



A portfolio landlord is a client who has four or more Buy to Let mortgaged properties. This definition applies to sole and joint (or more) applications in the following way:

- **Sole applications** – if an applicant owns four or more mortgaged Buy to Let properties, including the property they're applying for, we'll class them as a portfolio landlord.
- **Joint (or more) applications** – we base our calculation on the total number of mortgaged properties in which **any or all** of the borrowers have a legal ownership, including the property they're applying for.

Our criteria

The good news is that all of our **standard BTL policy** still applies to the subject property on portfolio landlord applications, including:

- The maximum number of BTL mortgages per household with any lender allowed is 10.
- The maximum number of BTL mortgages allowed per household with CBS group is three.
- Where there are two or more applicants, the minimum ICR applied will be based on each individual's total gross annual income and the applicant with the highest tax status.
- For the subject property, our existing LTV limits, maximum aggregate loan of £1M and minimum income criteria will remain the same.

Portfolio landlord specific criteria includes:

We'll assess all the properties in the portfolio **in all cases**. This means that you'll have to provide us with information that includes the value of each mortgage, monthly mortgage repayments, monthly rental amounts and estimated property values. You'll also need to give us full details of any unencumbered BTL properties.

Portfolio landlords must have acquired their first BTL property more than 24 months before the current application. No more than three properties (prior to the current application) should have been acquired within the last 12 months.

The minimum ICR across the whole portfolio, including properties mortgaged with other lenders, should be 125% (based on a reference rate currently of 5.5%).

This calculation will include properties that are unencumbered and the property they're applying for.

There should be a maximum LTV of 65% across the whole portfolio. **This calculation will include properties that are unencumbered and the property they're applying for.**

No single property should be below an ICR of 100%.

The dedicated BTL portfolio underwriting team will also review the portfolio to consider geographical exposure and property management risk. For example, the number of properties in the same block of flats or street, and how the properties are managed.



For example

If Mr B **solely** owns two mortgaged properties and Miss C **solely** owns one mortgaged property, and **together** they apply for a mortgage on a new BTL purchase, they will have four properties in aggregate. In this case, we'll consider them to be a portfolio landlord.

What you need to know:

The application process:

- When submitting an application for a portfolio landlord, go straight to Full Mortgage Application as we'll need to assess the BTL portfolio so we can give you a decision. The portfolio information will only be requested on full submission and not at AIP stage.
- There's no need to complete an AIP unless you have concerns over your client's credit profile. If you do, we'll underwrite the AIP and make a decision subject to receiving the portfolio information on full submission.
- It's important that you give us all the information we need. You must fully complete the **Buy to Let portfolio document** and include the full address and postcodes of all properties in the portfolio, including any unencumbered properties. This will allow our dedicated team of portfolio landlord underwriters to validate and assess the application.

- There may be instances where we're unable to validate all the information electronically. If this is the case, we may ask you for further information, for example:

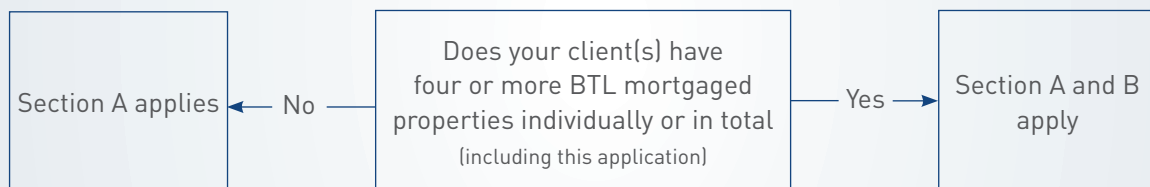
- Bank statements
- Mortgage statements
- Rental agreements
- Redemption statements.

Existing clients:

- You may have existing clients who will be defined as portfolio landlords. If they apply for a transfer of equity, porting or further advance with us, you'll need to complete the **Buy to Let portfolio document** in full and they'll be assessed under the new policy.
- You won't need to provide a Buy to Let portfolio document if they're applying for a product transfer.

