

Bigger, better buy-to-let

We mean business when it comes to buy-to-let.



Supporting the buy-to-let sector

The buy-to-let market plays an important role in the UK housing market, and we've never been more serious about supporting you and your landlord clients.

Buy-to-let products and features

- > Free valuations for remortgages (on properties under £3m) and a choice of free standard legal work or cashback.
- > Cashback for purchase customers.
- > Fixed rate and tracker mortgages available.
- > Fee options including flat fee and fee saver.
- > Day one remortgages available, with the valuation based on the original purchase price if within six months of completion.
- > Flexible features – your clients can make overpayments and apply for payment holidays (subject to criteria) which can be useful to offset rental voids.

Buy-to-let lending policy highlights

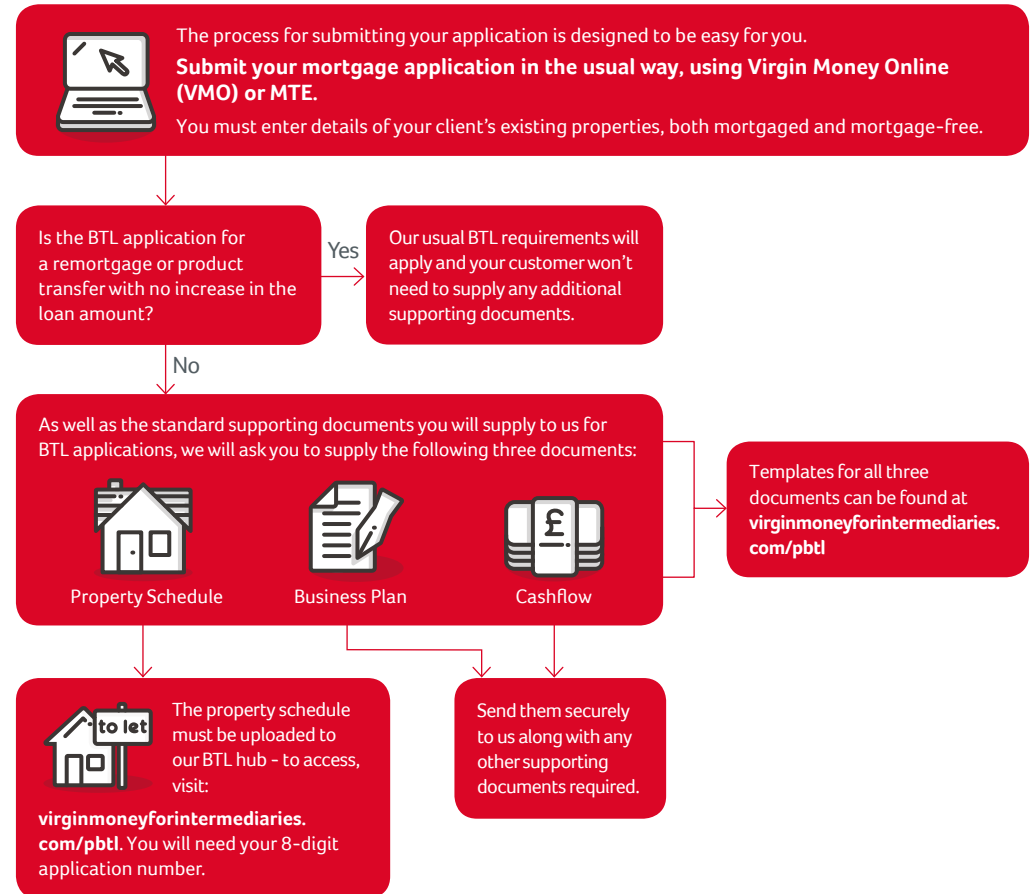
- > Maximum LTV is 80% (75% for portfolio landlords).
- > Minimum property value for loans up to 75% LTV is £50,000. For loans greater than 75% LTV, the minimum property value is £100,000.
- > Maximum borrowing of £3 million with Virgin Money (five properties for portfolio landlords).
- > Maximum number of mortgaged buy-to-let properties with any lender we will accept is 10. There is no limit if the application is for a remortgage with no increase in balance.
- > Maximum loan size of £1 million, with no minimum loan size. Where the LTV is greater than 75% the maximum loan is £350,000.
- > Minimum combined income of £25,000, excluding income received from BTL properties.
- > First time landlords accepted, as long as they aren't first time buyers. Applicants must be an owner occupier and have had owner occupier status for at least six months on the date of decision. This applies to at least one applicant on joint applications.
- > If remortgaging a main residence onto a buy-to-let product, your client must complete on a new residential property at the same time.
- > We class capital raising on unencumbered properties as a remortgage.

