacity Benefit</li> <li>Industrial Injuries Disablement Benefit (IIDB)</li> <li>Personal Independence Payment (PIP)</li> <li>Constant Attendance Allowance</li> </ul>
<b>Other income</b>	<ul style="list-style-type: none"> <li>Maintenance payments (supported by the latest 3 months bank statements. A copy of the Court order/ CMS may be requested upon review)</li> <li>Foster Care Income (if supported by a track record of payment for at least 2 years prior to application, evidenced by Tax Calculations)</li> </ul>	
<b>Foreign currency income</b>	Income received in a foreign currency is not acceptable	

**Accountants qualifications** Aldermore will only accept accounts or accountant's certificates from practitioners with accredited qualifications

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## INCOME AND AFFORDABILITY

### Portfolio landlords - 4 or more mortgaged buy to let properties in total

#### Documentation required

Up to 10 mortgaged buy to let properties with Aldermore

- [Portfolio schedule](#)

- [Business plan](#)

11 or more mortgaged buy to let properties with Aldermore

- [Portfolio schedule](#)

- [Business plan](#)

- [Cashflow statements for 12 month period](#)

- [Statement of assets and liabilities](#)

## CREDIT STATUS - acceptable adverse credit

	This refers to the maximum acceptable credit status within the stated term:
<b>Mortgage or secured loan arrears - worst status</b>	0 in the last 3 months 1 in the last 12 months 2 in the last 24 months
<b>Unsecured loan arrears - worst status</b>	0 in last 3 months 2 in last 24 months
<b>County Court Judgements (CCJ) / Sheriff Court Decrees</b>	0 recorded in last 36 months 0 recorded over 36 months where still active in last 36 months above total combined value of £500 No specified limit if (1) recorded over 36 months and (2) satisfied or if still active, the combined value not satisfied is no more than £500
<b>Defaults</b>	0 in the last 12 months Max 1 in last 13-36 months up to £500 and settled
<b>Communication defaults</b>	All communication defaults are ignored
<b>Payday loans</b>	0 in the last 6 months
<b>Individual or Corporate Voluntary Arrangement / Trust Deed / Debt Relief Order</b>	0 in the last 36 months
<b>Bankruptcy / Sequestration</b>	0 in the last 6 years
<b>Repossessions</b>	Forced or voluntarily repossessions are unacceptable
<b>Corporate Gazette History</b>	No directorships with the following active in the last 3 years; <ul style="list-style-type: none"> <li>• Creditors Voluntary or Compulsory Liquidation</li> <li>• Administration Orders</li> <li>• Winding Up Orders</li> <li>• Receiverships</li> </ul>
<b>Debt Management Plan</b>	Considered when satisfactory maintained for the last 12 months

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PROPERTY	
<b>Use</b>	Residential buy to let purposes only The customer and /or a family member cannot live or intend to live in the property at any time
<b>Location</b>	The security must be in England (including the Isle of Wight), Wales (including Anglesey) or mainland Scotland only
<b>Minimum property value</b>	Single residential unit £60,000 Minimum £75,000 for HMOs and multi units Refer to ex-public sector section for additional information
<b>Tenure</b>	Freehold (heritable title in Scotland) or leasehold (with 85 years unexpired at completion and 45 years at end of mortgage term).
<b>Core criteria</b>	The property must have dual demand for both owner occupier and investor markets The property must have a minimum habitable floor area of 30 sqm A property must meet the minimum criteria of being habitable, readily saleable, structurally sound and mortgageable
<b>Building insurance</b>	The property must have buildings insurance cover and this cover must be maintained at all times
<b>Rental assessment</b>	Based on an unfurnished single family dwelling except for HMO's and multi unit freeholds Minimum ICR affordability is based on either: (i) Gross rental income to the higher limits; or (ii) Gross rental income to the lower cover limits, plus surplus personal income to top up to the higher limits
<b>EPC requirements</b>	All BTL properties must have a valid energy performance certificate (EPC) rating of E or above or evidence that the property has a valid exemption Scottish properties must have a valid EPC certificate in place
<b>HMOs</b>	Where the property falls within a HMO licensing scheme, the license must be in place or an application in progress

### London and South East area is defined below

**Greater London:** E (East London), EC (Central London), N (North London), NW (North West London), SE (South East London), SW (South West London), W (West London), WC (West Central London).

**South East:** BN (Brighton), BR (Bromley), CT (Canterbury), CR (Croydon), DA (Dartford), GU (Guilford), HA (Harrow), HP (Hemel Hempstead), KT (Kingston upon Thames), ME (Medway), OX (Oxford), PO (Portsmouth), RG (Reading), RH (Redhill), SL (Slough), SM (Sutton), TN (Tunbridge Wells), TW (Twickenham), UB (Uxbridge), WD (Watford).

