Lending for portfolio landlords

Criteria for portfolio landlords

- We’ll accept up to 75% LTV on the property to be mortgaged.
- And up to five BTL mortgages with Virgin Money, or £3m.
- At least 24 months’ experience of letting properties is required at the time of application.
- Personal income can’t be considered for any property rental shortfalls.
- We accept up to 10 mortgaged BTL properties across all lenders, including the new application.
- In total, the portfolio must not exceed 75% LTV, with a minimum interest cover ratio of 135%, at an interest stress rate of 5%. If your client owns any mortgage-free properties, the equity and rental income on these will be taken into account. This excludes the new application.
- Up to five properties either mortgaged or mortgage-free and including the new application, can be within the same postcode area e.g. NE3, EH2.

Affordability and rental tests

- We’ll ask for evidence of a minimum personal combined gross income of £25,000. This excludes income received from BTL properties.
- The rental income must cover 145% of the mortgage interest. This will be calculated in one of the following ways:
  - Two and three year fixed rate products will be calculated at the product rate +2% or a notional rate of 5.50%, whichever is higher.
  - Five year and longer fixed rate products, will be calculated at the product rate +1% or a notional rate of 4.50%, whichever is higher.
- The rental income for a straight balance swap BTL remortgage must cover the mortgage payment by 125%, calculated at the product rate +1% or a notional rate of 5%, whichever is higher.
- Personal income won’t be considered to meet any rental shortfalls for portfolio BTL.
Additional documentation requirements

We need two new forms completed for each mortgage application:

1. Business plan and cashflow.
2. Property schedule. Your clients can use their own spreadsheet but please make sure the column headings appear in the same order as our template.

The property schedule must be submitted through the BTL Hub. Please visit virginmoneyforintermediaries.com to access the BTL Hub. The business plan and cashflow need to be sent to us along with all other supporting documentation.

BTL Hub

Virgin Money is working with CoreLogic to give our intermediary partners access to the BTL Hub, making it quick and easy to submit details of your clients’ property portfolio to us.

Please note:

– You shouldn’t include details of the property they’re applying for within the property schedule.
– You should include details of properties held in your client’s personal name, limited company or any other legal entity.

Before you can use the BTL Hub, you’ll need to register at https://btlhub.net/register/broker

Once your broker firm is registered with the BTL Hub you’ll need to link to Virgin Money. This can be done via the ‘lenders’ section on the dashboard.

Straight balance swap remortgages and product transfers

If your client wants to secure a new deal for an existing property without taking any additional borrowing, you need to know the following:

– We won’t need a business plan, cashflow or details of the property portfolio for product transfers and remortgages with no additional borrowing.
– The additional policy requirements for portfolio landlords won’t apply. Please visit our website for full details of portfolio landlord criteria.

Why recommend Virgin Money?

> Dedicated service teams and BDMs on hand to answer any questions.
> Access to VMO, giving you a quick and easy way to create Mortgage Illustrations and submit applications with us.
> Discounts from across the Virgin Group for you – and your clients too, when they become a Virgin Money customer.

Ready to get started?

For full details of our BTL mortgage deals, please view our Mortgage Update or contact your BDM.

Please contact the CoreLogic Service Desk on 0333 1231417* for any queries about the BTL Hub. They are available 8am – 8pm Monday to Saturday. And 9am to 1pm on Sunday.