

# Residential mortgages criteria guide

March 2025



**Aldermore**

FOR INTERMEDIARY USE ONLY

# Residential mortgages criteria guide

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Key contact information

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## Residential mortgage guide

Read the full guide

## Our calculators

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

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# Residential mortgages criteria guide

## LOAN

## APPLICANT

## INCOME AND AFFORDABILITY

## KEY LENDING CRITERIA

## PROPERTY

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LOAN			
<b>Purpose</b>	Purchase or remortgage of residential property occupied by the applicant A purchase transaction involving a property that was previously sold within the last 6 months is not acceptable. (This will not apply when the property is being purchased from a housebuilder that acquired the property in a part-exchange transaction)		
<b>Minimum loan</b>	£25,000		
<b>Maximum loan</b>	Maximum loan is dependent on the product type and LTV, please refer to the <a href="#">product guide</a> .		
<b>Repayment type</b>	<ul style="list-style-type: none"> <li>• Capital &amp; interest repayment</li> <li>• Interest only with an acceptable repayment strategy.</li> </ul> Part-repayment and-part interest-only is not available.		
<b>Minimum term</b>	10 years		
<b>Maximum term</b>	40 years		
<b>Standard LTV and loan amount limits</b>		<b>Maximum LTV (%)</b>	<b>Maximum Loan Amount (£)</b>
	Capital Repayment	95%	£500,000
		80%	£1,000,000
	Interest Only	75%	£1,000,000
<b>Other LTV and loan amount limits</b>		<b>Maximum LTV (%)</b>	<b>Maximum Loan Amount (£)</b>
	Like for like remortgage, and capital raising for property	90%	Standard limits
	Remortgage with capital raising for non-property related purposes	85%	
	Applicant with only 1 year's accounting information	90%	
	Let to Buy (Residential Purchase)	80%	
	New build houses	90%	
	New build flats	85%	
	Ex-public sector flats and maisonettes	85%	
	Help to Buy: equity loan (England & London )	75%	£450,000
	Adverse credit - level 2	75%	£1,000,000
		95%	£400,000
	Adverse credit - level 3	80%	£400,000
<b>Addition of fees</b>	The LTV limits exclude fees. Fees can be added if the net LTV is 90% or less. The gross loan cannot exceed 95%.		
<b>Legal representation</b>	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.		

LOAN	
<b>Purchase</b>	Property must have previously been owned by the seller for a minimum of 6 months, unless it is being sold by a housebuilder / developer who obtained the property in part exchange
<b>Remortgage</b>	<p>Remortgaging with additional borrowing not considered for:</p> <ul style="list-style-type: none"> <li>• Payment of overdue income/corporation tax</li> <li>• Repayment of debts that haven't been satisfactorily maintained</li> </ul> <p>Property owned for less than 6 months - only acceptable where the property was purchased via a bridging loan or cash transaction more than 1 month ago. For all other applications the property must have been owned for at least 6 months.</p>
<b>Additional borrowing</b>	Additional borrowing on an existing mortgage is acceptable as part of a new remortgage application
<b>Interest only (Repayment Strategies)</b>	<p>Applicants must have a suitable repayment strategy in place in order to fully repay the outstanding mortgage balance at the end of the term. Acceptable repayment strategies are:</p> <ul style="list-style-type: none"> <li>• Cash ISA or other savings</li> <li>• Stocks, Shares, ISA or other liquid investment</li> <li>• Endowment policy</li> <li>• Pension (Personal, Executive or Employed pension plan)</li> <li>• Downsizing / sale of main residence – a minimum £225,000 equity (£350,000 in London and the South East) is required at the start of the mortgage</li> <li>• Sale of another mortgaged property</li> <li>• Other repayment strategies, including sale of other assets and occasional payments from income will be considered</li> </ul> <p>Sale of property or other assets held in a foreign currency is not acceptable. Interest only Repayment Strategy Declaration Form will be required. This will require the applicants to clearly set out the repayment strategy and amount(s) to be used.</p>
<b>Concessionary purchase</b>	<p>Only considered when the property is being purchased from a parent, grandparent, brother, sister or child and includes step relatives. The vendor must not reside in the property after completion.</p> <p>The maximum loan is the lower of 75% of the market valuation or 95% of the discounted purchase price.</p>
<b>Rent to buy</b>	This is acceptable but the loan is restricted to 95% of the reduced purchase price, i.e. excluding the rental contribution.
<b>Let to buy</b>	Where the current home will be let, we'll allow the onward purchase of a new residential home, up to a maximum 80% LTV (excluding fees).