Portfolio landlords? Come on in.

We offer portfolio buy-to-let mortgages, perfect for your clients who own four or more mortgaged rental properties.

Portfolio buy-to-let applications have additional steps compared to a standard buy-to-let application and are subject to additional criteria. Your clients may need to provide some extra documentation, including a property schedule. We use eTech's BTL Hub so you can quickly provide us with details of your client's portfolio.

How to submit your portfolio landlord applications



For help and support using eTech's BTL Hub, call the Service Desk Support on **0333 1231417**. Lines are open Monday to Saturday, 8am - 8pm and Sunday 9am - 1pm.

For more information, see our dedicated 'Lending for Portfolio Landlords' sales aid or visit [virginmoneyforintermediaries.com/pbtl](https://www.virginmoneyforintermediaries.com/pbtl)

Summary of policy

See how our policy compares based on your client's circumstances.

	BTL customer type			
	Non-Portfolio Landlord	Portfolio Landlord Purchase*	Portfolio Landlord Remortgage/Product Transfer, increasing balance	Portfolio Landlord Remortgage/Product Transfer, no increase in balance
Maximum BTL exposure with Virgin Money	3 properties	£3m/5 properties	£3m/5 properties	£3m/5 properties
Minimum 24 month's landlord experience	n/a	✓	✓	n/a
Maximum ten mortgaged BTL properties (across all lenders)	n/a	✓	✓	n/a
Maximum five BTL properties in the same postcode area e.g. NE3	n/a	✓	✓	n/a
No more than two new BTL properties within the last 12 months	n/a	✓	✓	n/a
Maximum 70% LTV across portfolio (at an aggregate level)	n/a	✓	✓	n/a
Minimum rental cover across the portfolio of 145% at a 5% stress rate (at an aggregate level)	n/a	✓	✓	n/a
Personal income accepted?	✓	n/a	n/a	n/a
Property schedule – upload to our BTL Hub	n/a	✓	✓	n/a
Cashflow	n/a	✓	✓	n/a
Business plan	n/a	✓	✓	n/a

Lending criteria

Documentation

*For customers choosing to port their existing Virgin Money mortgage to a new property, our portfolio landlord purchase criteria and documentation requirements apply.

Less stress, more yes

Our approach to underwriting means we say yes to more of your clients, helping them get the loan amount they need and the mortgage they want. Here's how...

Buy-to-let rental cover stress test

For affordability, we use the following rental tests:

- > The rental income must cover 145% of the mortgage interest which will be calculated in one of the following ways:
 - All products, with the exception of five year fixed rates, will be calculated at the product rate +2% or a notional rate of 5.50%, whichever is higher.
 - Five year fixed rate products will be calculated at 5.00%.

Buy-to-let straight balance swap

- > The rental income for a straight balance swap on buy-to-let remortgages must cover the mortgage payment by 125%, calculated at a notional interest rate of 5.50%.

Application type	Rental income	Interest rate stress	
		5 year fixed products	All other products
Purchase and remortgage with additional borrowing	145%	5.00%	5.50% or product rate +2%, whichever is higher
Remortgage straight balance swap	125%	5.50%	5.50%



Top up with a top-slice

If there is a rental shortfall between 100% and 145%, calculated at a notional rate of 5.50%, we accept the customer's personal income to cover this.

Personal income is defined as the customer's net monthly income, less any outgoings.

Personal income policy...

- > A minimum combined gross income of £50,000 is required.
- > Personal income is not considered for BTL portfolio landlords, LTVs greater than 75% or where the term extends beyond 75 years of age.
- > Income will be assessed in line with our residential policy and exclude other buy-to-let income.
- > Other residential mortgages will be assessed and stressed at Virgin Money's SVR plus 3%.
- > Any shortfall from other buy-to-let properties will be taken into account as an outgoing.

