

## Important changes to our lending policy

As part of our ongoing commitment to ensure our lending policy remains fit for purpose, we have continued to review our lending policy.

From **Monday 30<sup>th</sup> May**, we made the following changes to our residential lending policy:

- when submitting an application, we will deduct any Bounce Back Loans (BBL) or Coronavirus Business Interruption Loan Scheme (CBILS) repayments from the net profits. Please be aware, that if this is not already accounted for in the accounts or you've not deducted the amount from the net profit in the application, this may result in a counter offer being made by the underwriter.

## Self-employed mortgage applications

We reduced our packaging requirements for self-employed residential mortgage applications to return to our pre-covid position.

The following documents will be required to support your customer's self-employed mortgage application:

### **Sole Trader, General Partnership or Limited Liability Partnerships with fewer than 200 partners**

- The last 2 years' worth of Tax Year Overviews and Tax Calculations - the most recent year must be dated within the last 18 months.

### **Limited Company Director with 25% or more shareholding**

- The last 2 years' finalised accounts - the most recent year must be dated within the last 18 months (Where the latest year's finalised accounts are dated **on or before 31<sup>st</sup> March 2021**, the last 3 months' business bank statements will be required).
- If there is more than 1 director, we will also require the last 2 years' P60s or the last two years SA302 / tax calculations, and the corresponding tax year overviews to evidence salaried income.

### **Limited Liability Partnerships with 200 or more partners**

- Letter issued by either the company finance director or accountant (the letter must detail the customer's earnings over the past 2 years and be dated within the last 3 months)