## LOAN - Deposit

<b>Applicant's own funds</b>	Evidence of deposit funds in bank account
<b>Gifted deposit</b>	A non-repayable gift from a parent, child, grandparent, brother, sister, uncle/aunt, foster parent or legal guardian (including step relatives) is acceptable.
<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><b>Up to 85% LTV</b></p> <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><b>Any LTV</b></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>
<b>Deed of gift and transfer at undervalue</b>	<p>If the price being paid for the property is less than the full market value, the solicitor acting in the mortgage transaction will be asked to confirm that the property is not subject to a transfer at undervalue or a deed of gift. Deed of gift is defined as a transfer of interest in a property from the owner to another without money or other consideration being exchanged in return for that interest. If there is such a transaction taking place or has taken place within the last 5 years, the solicitor must confirm to Aldermore that an acceptable defective title indemnity will be obtained. A transfer from single to joint ownership does not require indemnity if the transfer is simultaneous with completion.</p> <p>Following the deed of gift the person making the gift must not continue to reside in the property.</p>
<b>We don't provide lending for:</b>	<ul style="list-style-type: none"> <li>• Second charge mortgage</li> <li>• Borrowing funds to satisfy CCJ, IVA and Bankruptcy Orders</li> <li>• Loans for purchase of a property under Right to Buy</li> <li>• Remortgage applications of a property previously purchased under Right to Buy and within the five year pre-emption period</li> </ul>



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APPLICANT	
Maximum applicants	2 applicants
Minimum age	21 years at application
Maximum age at the end of the term	70 years 75 years (maximum age not exceeding the applicant's 55th birthday at time of application). We can consider up to age 80 years for the older applicant (joint application) when basing affordability on the younger applicant's income
Married / cohabiting applicants	Applications in sole names for married, common law or civil partnerships are not allowed. We expect joint applications to be the norm in these circumstances. Anyone on the Title Deeds must be on the mortgage application
Other occupants of the property	Anyone aged 17 or more at the time of completion, who is living in the property and is not an applicant, will be required to sign an adult occupier form
Residency status	<p>All applicants must have been resident in the UK for the last 2 years; and</p> <ul style="list-style-type: none"> <li>• 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 which confirms settled status or indefinite leave to remain</li> <li>• 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 which confirms settled status or indefinite leave to remain</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> </ul> <p>*Work eVisas are not acceptable for confirmation of residency</p>
We don't lend to applicants where:	<ul style="list-style-type: none"> <li>• Has Power of Attorney for another joint applicant</li> <li>• With diplomatic immunity</li> <li>• Employed on a commission only basis, unless applying jointly with another applicant and income is not being taken into consideration</li> <li>• With seasonally based job (e.g. crop picker/holiday rep), or piece-workers, unless applying jointly with another applicant and income is not being taken into consideration</li> </ul>

## INCOME AND AFFORDABILITY

<b>Affordability</b>	Aldermore uses an affordability calculation to assess the maximum available loan using the income and expenditure for the applicant(s)
<b>General requirements</b>	At least one applicant must be employed, self-employed or in receipt of a private pension or investment income.
<b>Minimum income</b>	Total allowable income for applicants must be at least £10,000 per year
<b>Income multiple</b>	Income multiple must not exceed 5.5 x total allowable income. Where the total Allowable Income on the application is less than £60,000, the loan to income multiple must not exceed 4.49x.

