

HSBC UK Criteria Bulletin

Existing HSBC UK Customers

October 2021



Existing HSBC UK mortgage customers can apply through the intermediary channel to switch products, port their mortgage to a new home or take further borrowing.

Product switch eligibility:

Customer must be on a Fixed Rate, Term Tracker, Lifetime Tracker or SVR

Product switch exclusions:

- ◆ Any account in arrears
- ◆ Any account with Consent to Let
- ◆ Where there is a product switch application already in progress (either via Omega or Direct channel)
- ◆ More than six loan parts
- ◆ More than two applicants

Product switch criteria:

- ◆ No changes can be made to the existing loan
- ◆ No customer details can be changed
- ◆ Product fees cannot be added to an Interest Only loan
- ◆ Rate can be secured up to 90 days in advance
- ◆ ERCs will be payable if the switch is done before expiry

Product switches:

- ◆ Signatureless offer – you **must** accept the offer on behalf of your customer via the broker platform for the switch to take place

Further advance eligibility:

- ◆ Your customer is on a Fixed Rate, Term Tracker, Lifetime Tracker or SVR
- ◆ Six months since the last drawdown of funds on the same secured property
- ◆ Minimum loan amount £10,000

Further advance exclusions:

- ◆ Any account in arrears
- ◆ More than five existing loan parts
- ◆ More than two applicants
- ◆ Indirect security applications
- ◆ Debt consolidation exceeding £50,000
- ◆ Shared Ownership/Right to Buy Loan or any other properties under special schemes
- ◆ Any account with Consent to Let
- ◆ Marital disputes

Funds will be released on completion of our satisfactory legal and title checks unless a date later than that is specified.

Porting eligibility:

- ◆ Your customer is on a Fixed Rate, Term Tracker, Lifetime Tracker or SVR
- ◆ The eligible rate will need to have at least six months remaining
- ◆ The sale and purchase will be completed simultaneously

Porting exclusions:

- ◆ Any account in arrears
- ◆ More than six existing loan parts
- ◆ More than two applicants
- ◆ Indirect security applications
- ◆ Porting a HSBC closed secured loan
- ◆ Equity buy-out (EBO)
- ◆ Marital disputes
- ◆ Where there is a product switch application already in progress

Application system:

Accessing the existing customer

When completing an application for an existing customer, you will need:

- ◆ Mortgage sort code and account number found on the customer's welcome letter or annual mortgage statement, to be entered as one long 16 digit number, no dashes or spaces
- ◆ Bank account sort code and the account number of the account that pays the Direct Debit (entered the same way)
- ◆ Surname, forename and middle name(s)
- ◆ Date of birth
- ◆ Postcode

Product switches and further advances

- Process the product switch first and then the further advance within three working days for it to count as one application
- No amendments can be made to the existing mortgage, the maximum term for a further advance is 30 years subject to current criteria

Rates:	Valuations:
<p>We have introduced an additional range of products for existing mortgage customers switching or borrowing more and a selection of these rates will be priced lower than the new business alternative.</p>	<p>Product switch</p> <p>The system will give an indexed valuation which you can accept or decline. If you do not wish to proceed with the indexed valuation an instruction will be sent to our panel of valuers to assess.</p> <p>This is free of charge to the customer.</p> <p>Further advance/Porting</p> <p>An instruction will be sent to our panel of valuers as for a new application. This may result in an automated, desktop or physical valuation.</p>
Documents:	Procurations fees:
<p>Packaging requirements for further borrowing and porting is the same as that for new cases</p> <p>No documents are required on a product switch</p>	<ul style="list-style-type: none">▪ Product switches - 0.2%▪ Further advance - 0.4% of extra borrowing▪ Porting - 0.4% of amount borrowed and any top up

Important information - on product switches and further advances, you need to accept the Offer on your customers' behalf.