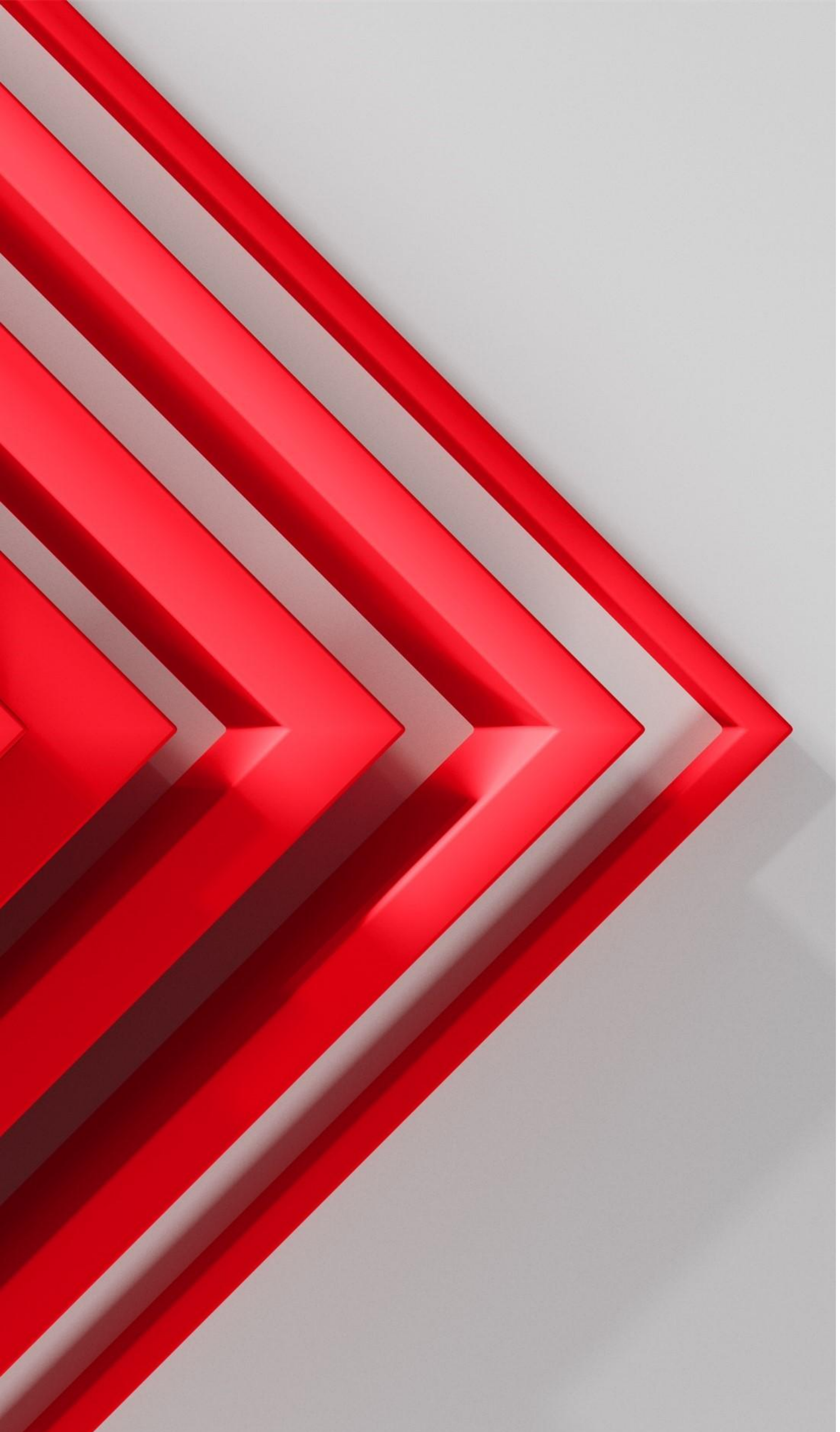
HSBC UK Useful Guide

All about HSBC UK

HSBC | Opening up a world of opportunity



Contents

August 2026

- Applicants on a fixed term contract who are employed as Medical Doctors or Teachers will now be assessed under our standard employment criteria (excludes supply teachers and teaching assistants)
- Maximum loan amounts increased across a range of LTV brackets (houses only)

