

Buy to let criteria guide

23 June 2025



Aldermore

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Buy to let criteria guide

Did you know?

Our lending criteria is now searchable on our website, [find it here](#).

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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.

Packaging for success

#WorkingTogetherBetter

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](#)

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 4 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	Maximum LTV (%)		Maximum Loan Amount (£)	
	80%		£500k	
	75%		£1m (Residential investment properties), £1.5m (HMO & Multi unit freehold)	
	65%		£2m (HMO & Multi unit freehold)	
LTV & Loan Amount - Other Limits			Maximum LTV (%)	Maximum Loan Amount (£)
	First time landlord		75%	£500k
	Let to Buy (Experienced Landlord)		75%	£1m
	Portfolios (i.e. applications submitted via the Multi property product)		75%	£5m
			65%	£10m*
	New build flats - see property section			
	Up to 6 flats in a block (subject to exposure limits)			
	Purchase / remortgage (see page 4)			

*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.

LOAN

Purchase	Property must have previously been owned by the seller for a minimum of 6 months
Remortgage	<p>Single Residential Unit Applications Remortgage applications for properties owned for less than 6 months can be considered from day one subject to the following:</p> <ul style="list-style-type: none"> • The applicant owns the property at application and has owned the property for a minimum of one month prior to completion; and • if you have inherited the property following the death of the previous owner and you are able to provide evidence, eg. grant of probate, or • the remortgage is to replace bridging finance and you are able to provide a copy of the bridging agreement, or • the property was bought via an 'arm's length transaction, eg. at auction or via estate agent, and you can provide a copy of the transaction • The conveyancing will be provided by one of Aldermore's Managed Panel Solicitor's, which provides you with free standard legal costs. <p>In all cases, ownership at Land Registry (or Registers of Scotland) must be evidenced prior to completion. Brokers should provide a TR1 form (or Disposition in Scotland) with the initial application.</p> <p>To support an early remortgage application, brokers must indicate in Notes section of the Broker Application Portal that this is a 'Less Than 6 Months BTL Remo application', along with date and price of purchase. Failure to do this may lead to a delay in the processing of your application.</p> <p>HMO and Multi-Unit Applications Property owned for more than 1 month, but less than 6 months – bought using bridging or cash can be considered subject to the following:</p> <ul style="list-style-type: none"> • The applicant has owned the property for a minimum of one month prior to application; and • Bridging – maximum loan is the amount required to redeem the existing facility plus and documented improvement cost; or • Cash Transaction – maximum loan is based on the lower of (i) evidenced purchase price plus any documented improvement costs or (ii) market value <p>For all other applications, the property must have been owned for at least 6 months.</p> <p>Remortgage with additional borrowing not considered when for:</p> <ul style="list-style-type: none"> • Payment of overdue income/corporation tax; or • Repayment of debts that haven't been satisfactorily maintained; or • Capital raising to support an ailing business
Let to Buy	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.
Consumer buy to let	Acceptable - maximum 75% LTV

Exposure limits when lending on multiple single residential units within the same block, street or full postcode or close proximity.

Overall number of properties	Maximum LTV (subject to initial review)
2 - 5	75%
6 - 10	70%
11 - 15	65%
16 and over	60%

Deposit

Applicant's own funds	Evidence required - If from equity being raised on other property a copy of ESIS is required
Gifted deposit	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 We do not accept gifted equity
Builder gifted deposit	The total value of all financial incentives, including deposit gifted by the builder, can't exceed 5% of the purchase price.
Builder part exchange	Equity from the sale of existing property to a builder
House builder incentives	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 Non-monetary sales incentives, such as white goods, electrical equipment, flooring and curtains/blinds and the upgrade of kitchen/bathroom are acceptable.