## Employed applicants

<b>Requirements</b>	<ul style="list-style-type: none"> <li>The applicants position must be permanent</li> <li>The applicants must not be under notice of termination or redundancy</li> <li>The applicants must be able to demonstrate a minimum of three months record of employment immediately preceding the mortgage application in the same line of work</li> </ul>
<b>Evidence of income</b>	<ul style="list-style-type: none"> <li>Last month's payslip prior to application (the year to date figure must cover 3 months); and</li> <li>Latest P60 or March payslip (to evidence total earnings for previous year)</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>1. Sole traders</li> <li>2. General Partnership</li> <li>3. Director - private 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>Applicants with 1 year's accounting information are acceptable up to 90% LTV (excluding fees) 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> </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>

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## Contractor criteria

<b>Requirements</b>	<ul style="list-style-type: none"> <li>The applicant must have a minimum of 12 months contractor history or 24 months in the same line of work</li> <li>There must be 2 months remaining on the current contract or a renewal agreed. Our underwriters may consider less than 2 months remaining, on a case-by-case basis, if there is a longer-term history of renewal</li> <li>A minimum contract length of 6 months is preferable but we may consider shorter if it is standard within the industry</li> <li>A maximum of 2 contracts can be worked at the same time, subject to total hours per week being reasonable</li> <li>It is acceptable for applicants to be paid via an umbrella company, which pays tax and NI for the applicant</li> </ul>
<b>Income calculation</b>	<ul style="list-style-type: none"> <li>Affordability can be assessed on a gross income / employed basis for contractors working via an umbrella company, those with a Fixed Term Contract where tax and NICs are paid at source and self-employed Limited Company Directors / sole traders where there are no other employees. Limited company directors must be the only shareholder, except where partner / spouse is the other shareholder and they are jointly applying for the mortgage</li> <li>Daily / weekly rate on the latest contract will be multiplied by 46 weeks for self-employed and other day rate contractors. For those working via an umbrella company, gross income will be considered based on income received by the contractor from the umbrella company, once 'umbrella expenses' have been removed, such as commission and employer pension</li> <li>All other cases, including those contractors working via Construction Industry Scheme (CIS) will be assessed on a self-employed basis.</li> </ul>
<b>Evidence of income</b>	<ul style="list-style-type: none"> <li>Copies of the current and previous contracts for the last 12 months will be required to confirm that contract period meets criteria</li> <li>Where there has been a significant gap in recent contractor history (more than 6 weeks in last 12 months), we require contracts for previous 24 months in total and an explanation for the gap</li> <li>Last month's (4 weekly) payslips, including YTD figure covering last 3 months, or last 3 month's payslips.</li> <li>Latest full month's bank statement which includes contractor income and expenditure (self-employed 'day rate' customers only)</li> </ul> <p><a href="#">Click here</a> for more detailed broker guidelines.</p> <p>Consideration may be given to an application outside current criteria, on a case-by-case basis, but only where the case is strong elsewhere. Please discuss with your Business Development Manager in the first instance.</p>



## INCOME AND AFFORDABILITY

### Professional sportspeople

<b>Requirements</b>	Where applicants are self-employed the standard requirements relating to self-employment will apply. 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 will be considered if this can be evidenced.
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### Income we accept at 100%

<b>From employment</b>	<ul style="list-style-type: none"> <li>• Overtime</li> <li>• Bank nursing (an average of the last 3 months will be used)</li> <li>• Basic salary from employment (including income from second job)</li> <li>• London or large city/town allowance</li> <li>• Shift allowance</li> </ul>	<ul style="list-style-type: none"> <li>• Car allowance</li> <li>• Housing allowance (Paid by the employer. Not state housing benefit)</li> <li>• Mortgage subsidy</li> <li>• Teaching and learning responsibility payments if TLR1 or TLR2</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> </ul>	Or Salary and share of net profits, subject to the following exclusions - Where the business has recorded a net loss during the current or previous trading year - Where the business has carried forward losses from previous trading years - Where the nature of the business requires the profits to be retained to enable on-going trading
<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>