July 2026

- Solicitor panel checker added to website

March 2026

- International BTL packaging requirements updated

January 2026

Assured shorthold tenancy / Ground rent

- Policy updated in line with recent legislation update

December 2025

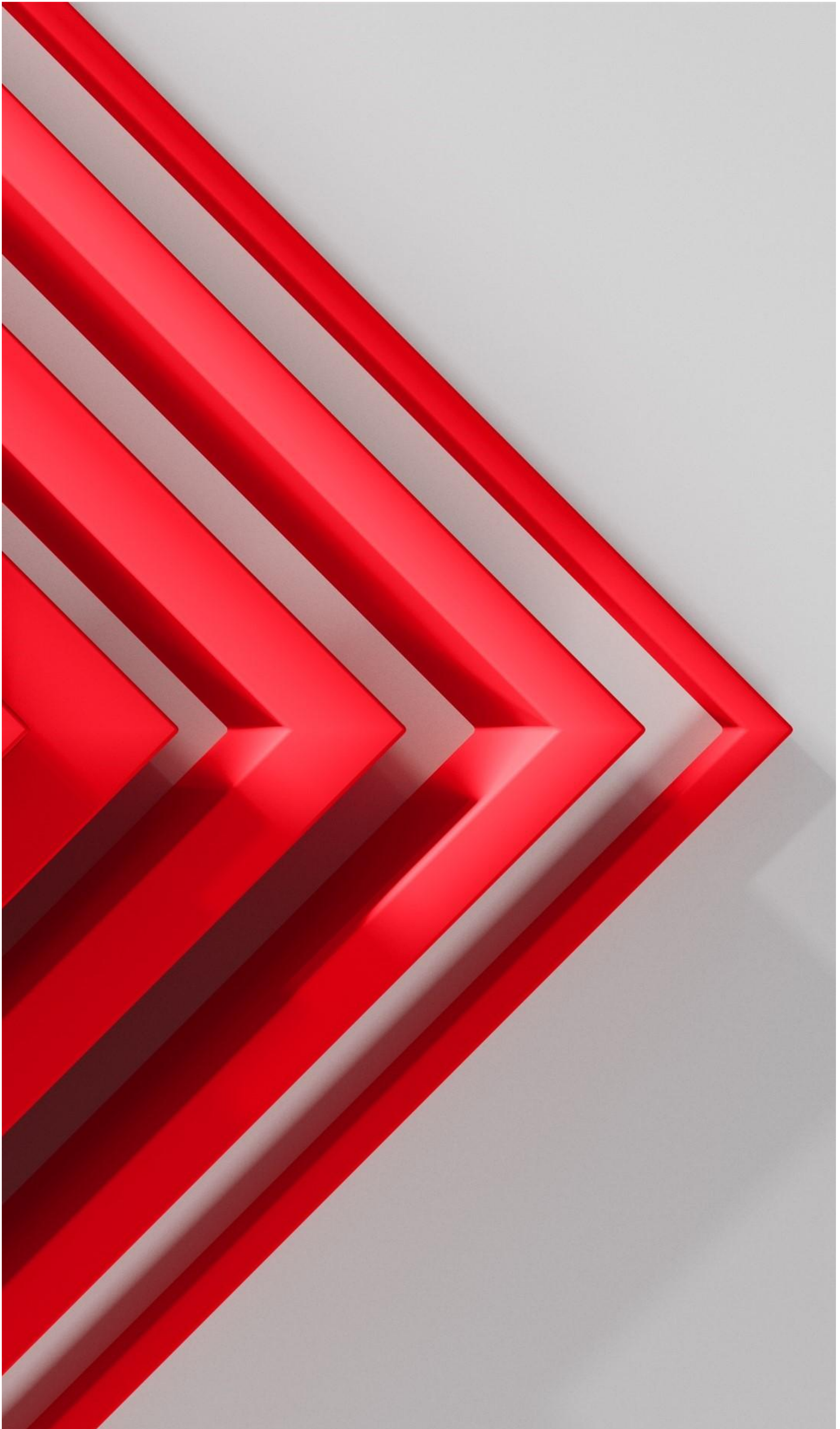
We have made the following improvements to our service proposition:

- A notification will be issued to you confirming the date of:
  - Physical Valuations
  - Completion date
  - Product / Rate switches completion
- Student loan expenditure – a separate field has been added within the application to capture Student Loan costs
- DIP certificates will now automatically be generated for provisionally accepted applications.

Limited Liability Partnerships (LLPs)

- We've reduced the threshold on large LLPs to be **50 or more partners**.

Return to contents



Employed income

- Where a customer has started or will be starting with a new employer, within 3 months of applying for a mortgage, we will use the customer’s current salary (unless future salary is lower), except if they can provide their first payslip in the new role.

Variable income

- When assessing affordability, we will now use the customer’s annual bonus from a previous employer in the calculation, as long as the customer is still in the same type of employment, and the latest bonus must be from their current employer.

October 2025

Introducing Loan to Income (LTI) multiples for our Premier customers

We introduced new LTI multiples for customers who hold a HSBC UK premier account.

Where an application is 90% LTV or less, we will apply an LTI of 6.5 x income (subject to an affordability assessment and exclusions may apply).

Please note, in order to qualify for the higher LTI at least one applicant must hold a Premier account at the point of submission.

We also enhanced our affordability calculator to allow you to select a Premier customer and access the new loan to income multiples.

The calculator will now show two maximum loan amounts based on whether a rate of less than 5 years or 5 years or greater is selected, providing additional options for your customers’ borrowing needs.

Reasons to use HSBC UK

HSBC UK is the natural choice for mortgage brokers. In a competitive mortgage market, here are some of the reasons to use HSBC UK that will enable you to add value to your customers, and possibly turn their dreams into a brilliant reality.