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 Houses in multiple occupation, up to 6 bedrooms Multi unit freehold, up to 4 units
	Applications from corporate entities must include all : 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 Applications where directors are under the minimum age of 21 years can be considered subject to: • there being no directors within the company under the age of 18 years; and • the remaining directors must meet the minimum age requirements and be able to evidence that they have appropriate experience of running the business.			
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	All applicants must have been resident in the UK for the last 2 years; and • All EU and EEA nationals must have either settled or pre-settled status or in receipt of a biometric residency permit or in receipt of an *eVisa or a Certificate of Naturalisation which confirms settled status or indefinite leave to remain • All other "Rest of the World" nationals acceptable if they have indefinite leave to enter/remain or rights of abode or biometric residency permit under the 'No Time Limit Application' or in receipt of an * eVisa or a Certificate of Naturalisation which confirms settled status or indefinite leave to remain • UK nationals and Republic of Ireland nationals, no additional requirements • Applicants with diplomatic immunity and UK nationals who are not resident in the UK (i.e. expatriate) are unacceptable • For corporate applications, all directors, members, partners, and ultimate beneficial owners must be UK based *Work eVisas are not acceptable for confirmation of residency.			
Power of Attorney	Not accepted			
Personal guarantees	For applications from limited companies, personal guarantees from UK based shareholders/directors, who have a shareholding of 25% or more are required			
Debentures	Where the applicant is a Limited Company and the loan amount is £1m and over we reserve the right to require a Debenture			

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"> • Where both applicants are first time landlords, one of the applicants must meet the key criteria • A minimum of 6 months is required following a completed application for a first time landlord before a subsequent application can be submitted • For multi unit freeholds, at least one applicant must have been a landlord for 6 months • For HMO's at least one applicant must have been a landlord for 1 year

INCOME AND AFFORDABILITY				
Minimum Interest Cover Ratio (ICR) affordability	Aldermore uses an affordability calculation to assess the maximum loan for the applicant(s). <u>Please refer to our online affordability calculator</u>			
Property type	Applicant type	Minimum ICR	Stressed interest rate calculation	
Single residential investment property - including multi unit freehold	Individual - higher or additional rate tax payer	140%	2 year fixed and discount	Higher of (i) pay rate + 2% or (ii) 5.5%
	Company or individual - basic rate tax payer	125%		
Houses in multiple occupation (HMO)	Individual - higher or additional rate tax payer	145%	5 year fixed rate	Higher of (i) pay rate or (ii) 4.0%
	Company or individual - basic rate tax payer	130%		
	Loans on capital repayment must meet interest only ICR requirements as well as the rental income alone being at least 100% of the stressed mortgage payment.		Background portfolio	5.1%

INCOME VERIFICATION

Income verification requirements	All applicants must be either employed, self employed or in receipt of pension income. Income must be verified for Basic Rate Tax Payers and First Time Landlords.
Basic Rate Taxpayer	Income verification must be completed where the applicant is an individual and declares themselves as a basic rate tax payer and where the ICR calculation does not meet the higher threshold. To be accepted as a basic rate tax payer the applicant's total annual income (including all gross earned income and total gross rental income) must not exceed the basic rate taxpayer thresholds. Different thresholds apply in Scotland and the rest of the UK.
First Time Landlords	Income verification must be completed to verify that total annual income is equal to or in excess of £25,000. No verification is required for experienced landlords, although they are required to demonstrate they have sufficient income to cover their existing expenditure.
Evidence of income	Required for First Time Landlords and Basic Rate Taxpayers Employed applicants: <ul style="list-style-type: none"> • Last month's payslip prior to application (the year to date figure must cover 3 months) Self-Employed applicants: <ul style="list-style-type: none"> • Latest tax return (SA302) Applicants in receipt of pension income: <ul style="list-style-type: none"> • Latest Pension statement

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:
Mortgage or secured loan arrears - worst status	<p>0 in the last 3 months</p> <p>1 in the last 12 months</p> <p>2 in the last 24 months</p>
Unsecured loan arrears - worst status	<p>0 in last 3 months</p> <p>2 in last 24 months</p>
County Court Judgements (CCJ) / Sheriff Court Decrees	<p>0 recorded in last 36 months</p> <p>None active in the last 36 months over £500</p>
Defaults	<p>0 in the last 12 months</p> <p>Max 1 in last 13-36 months up to £500 and settled</p>
Communication defaults	All communication defaults are ignored
Payday loans	0 in the last 6 months
Individual or Corporate Voluntary Arrangement / Trust Deed / Debt Relief Order	0 in the last 36 months
Bankruptcy / Sequestration	0 in the last 6 years
Repossessions	Forced or voluntarily repossessions are unacceptable
Corporate Gazette History	<p>No directorships with the following active in the last 3 years;</p> <ul style="list-style-type: none"> • Creditors Voluntary or Compulsory Liquidation • Administration Orders • Winding Up Orders • Receiverships
Debt Management Plan	Considered when satisfactory maintained for the last 12 months