### 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>• Income-related Employment &amp; Support Allowance (ESA)</li> <li>• Contribution-based Employment &amp; Support Allowance if in the 'Support Group'</li> <li>• Incapacity Benefit</li> <li>• Severe Disability Allowance</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial Injuries Disablement Benefit (IIDB)</li> <li>• Personal Independence Payment (PIP)</li> <li>• Carer's Allowance</li> <li>• Constant Attendance Allowance</li> </ul>
<b>Other income</b>	• Maintenance Payments supported by the latest 3 months bank statements. A copy of the Court order/ CMS may be requested upon review	
<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

## KEY LENDING CRITERIA

	Level 1 (up to 95%)	Level 2 (up to 90%)	Level 3 (up to 80%)
Mortgage or Secured Loan Arrears	0 in last 36 months	0 in last 18 months	0 in last 6 months
Unsecured Loan Arrears	Max status 2 in 12 months		Max status 3 in 12 months
	Latest month up to date		Latest month up to date
Defaults & County Court Judgements (CCJ) / Sheriff Court Decrees	0 in last 36 months	0 in last 18 months	0 in last 6 months
	All communication defaults ignored		
	All other combined CCJ & Defaults up to £300 ignored per applicant		
Individual Voluntary Arrangement (IVA) / Trust Deed	Discharged for 3+ years	Discharged for 2+ years	Discharged for 1+ year
Bankruptcy / Sequestration / Debt Relief Order	Discharged for 6 years	Discharged for 6 years	Discharged for 3 years
Forced or Voluntary Possessions	None in last 6 years		None in last 3 years
Debt Management plans	Considered when satisfactorily maintained for the last 12 months		
Where the applicant has revolving credit that is 3 or more months in arrears at any time in the last 12 months where total combined revolving credit balances are £3k or more in the same period, the maximum LTV is 80%.			
If an applicant falls under the FCA definition of Credit Impaired, all outstanding commitments will be included within the affordability calculation, irrespective of being repaid or not.			

## PROPERTY

<b>Use</b>	<p>Security property must be the applicant's main residence.</p> <ul style="list-style-type: none"> <li>• Aldermore must have a first charge over the property</li> <li>• The security must be used for owner occupied residential purposes only</li> <li>• No tenancies will be accepted</li> <li>• No sub-letting will be accepted</li> <li>• There must be no local authority approval for the use of the property for any purpose other than residential</li> <li>• Full vacant possession must be obtained at completion</li> <li>• Rooms used as an office/study readily able to be restored for residential use will be acceptable if they form no more than 20% of the property</li> <li>• Where a property has been altered for multi-occupation it must be converted back to single occupation prior to completion and will be subject to re-inspection</li> <li>• Granny annexes will be considered as long as the immediate family of the applicant will be in occupation</li> </ul>
<b>Location</b>	England (including the Isle of Wight), Wales (including Anglesey) and mainland Scotland.
<b>Minimum property value</b>	£50,000
<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>Acceptable property</b>	The property must be acceptable security for the mortgage, confirmed by a valid valuation report. Valuations and reviews of property valuation must conform to regulatory Capital Requirements Regulation (CRR) requirements.
<b>Buildings insurance</b>	Buildings insurance must be in place for the security property from the start of the mortgage and must be maintained throughout the mortgage term.
<b>Other occupants</b>	Anyone aged 17 or more at the time of completion, who is shown on the application to be living in the property and is not an applicant in the mortgage, will be required to sign a deed of consent surrendering interest in the security property. In addition, solicitors will be required to ask for additional occupants, should any be revealed who are absent in the mortgage application they too will be required to sign a deed of consent.