Products

- A full range of mortgage products including a cashback, Energy Efficient Homes, International and Premier
- Free valuations on all application types where required.
- All offers are valid for 180 days (90 days for Product switch cases)
- Minimum term five years, maximum term is 40 years for Purchase / Remortgage / Additional borrowing and BTL applications. NB: For residential applications, any part of the borrowing on an interest only is limited to 25 years.
- International Lending for Residential & BTL applications
- Can mix and match - split terms, split products or Part Interest only & Part Capital Repayment
- Fee assisted Legals or Cashback options available.
- All Trackers rates available (No ERC)
- Varied products available – 2, 3, 5 and 10 year terms. Fixed or tracker. Fee free or fee paying. Energy Efficient Homes range. Premier customer range. International products
- First Time Buyer – At least one applicant has never previously owned a property in the UK or abroad

LTV and loan size limits

Residential

Houses

Loan amount	Maximum LTV Capital repayment	Maximum LTV Interest only	Maximum overall LTV (Part & Part)
Up to £570,000	95%*	75%	85%
Up to £775,000	90%	75%	85%
£775,000 to £3million	85%	75%	85%
£3 million to £5 million	75%	65%	75%
Over £5 million	70%	65%	65%

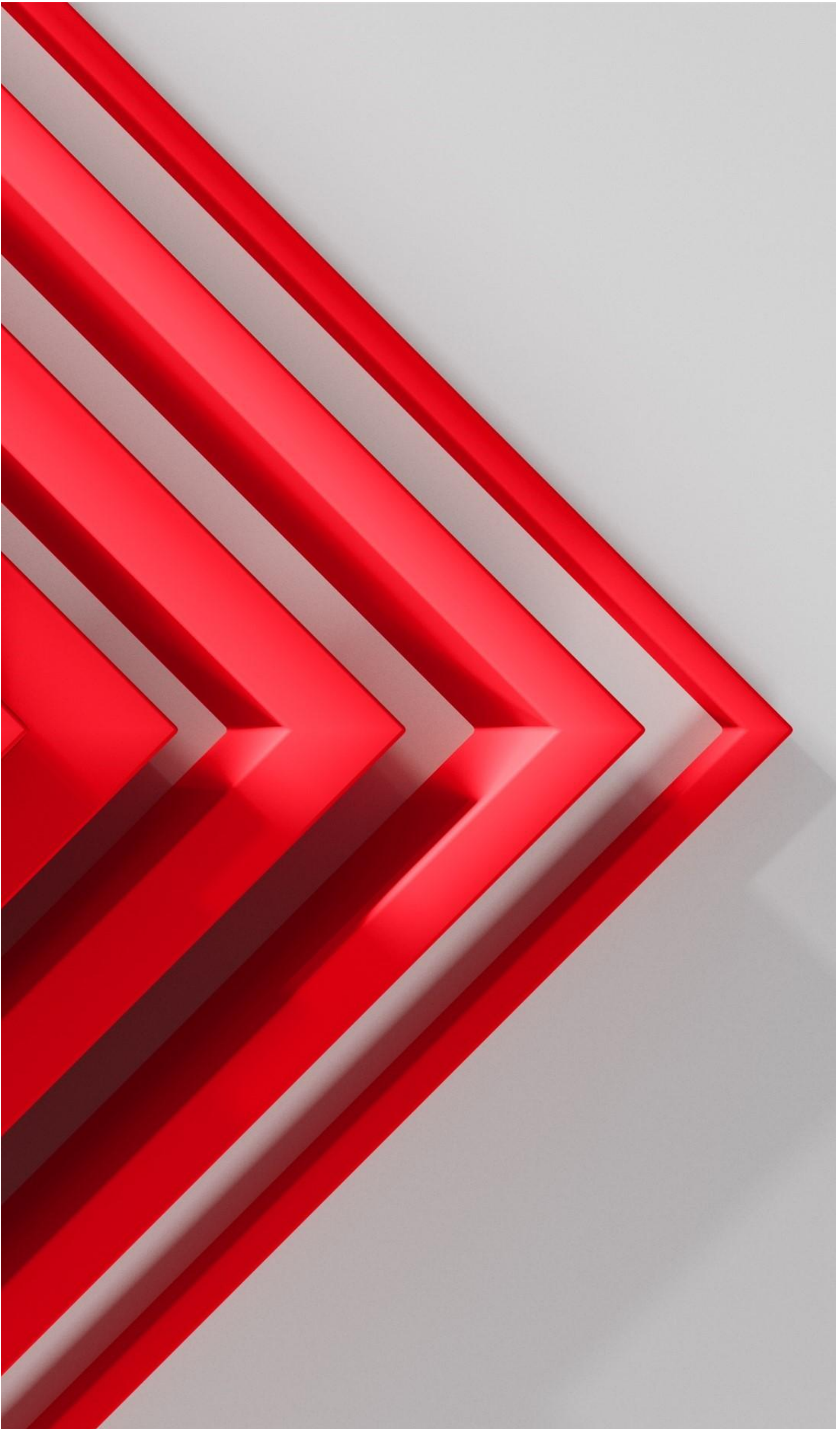
* Maximum Remortgage Lending is 90% LTV

Flats / Maisonettes

Loan amount	Maximum LTV Capital repayment	Maximum LTV Interest only	Maximum overall LTV (Part & Part)
Up to £750,000	90%	75%	85%
£750,000 to £1million	85%	75%	85%
£1million to £2million	75%	75%	75%
£2 million to £3 million	75%	65%	75%
Over £3 million	70%	65%	65%