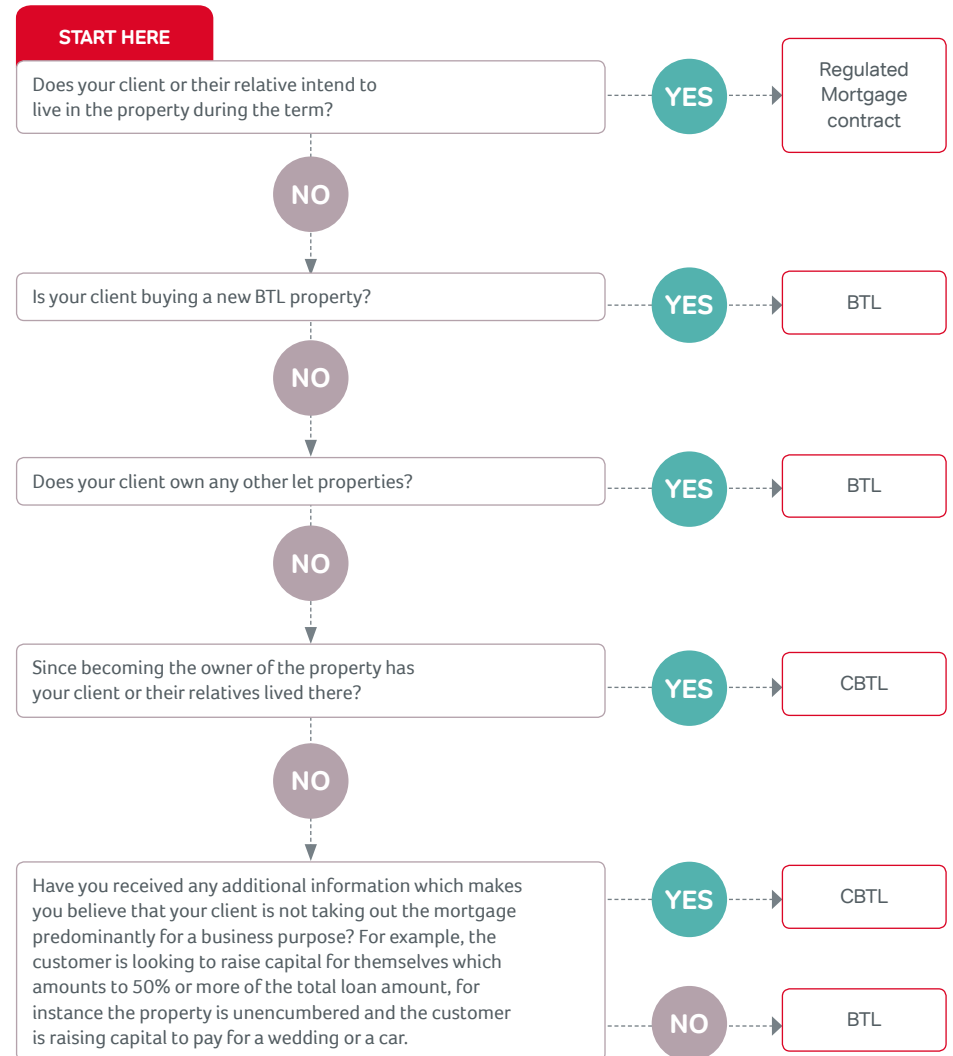
To keep things simple, we have one affordability calculator so you can check the loan amount we'd offer your client. Continue to declare all of your client's credit commitments and our calculator will automatically take personal income into consideration during the affordability assessment, where the rental income doesn't meet 145% of the mortgage interest payment. Give it a try at virginmoneyforintermediaries.com/btl-calculator



Buy-to-let or Consumer buy-to-let?

We offer Consumer Buy-to-Let (CBTL) loans.

Use this handy decision tree to work out whether your client's application is CBTL. Please make sure you assess each applicant separately. If any applicant meets the criteria of CBTL, then the loan, subject to Offer, will be a CBTL. For more detailed information on any aspect of CBTL, please visit the FCA website.



A more rewarding partnership

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virginmoneyforintermediaries.com/offers

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