PROPERTY	
Use	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
Location	The security must be in England (including the Isle of Wight), Wales (including Anglesey) or mainland Scotland only
Minimum property value	Single residential unit £50,000 Minimum £75,000 for HMOs and multi units
Tenure	Freehold (heritable title in Scotland) or leasehold (with 85 years unexpired at completion and 45 years at end of mortgage term).
Core criteria	The property must have a proven market and demand 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
Building insurance	The property must have buildings insurance cover and this cover must be maintained at all times
Rental assessment	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
EPC requirements	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
HMOs	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

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

Ex-public sector properties

Houses	Acceptable, subject to the following conditions: No outstanding pre-emption requirement to repay a proportion of the discount Valuer indicating that there is evidence of a meaningful level of private ownership within the estate
Flats and maisonettes	Can be considered, subject to the following conditions: No outstanding pre-emption requirement to repay a proportion of the discount The maximum number of floors acceptable in an ex-Local Authority block is 10 storeys (ground plus 9) within London & South East and 6 (ground plus 5) storeys within the rest of the UK Secure communal access with no balcony / deck access arrangements Valuer indicating that there is evidence of a meaningful level of private ownership The property being of standard construction

Blocks of flats

There is no maximum limit on number of floors (excluding ex-Local Authority), permitting there is a lift to the floor of the property.

Where there is no lift in the block, and the subject property is located higher than the 4th floor (ground plus three floors) this would be unacceptable.

PROPERTY

Property types we do not lend on

Unacceptable properties:	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	
	• Part let or part possession	• Pre-fabricated properties
	• Commonhold properties	• 100% timber properties
	• Properties located in the Channel Islands or the Scilly Isles	• Properties with cob walls
	• Properties unfit for immediate habitation	• Large panel system properties
	• Properties not wholly owned by the borrower, e.g. shared ownership	• Pre-cast reinforced concrete (PRC)
	• Freehold flats	• Properties that have not been suitably repaired (certificate required)
	• Properties acquired under an assigned contract	• Grade I or Scottish Grade A listed properties
	• Farms, smallholdings, crofting, agricultural leases or restrictions in place	• 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
	• Properties with high alumina cement levels	

Restricted covenants

Acceptable covenants	<p>Restrictive covenants will be acceptable in following circumstances:</p> <ul style="list-style-type: none"> • 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"> - one of the 353 recognised councils in England - one of the 32 recognised Scottish local authorities - one of the 22 recognised Welsh unitary authorities • Right of First Refusal (RFR) for social landlords to buy back homes purchased under Right to Buy (Section 156 Agreement) <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.</p> <p>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](#).

For purchase	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. Free legals are not available on Purchase transactions.
For remortgage	We offer free legals via our managed panel Solicitors. 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. 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.

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

For purchase	Borrowers can use their own conveyancers to represent both themselves and the bank. The selected conveyancer must be registered with Aldermore via Lender Exchange , and meet the following criteria: <ul style="list-style-type: none"> • A minimum of two SRA approved managers or two CLC authorised managers (details can be checked at: lawsociety.org.uk or clc-uk.org.uk). • Conveyancing Quality Scheme (CQS) accreditation (applicable to solicitors only). • 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. Assisted legal fees are not available on purchase transactions
For remortgage	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. Independent Legal Advice and Personal Guarantees are required. These are available through our conveyancer and cost £250 plus VAT. For any non-assisted legal fee transactions, please select your own conveyancer as above. For any transaction not using assisted legal fees, the borrower will be liable for all conveyancing costs.
Model Articles	The 'model articles' as set out by the Companies Act 2006, sets out what a director is authorised to do on behalf of the company. At present there is a challenge as to the clauses held within the standard model articles, therefore, a sole director, under the unamended model articles, does not have the power to enter into contracts - including mortgage deeds. In order to proceed on these transactions, we will require the model articles to be amended to allow the director to enter into contracts, as a sole director. Amending an article can generally be done within a week depending on the response from the borrower, and the ability to sign resolutions and submit amendments online. A set of board minutes and a board resolution recording the amendment must be completed and submitted to Companies House. This process is normally carried out via a Conveyancer. Please refer to our buy to let conveyancing guide for details on potential costs.

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

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.

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