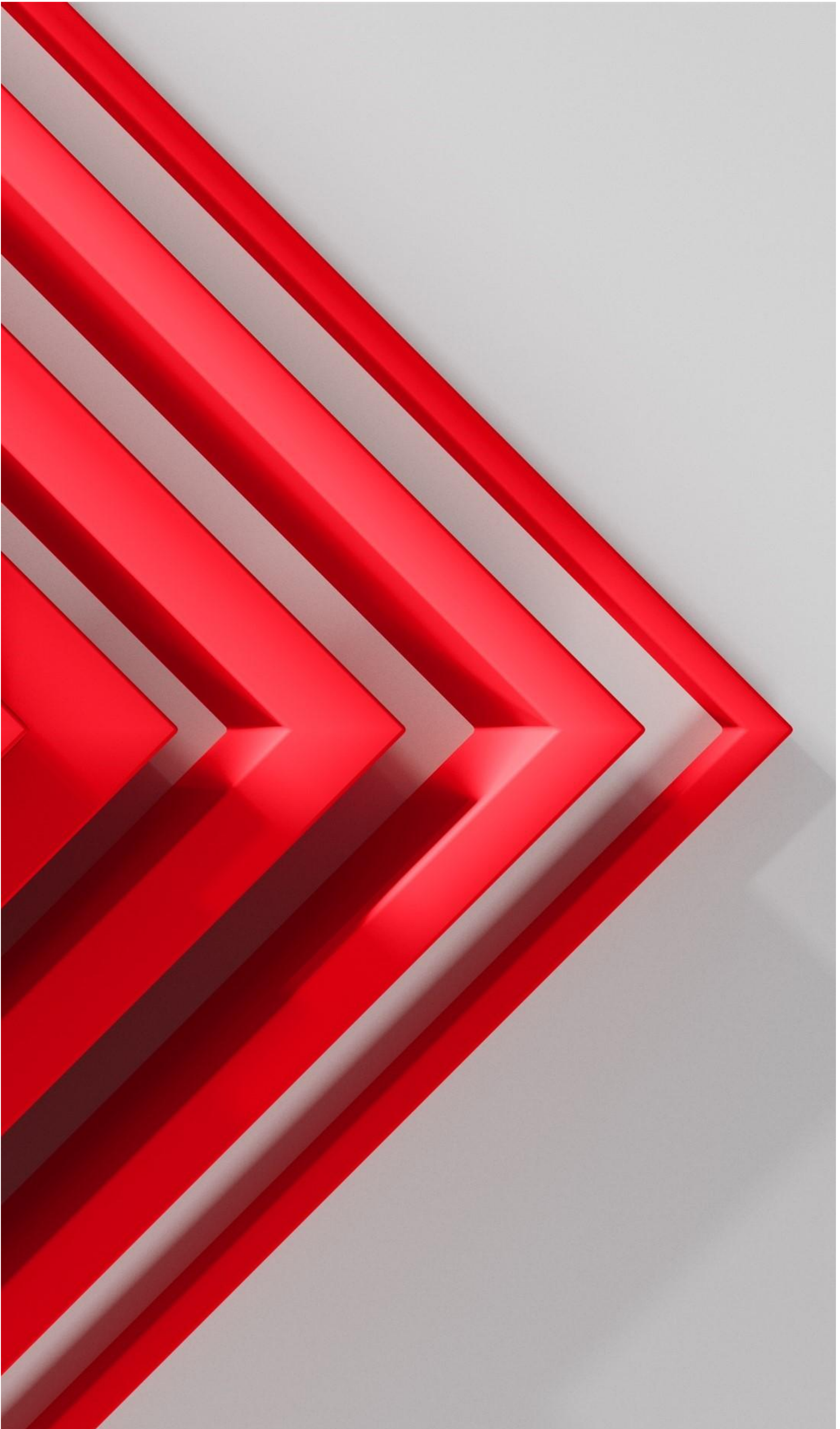
BTL

Loan amount	Maximum LTV Capital Repayment or Interest Only
Up to £400,000 EPC A, B or C	80%
Up to £1million	75%
£1million to £2million	60%



