

We've enhanced our residential lending policy

With effect from **Tuesday 23rd January** we made the following enhancement to our residential lending policy:

Part and Part mortgage loans

We are now able to provide your customer with the flexibility to submit a part Interest Only application with additional Capital Repayment, up to the maximum Part and Part LTV limit. For example, for a loan up to and including £750k, your customer can now have 75% on Interest Only and 10% on Capital Repayment, allowing them to have an 85% LTV on a Part and Part basis.

The table below shows the LTV limits and the different borrowing amounts for a Part and Part mortgage:

Repayment type	LTV limits			
	Up to and including £750k	Over £750k up to and including £1m	Over £1m up to and including £2m	Over £2m
Interest Only	75%	75%	65%	50%
Max Capital Repayment top up	10%	5%	10%	15%
Total Part and Part LTV	85%	80%	75%	65%

For Remortgages with Additional borrowing on a Part and Part basis, please refer to the below table for LTV limits:

Repayment type	Remortgage with Additional borrowing LTV limits			
	Up to and including £750k	Over £750k up to and including £1m	Over £1m up to and including £2m	>£2m
Overall max LTV	85%	80%	75%	65%
Max Interest Only for Additional borrowing	60%	60%	60%	50%
Max Additional borrowing on Capital Repayment	25%	20%	15%	15%

*Where any aspect of the mortgage application is on an Interest Only basis the case will be subject to our standard Interest Only lending criteria and suitable repayment strategies.

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