## PROPERTY

### New build properties

<b>Definition</b>	New build property is defined as any property being occupied and/or sold for the first time on the open market in its current state and includes converted and refurbished properties
<b>New build flats</b>	Acceptable for experienced landlords. For first time landlords the maximum loan size is £500,000 on new build flats to a maximum 70% LTV
<b>New build warranties</b>	<p>Properties built within the last ten years must hold an acceptable guarantee/certificate. Acceptable guarantees/certificates include:</p> <ul style="list-style-type: none"> <li>• ABC+</li> <li>• Build Life Plans</li> <li>• Local Authority Building Control (LABC)</li> <li>• ICW</li> <li>• Protek</li> <li>• Aedis</li> <li>• Ark Residential</li> <li>• Build Zone</li> <li>• NHBC Certificate</li> <li>• Global Homes Warranties</li> <li>• Capital Warranties</li> <li>• One Guarantee</li> <li>• Build Assure</li> <li>• Castle 10 (Checkmate)</li> <li>• Premier Guarantee</li> <li>• Advantage</li> <li>• Q Assure</li> </ul> <p>Note: CRL warranties are acceptable for non-new build properties providing they were underwritten by ARK, IGI UK LTD or CGICE.</p> <p>Properties built using professional consultant monitoring can be considered subject to suitable qualifications, professional indemnity limits and development size</p> <p>Consultant monitoring will only be acceptable on individual or small development schemes comprising no more than 15 units in total</p>

### Ex-public sector properties

<b>Houses</b>	<p>Acceptable, subject to the following conditions:</p> <p>No outstanding pre-emption requirement to repay a proportion of the discount</p> <p>Valuer indicating that there is evidence of a meaningful level of private ownership within the estate</p>
<b>Flats and maisonettes</b>	<p>Can be considered, subject to the following conditions:</p> <p>No outstanding pre-emption requirement to repay a proportion of the discount</p> <p>The maximum number of floors acceptable in an ex-local authority block is 4 storeys (ground plus 3). We will not lend on any flat regardless of what floor it is located if the block has more than 4 storeys</p> <p>Secure communal access with no balcony access arrangements</p> <p>Valuer indicating that there is evidence of a meaningful level of private ownership</p> <p>The property being of standard construction</p>

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## PROPERTY

### Blocks of flats

Maximum number of floors in a block of flats	Flats with lift (excluding ex public sector)	Flats without lift (excluding ex public sector)	Flats with lift (ex public sector)
6th floor and above	✓	X	X
5th floor	✓	X	X
4th floor	✓	X	X
3rd floor	✓	✓	✓
2nd floor	✓	✓	✓
1st floor	✓	✓	✓
Ground floor	✓	✓	✓
Basement	✓	✓	✓

The maximum number of floors acceptable in an ex-local authority block is 4 storeys (ground plus 3). We will not lend on any flat regardless of what floor it is located if the block has more than 4 storeys

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## PROPERTY

### Property types we do not lend on

<b>Unacceptable properties:</b>	<b>Please note this list may not cover all property types, so if you have any questions about what we will lend on, please contact your BDM for more information</b>	
	• Part let or part possession	• Properties with high alumina cement levels
	• Commonhold properties	• Pre-fabricated properties
	• Properties located in the Channel Islands or the Scilly Isles	• 100% timber properties
	• Properties unfit for immediate habitation	• Properties with cob walls
	• Properties not wholly owned by the borrower, e.g. shared ownership	• Large panel system properties
	• Freehold flats	• Pre-cast reinforced concrete (PRC)
	• Properties acquired under an assigned contract	• Properties that have not been suitably repaired (certificate required)
	• Farms, smallholdings, crofting, agricultural leases or restrictions in place	• Grade I or Scottish Grade A listed properties
	• Properties where dual demand (owner occupier and investment) does not exist	• Steel-framed houses constructed pre-1987
	• Ex-public sector flats with balcony /deck access	• Property constructed using concrete Large Panel Systems (LPS)
	• Properties with rent charges, estate rent charges without notification clauses	• Satisfactory tenant demand doesn't exist or proposed security is unsuitable
	• Properties where there are outstanding local authority grants payable	• Single residential investment property with more than two kitchens
	• Live / work units	• Single residential investment property with more than two kitchens
	• Shared access where a relative of the applicant resides in the other property	• Properties where the condition significantly affects marketability
	• Mobile Homes / Houseboats	• Any property determined as unacceptable security by the appointed valuer
	• Properties with spray foam insulation within the roof space	• Properties situated above restaurants, takeaways or public houses