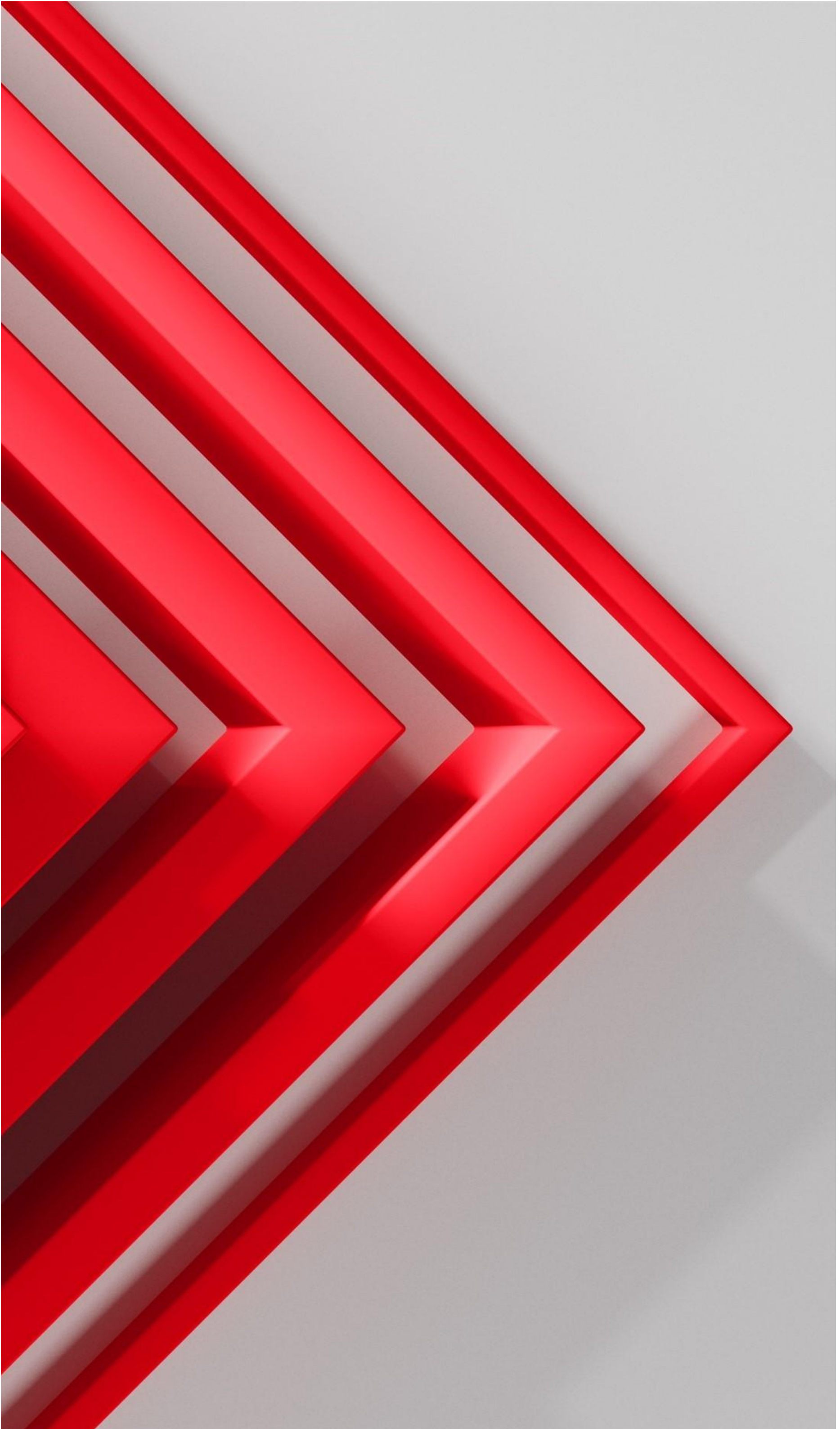
Maximising income multiples and affordability

Applicant	LTV	Salary	Maximum Income Multiple
Premier account holders	90% or less	All incomes	6.50
First Home Mortgages (i.e. FTB)	90% or less	Sole applicant £35,000 and above Joint applicant (combined) £55,000 and above	5.50
All other applicants (including FTB not meeting the First Home Mortgage / Salary criteria above)	85% or less	Less than £45,000	4.49
		£45,000 up to (but not including) £100,000	5.00
		£100,000 and above	5.50
	Over 85% up to (and including) 90%	Less than £75,000	4.49
		£75,000 up to (but not including) £100,000	5.00
		£100,000 and above	5.50
All applicants	Over 90% up to 95%	All income	4.49



Maximising income multiples and affordability

- Based on total income evidenced on the application, this includes 100% of:
    - Basic income (including multiple jobs)
    - Allowances
    - Variable pay – Overtime, bonuses, commission
    - Self-employed (including multiple businesses)
    - Gross rental income for let to by, including Let to buy in background
    - Pension income
    - Investment income
- New employment - No minimum time in employment - first payslip and contract required
- Residential lending considered up to age 80
- BTL no maximum age
- Maximum 40-year term (subject to criteria) Mortgage term available in years and months - maximising the affordability and term
- Pre-haircut figure for foreign currency incomes to be keyed - system will apply correct haircut