## 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. Examples include: <ul style="list-style-type: none"><li>· Newly built properties (single units to large sites)</li><li>· Converted properties (e.g. office to residential conversions)</li><li>· Refurbished properties with significant alterations</li><li>· Re-build of an existing residential property where the vendor is a builder/developer and the property has been vacated to allow for the re-build to be undertaken.</li></ul>		
New build houses	Accepted up to 90% LTV		
New build flats	Accepted up to 85% 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"><li>· ABC+</li><li>· Advantage</li><li>· HomeProof</li><li>· Ark Residential Insurance</li><li>· Build Assure</li><li>· Build Life Plans</li></ul>	<ul style="list-style-type: none"><li>· Build Zone</li><li>· Capital Warranties</li><li>· Castle 10 (Checkmate)</li><li>· Global Homes Warranties</li><li>· ICW</li><li>· Local Authority Building Control (LABC)</li></ul>	<ul style="list-style-type: none"><li>· NHBC certificate</li><li>· One Guarantee</li><li>· Premier Guarantee</li><li>· Protek</li><li>· Q Assure</li><li>· Build warranty group</li><li>· CADIS</li></ul>
	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

<b>Definition</b>	Local authority, housing association, Ministry of Defence, etc.
<b>Houses</b>	<p>Accepted up to product maximum LTV, subject to the following conditions:</p> <ul style="list-style-type: none"> <li>· No outstanding pre-emption requirement to repay a proportion of the discount</li> <li>· Valuer indicating that there is evidence of a meaningful level of private ownership within the estate</li> </ul>
<b>Flats and maisonettes</b>	<p>Can be considered up to 85% LTV, subject to the following conditions:</p> <ul style="list-style-type: none"> <li>· No outstanding pre-emption requirement to repay a proportion of the discount</li> <li>· The maximum number of floors acceptable in an ex-Local Authority block is 10 storeys (ground plus 9) within London &amp; South East and 6 (ground plus 5) storeys within the rest of the UK.</li> <li>· Secure communal access with no balcony / deck access arrangements</li> <li>· Valuer indicating that there is evidence of a meaningful level of private ownership within the estate</li> <li>· The property being of standard construction</li> </ul>

### Other property types

<b>Properties with land/outbuildings</b>	Normal lending terms apply providing the applicant does not intend to carry out a business from the property and there are no agricultural/restrictions of usage on the land. Aldermore will require our charge to be registered on the property and all the land, splitting of title to avoid our full registered charge is not acceptable.
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## PROPERTY

### 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

### Restricted covenants

#### Acceptable covenants

Restrictive covenants will be acceptable in following circumstances:

- Section 106 (75 in Scotland) agreement that restricts purchase to individual living and/or working in a specified area that is:
  - 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)

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.

#### Unacceptable covenants

- Property restricted to agriculture or equestrian use
- Purchaser(s) must be living and/or working in a small geographical area (e.g. specific parish), which is not in the list of acceptable areas
- Purchaser(s) must be in housing need
- Purchaser(s) cannot afford to purchase on the open market
- Purchaser(s) having income less than a certain amount
- Property ownership restricted to specified age group e.g. retirement homes
- Limit on mortgage payment as a proportion of income
- Fixed capital values i.e. a property cannot be sold for more than the purchase price into perpetuity or a value cap is implemented