### Restricted covenants

<b>Acceptable covenants</b>	<p>Restrictive covenants will be acceptable in following circumstances:</p> <ul style="list-style-type: none"> <li>• Section 106 (75 in Scotland) agreement that restricts purchase to individual living and/or working in a specified area that is: <ul style="list-style-type: none"> <li>- one of the 353 recognised councils in England</li> <li>- one of the 32 recognised Scottish local authorities</li> <li>- one of the 22 recognised Welsh unitary authorities</li> </ul> </li> <li>• Right of First Refusal (RFR) for social landlords to buy back homes purchased under Right to Buy (Section 156 Agreement)</li> </ul> <p>Any properties which are subject to a Section 106 or Section 75 agreement are not eligible for the Help to Buy Equity Loan scheme. Where the property is subject to such a restriction this must have been taken into consideration by the valuer.</p>
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## LEGAL FEES - for buy to let landlords purchasing / remortgaging property through the Residential Portal (X case reference)

We can use the applicant's solicitors to act on behalf of Aldermore, subject to them being on our wider panel, or by them meeting our qualification criteria to join.

Where applicant(s) choose to nominate a Conveyancer that does not qualify (or is not accepted) onto our panel, we will require separate legal representation, based on the fees detailed in our [legal fees scale](#).

<p><b>For purchase</b></p>	<p>Applicants can select to use one of Aldermore's managed panel solicitors to act for themselves and the bank or choose to instruct their own solicitor to act. This is subject to them being on Aldermore's approved panel.</p> <p>Free legals are not available on Purchase transactions.</p>
<p><b>For remortgage</b></p>	<p>We offer free legals via our managed panel Solicitors.</p> <p>Aldermore will instruct our own conveyancer and pay for the costs of the legal work necessary to move the mortgage to Aldermore (the property does not have to be currently mortgaged), including disbursements (e.g., Land Registry fees) and VAT.</p> <p>We will use title and search insurance to remove the need for local authority and other searches. Title and search insurance will be for the benefit of Aldermore.</p>

## Legal fees - for buy to let landlords (individuals and companies) purchasing / remortgaging through the Specialist buy to let Portal (Y case reference)

<p><b>For purchase</b></p>	<p>Borrowers can use their own conveyancers to represent both themselves and the bank. The selected conveyancer must be registered with Aldermore via <b>Lender Exchange</b>, and meet the following criteria:</p> <ul style="list-style-type: none"> <li>• A minimum of two SRA approved managers or two CLC authorised managers (details can be checked at: <a href="http://lawsociety.org.uk">lawsociety.org.uk</a> or <a href="http://clc-uk.org.uk">clc-uk.org.uk</a>).</li> <li>• Conveyancing Quality Scheme (CQS) accreditation (applicable to solicitors only).</li> <li>• Minimum PI insurance cover for £2m, the conveyancer must at all times retain professional indemnity insurance cover which is adequate and appropriate for the practice, considering in particular the nature and value of the work they are undertaking.</li> </ul> <p>Assisted legal fees are not available on purchase transactions</p>
<p><b>For remortgage</b></p>	<p>We offer assisted legal fees for Company buy to let transactions. We'll appoint our own solicitor to act for Aldermore Bank only, but they can also act for the borrower for an additional fee if required.</p> <p>Independent Legal Advice and Personal Guarantees are required. These are available through our conveyancer and cost £250 plus VAT.</p> <p>For any non-assisted legal fee transactions, please select your own conveyancer as above.</p> <p>For any transaction not using assisted legal fees, the borrower will be liable for all conveyancing costs.</p>

See our [buy to let conveyancing guide](#) for more information.

Next >

## LEGAL Q&As

### How can I check if my applicant's solicitors are on your panel for a case I've submitted?

Your nominated solicitor will represent Aldermore and your client. You can see which firms are on our panel by searching on **lender exchange**, either by solicitor's name or postcode. If they appear on this list, they are on our panel.

If they aren't on the panel, please [register](#) them before offer to prevent delays.

### Why does my client have to wait until the offer is issued before your free/assisted legal solicitor is instructed?

Our agreement with our free legal partners is that a mortgage offer is required before we contact the solicitor.

### How do I choose and instruct a solicitor for a buy to let transaction submitted through your Specialist buy to let portal (Y case reference)?

You can choose to instruct your own solicitor to act dual representation for yourself and the bank. Please enter their details during the application process, ensuring that they meet our qualification criteria as noted earlier in this document.

# Aldermore

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