Types of income

Employed income

- Basic income includes shift allowances and other permanent allowances

Variable pay

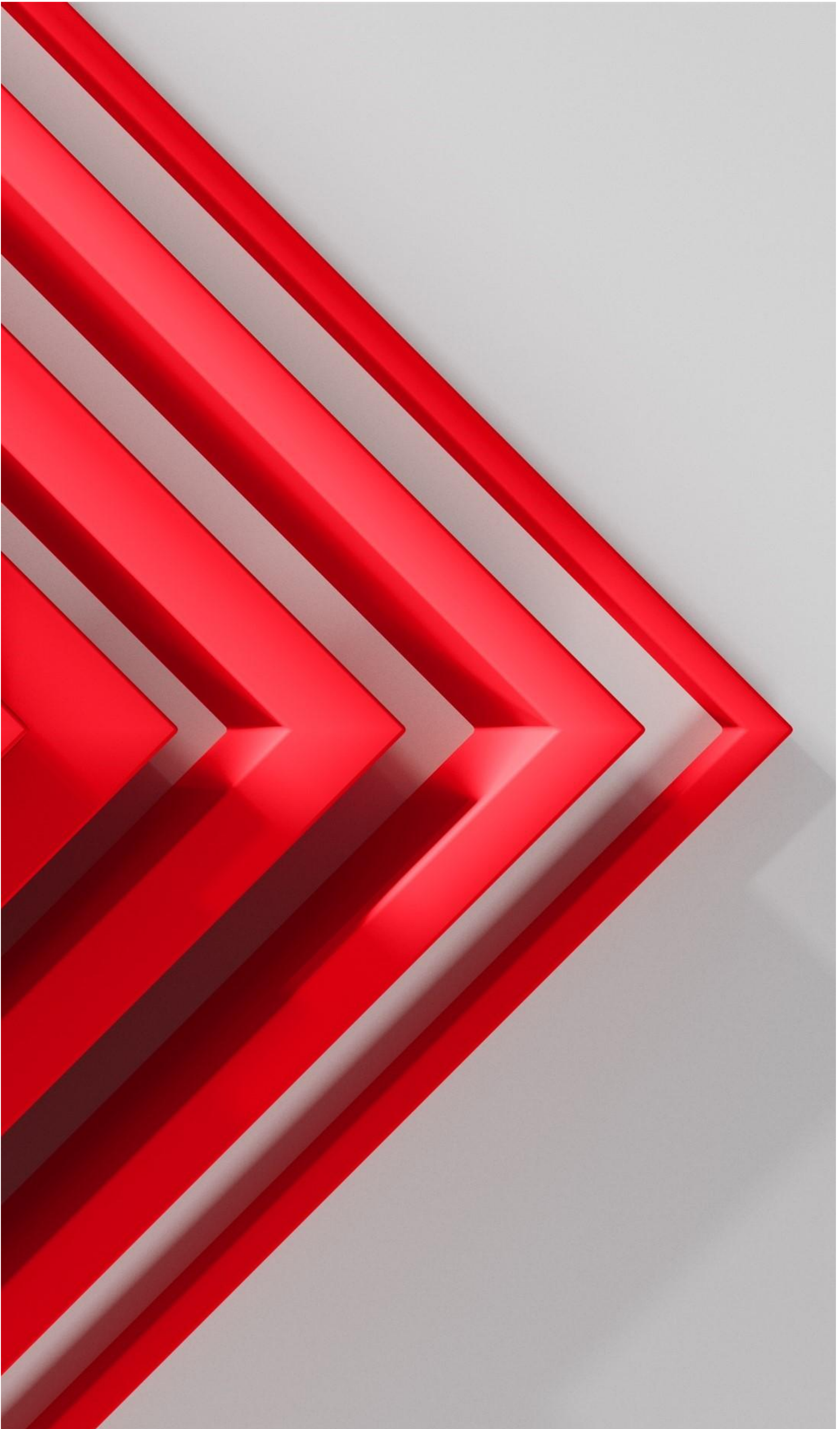
- Overtime, commission and bonus included
- 60% for affordability
- Monthly variable pay based on latest three-month average not YTD or P60
- Variable pay not capped at basic income levels.

New employment

- No minimum time in employment - first payslip and contract required
- All customers who have started or are starting with a new employer within three months of applying for a mortgage and cannot provide their first payslip will be assessed based on their current / existing salary (unless the future salary is lower). The new salary will only be considered once the customer has their first payslip
- Probationary periods accepted subject to a copy of the contract of employment confirming whether a permanent or temporary contract is held. If temporary this would need to meet our Fixed Term Contract policy.

Zero hours Policy (including NHS Bank Work, Locums and Agency workers)

- Minimum 12 months in role
- 3 months average income or P60 (lower of)
- P60 cannot be pro-rata.



Types of income

Umbrella workers' / Agency workers' on Fixed term contracts policy

- Are now assessed in line with Fixed Term Contract policy (or Zero Hour Policy if applicable)
- Minimum 6 months in same line of work with 12 months remaining or 12 months in the same line of work (including Contract work, employed and self-employed work history)
- Maximum 6 weeks total gap permitted in any 12 month period
- Latest Payslip and P60 (lower of)
- P60 may be pro-rata to confirm a 12-month income period.

Payrise

- Annual Pay Increase (less than or equal to 5 per cent of the customer's evidenced income) OR Promotion Pay Increase (less than or equal to 20 per cent of the customer's evidenced income). Increases above this level may be considered subject to Underwriter discretion.