## PROPERTY

### Property types we do not lend on

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>We do not lend on properties:</b>	<ul style="list-style-type: none"> <li>• being acquired under an assignable contract</li> <li>• being purchased through an assisted purchase scheme</li> <li>• being purchased with the assistance of a local authority grant</li> <li>• New build properties where a bulk purchase discount is given</li> <li>• Properties in Northern Ireland, Channel Islands, Scottish Islands, Isle of Man and the Scilly Isles</li> </ul>
<b>Property with Planning Use Classes Order other than C3(a)(b)®</b>	<ul style="list-style-type: none"> <li>• Property subject to a shared ownership deed</li> <li>• Property with pre-emption clauses in existence</li> <li>• Mobile homes</li> <li>• Houseboats</li> <li>• Property for letting</li> <li>• Property licensed as an HMO</li> <li>• Multi-unit freehold</li> <li>• Property held on a Commonhold basis</li> <li>• Freehold flat or freehold maisonette (freehold coach houses are acceptable subject to survey)</li> </ul>
<b>Other unacceptable properties:</b>	<ul style="list-style-type: none"> <li>• Serviced flat/apartment</li> <li>• Studio flat and/or flat with a total floor area of less than 30sq meters</li> <li>• Flats in a block without a lift are acceptable, as long as our security is not more than 3 floors above ground level</li> <li>• Prefabricated building and unrepaired PRC construction</li> <li>• Property listed as defective under the 1984 and 1985 housing acts unless rebuilt to NHBC standards and with appropriate guarantees. (The adjoining properties must also have been repaired to the same standard).</li> <li>• Steel framed houses constructed pre-1987</li> <li>• Property constructed using concrete Large Panel System (LPS)</li> <li>• Property on which there is a local authority grant outstanding</li> <li>• Live/work units</li> <li>• Property with an anticipated lifespan of less than twenty-five years beyond the end of the mortgage term and/or where the condition significantly affects marketability</li> <li>• Property with no kitchen or more than two kitchens</li> <li>• Property with no bath/shower room</li> <li>• Property which has shared access where a relative of the applicant resides in the other property</li> <li>• Property which has internal door locks and/or separate utility services</li> <li>• Property which is being bought from the applicant's own limited company</li> </ul>

- Farms, smallholdings, or properties with agricultural restrictions in place
- Property in which high alumina cement has been used in the construction
- Any property determined as unacceptable security by the appointed valuer
- Properties less than 10 years old without acceptable guarantees or equivalent supervision certificates
- Properties built post 2009 where there is a significant risk of flooding
- Single skin properties (extensions are acceptable up to 20% of the total area of the property)
- Hempcrete construction
- Cornish construction
- Properties where there is a lack of appropriate planning permission or building regulation approval
- Properties where the condition significantly affects marketability acquired under an assignable contract / 'flip'
- Properties which have shared connected services with any adjoining or adjacent property not in security, excludes mutual services
- Properties with a pre-exemption clause in existence / right to buy
- Properties situated in blocks which contain restaurants, takeaways or public houses



## LEGAL FEES - For residential owner occupiers

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](#).

## Here's some Q&As on our legal process

### How can I check if my applicant's solicitors are on your panel?

You can search for them on [lender exchange](#), either by solicitor's name or postcode. If they appear then they're on the 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 legal solicitor is instructed?

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

### Can you email a copy of the offer directly to my solicitors and if not why?

Our process is to send the offer to our solicitors via secure email to ensure your data is safe, our solicitors will then make contact with your solicitor and securely send them the offer document.

## CRITERIA Q&AS

### How do you treat clients with pre-settled or settled status?

We accept clients with settled or pre-settled status and those with permanent rights to reside.

### Do you consider unpaid defaults registered over 36 months ago?

Yes, we can consider defaults registered over 36 months regardless of whether they have been settled/repaid. For defaults relating to mobile phone contracts, we can ignore them even if only recently registered.

### Can you use just one year's accounts?

If your client is experienced in their role and has only one set of accounts, we can consider up to a maximum of 90% loan to value. Please note, this only applies to our residential owner-occupied mortgages.

### If self employed income has increased from the previous year, are you able to use the latest years figures?

Yes, potentially if the accountant can confirm both a good rationale and sustainability.

### How do you work out overtime for employed income?

We use 100% of overtime or 75% of bonus income. We calculate an average for the last 3 months overtime and annualise this figure. You need to put the full figure into our calculator, and we will take 50% off in the background.

# Aldermore

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