Types of income

Self-employed income - Residential

- Two-year average or latest year if lower. For customers trading for less than two years or do not have the first two years trading accounts we will average the one year's income over a two-year period

Self-employed income - BTL

- Latest years income

Sole Trader / Partnerships / LLP's – no more than 50 partners

- Tax calculations and Tax Year Overviews required

Limited companies

- Salary and share of net profits
- 25% shareholding or more applies
- Less than 25% shareholding net profit can be used where required for affordability

LLP's more than 50 Partners

- Letter from the Finance Director, Manager of Partner Affairs / Accounts or Company Accountant confirming the income. The letter must contain:
  - Customers earnings over the past two years;
  - Date joined the business;
  - Date they were made a partner; along with
  - Authors job title and any accountancy qualifications.

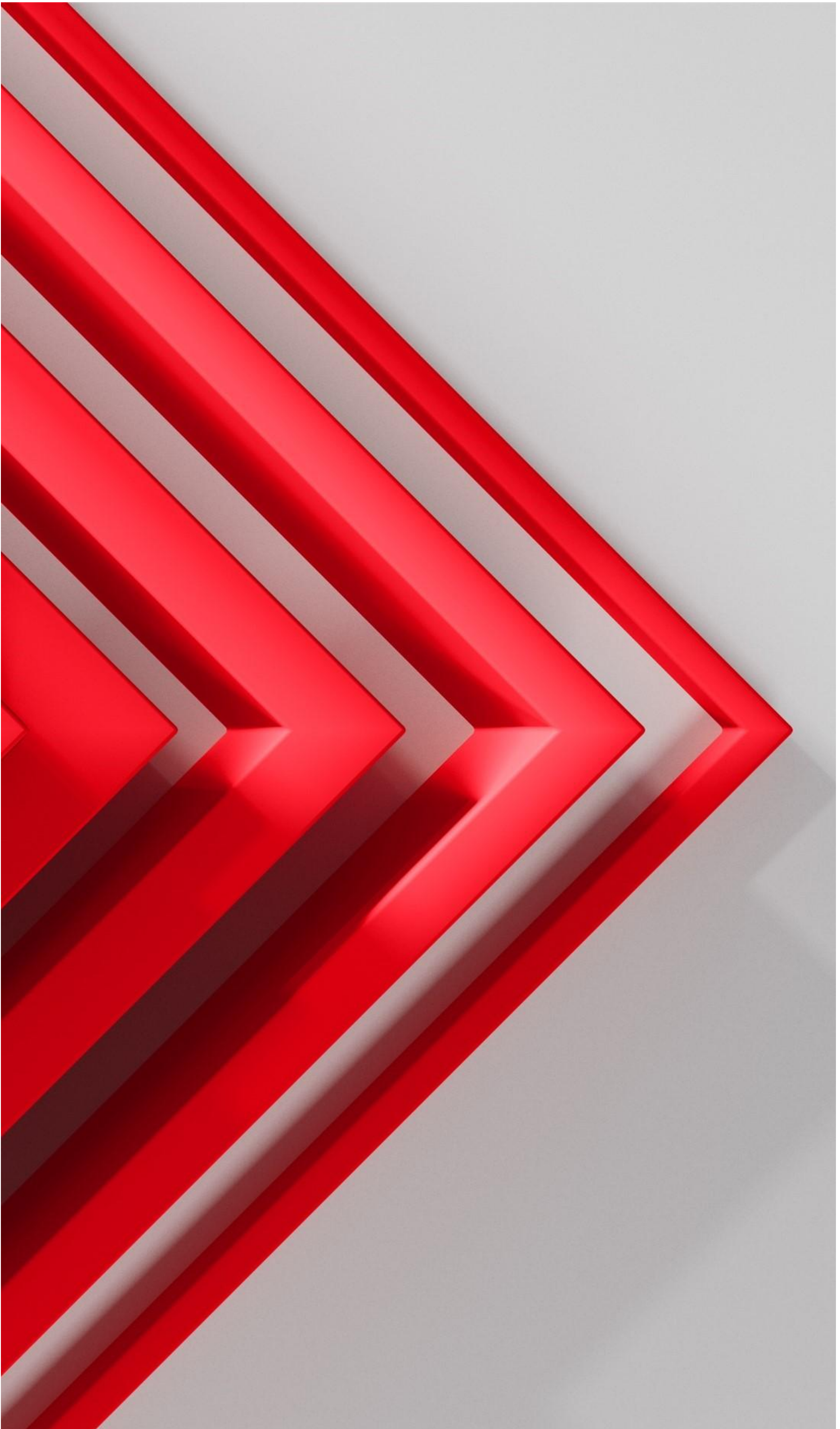
CIS Workers Policy

- Are assessed in line with Self-employed Sole Trader policy
- 2 years tax calculations and TYO.

Daily Rate Contractor Policy

- These will be assessed in-line with either the self-employed guidelines or above policies.

Return to contents



Types of income

Rental income – Residential Applications

- 100% of gross rental income included within income multiples
- SA100 (tax return) for BTL property rented over a year
- For BTL property rented out less than a year, AST and one months' bank statement dated within 35 days of the application submission date, to evidence rental income and mortgage payment
- ARLA letter for those being refinanced onto Let to buy / Buy to let mortgage (not Consent to let)
- Not available for Portfolio landlords – more than three mortgaged UK BTL properties.

Pension income

- Private pension income considered State pension – 100% considered providing customer is already in receipt
- Pension projections considered

Investment income

- Considered by the bank where the investment is deemed credible and can be evidenced by three years' worth of Tax Calculations, corresponding Tax Year Overviews and portfolio statements

Foreign currency

- For all application types - Foreign Currency Income accepted
- Over 150 currencies accepted
- Various countries accepted as a source of income / repayment strategy
- Haircut applies – ranging from 10% to 30%.

Gifted deposit

- Gifts accepted from spouse, domestic partner, grandparent, parent, sibling, half sibling, aunt, uncle, cousin, in-law relation or step relation, confirming the gift is unconditional and not repayable (not accepted for foreign nationals or non-UK residents unless in addition to the minimum deposit criteria) The donor can reside in the property.
- For International customers, a Family Gifted Deposit is acceptable from a family member who is a HSBC Group Jade or Private Banking customer
- Gifts from overseas accepted subject to solicitor checks being completed
- Declarations of trust considered for joint applications
- Gifted deposits are not acceptable for foreign nationals, unless they are in addition to the 15% deposit provided from the applicant's own resources

Foreign nationals resident in the UK

- If one applicant has ILR* (or is a UK National) this allows us to review cases under Standard UK policy. *For customers with Settled status, Indefinite Leave to Remain, Indefinite Leave to Enter, Right of Abode, Republic of Ireland national, holder of a Republic of Ireland passport or were granted a pre-settled status under the EU Settlement Scheme, we will process applications submitted as per our standard Residential lending criteria.
- Maximum LTV of 85% (subject to meeting criteria requirements)
- BTL lending available, subject to qualifying criteria

Customers will be required to provide evidence of their visa status.

This includes where one applicant meets the above for joint applications.

- For customers without Indefinite Leave to Remain, Indefinite Leave to Enter, Right of Abode or no Pre-settled Status, we will process applications if they meet our foreign national criteria as detailed in the below table:

All applicant(s) have lived in the UK 12 months or more	Any applicant(s) have lived in the UK less than 12 months
• The customer must evidence that they have lived in the UK for a minimum of 12 months at point of application.	• Minimum income of GBP75,000 for sole application or GBP100,000 for joint applications.
• Maximum LTV of 85 per cent for mortgage borrowing, fees may be added to the loan • Deposit is funded from the customer's own resources, i.e. personal savings. Gifts are not acceptable, unless they are in addition to the 15 per cent deposit provided from the applicant’s own resources.	

Reasons to use HSBC UK

Overseas customers

- Residential and BTL mortgages available for UK and non-UK nationals living overseas in an approved country
- Minimum income of £75,000 per annum for one applicant (not including variable or rental income), this can be employed or self-employed customers
- Maximum LTV of 75% for mortgage borrowing and additional lending
- For more information see our lending criteria
- Deposit is funded from the customer's own resources. Gifts are not acceptable, unless they are in addition to the 25 per cent deposit provided from the applicant’s own resources or the gift is from a family member who is a HSBC Group Jade or Private Banking customer.

Reasons to use HSBC UK

Remortgaging

- £ for £ Remortgage, Additional borrowing may be provided if required
- AVM completed within the application or free valuation completed
- Day one Remortgage available in certain circumstances – no minimum term for property ownership*

*subject to additional checks and property being registered

Return to contents

Existing customers

- Product switching and porting available
- Additional borrowing available – standalone or in conjunction with Product switch
- Sliding Scale ERC – reduces daily
- 10% annual overpayment allowance
- PTs can be keyed 90 days before the switch date and cancelled / rekeyed up to switch date.

Interest only

- Multiple interest only repayment types permitted on the same application
- Ad-hoc repayments as interest only repayment strategy up to 50% LTV – no minimum equity requirement

Buy to Let

- Future rental income used in Let to buy onward Purchase scenario
- BTL lending has no max age.
- Top slicing available (subject to policy) – domestic applications only
- Minimum £25k income for eligibility (£75k for overseas customers)
- Income Cover Ratio assessment based on applicant taxpayer status
- Professional valuation carried out

New Build

- Dedicated support
- 5% cash incentives permitted without impact (excluding part exchange cases)
- Non-financial incentives are unrestricted
- 5.5x income multiple for first time buyers
- 90% LTV (85% for flats)
- Escalations process where required
- 90-day offer extensions
- Cashback products available for energy efficient properties.

Reasons to use HSBC UK

Further reasons to use HSBC UK

- Soft footprint credit search at DIP
- Second residential properties - Purchase and Remortgage up to 80% LTV
- Lending into retirement considered with either pension provisions and / or pension projections
- Additional lending for business purposes considered in conjunction with remortgage or standalone additional borrowing
- Married couple and application in sole name – not credit scored by association
- Offer extensions considered (purchase only)
- Parental Leave – Pre-leave income used & no employers letter required
- AVM's attempted on most residential applications
- HSBC Brand – trusted and recognised

Further information

Chat with us, call our Broker Support helpdesk on 0345 600 5847 (Monday to Friday 9am to 5pm) or contact your local BDM.

Return to contents