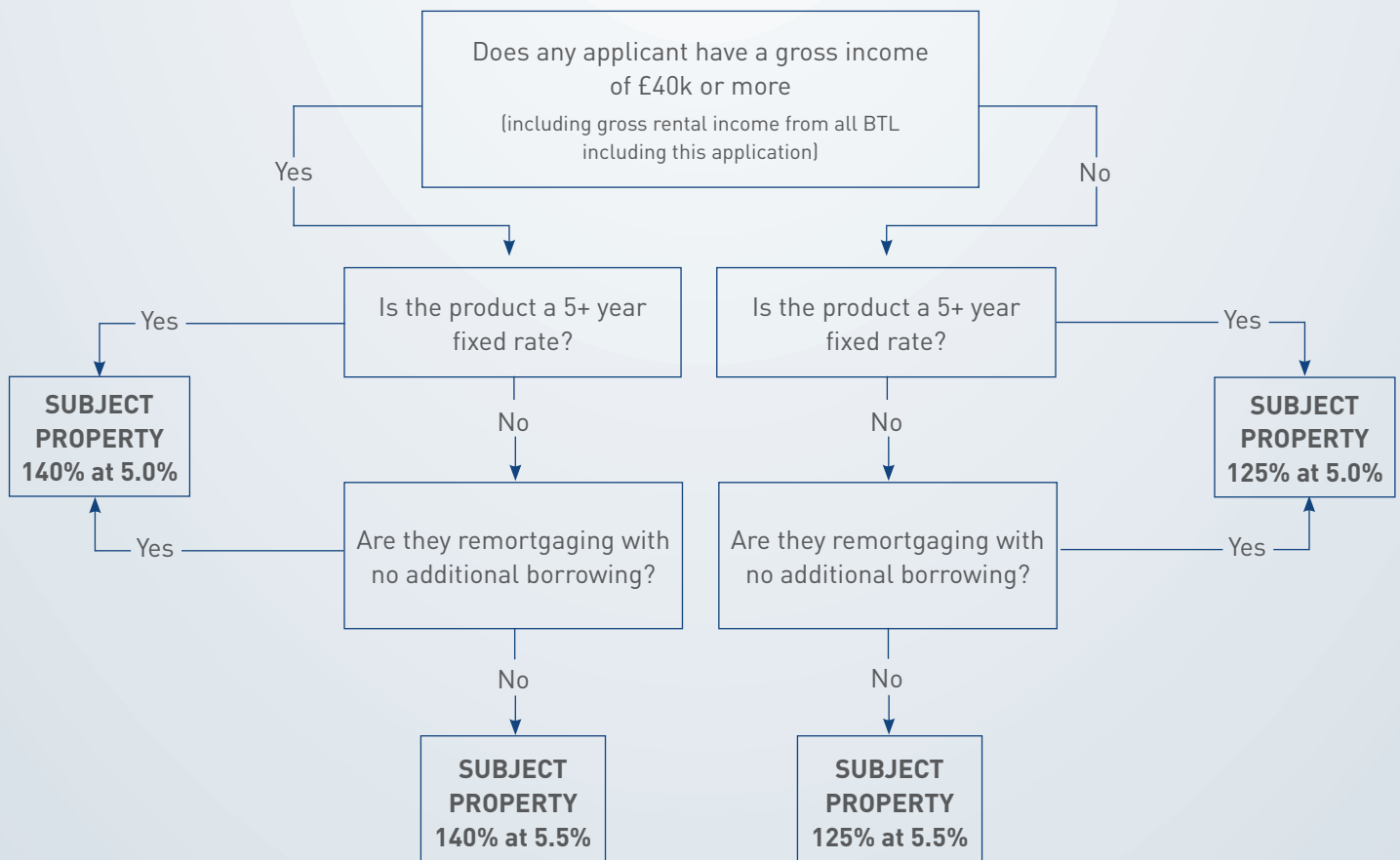
If you have any further questions about our policy, we're here to help. Call us on 0800 121 7788 and select option 2.

Affordability guide



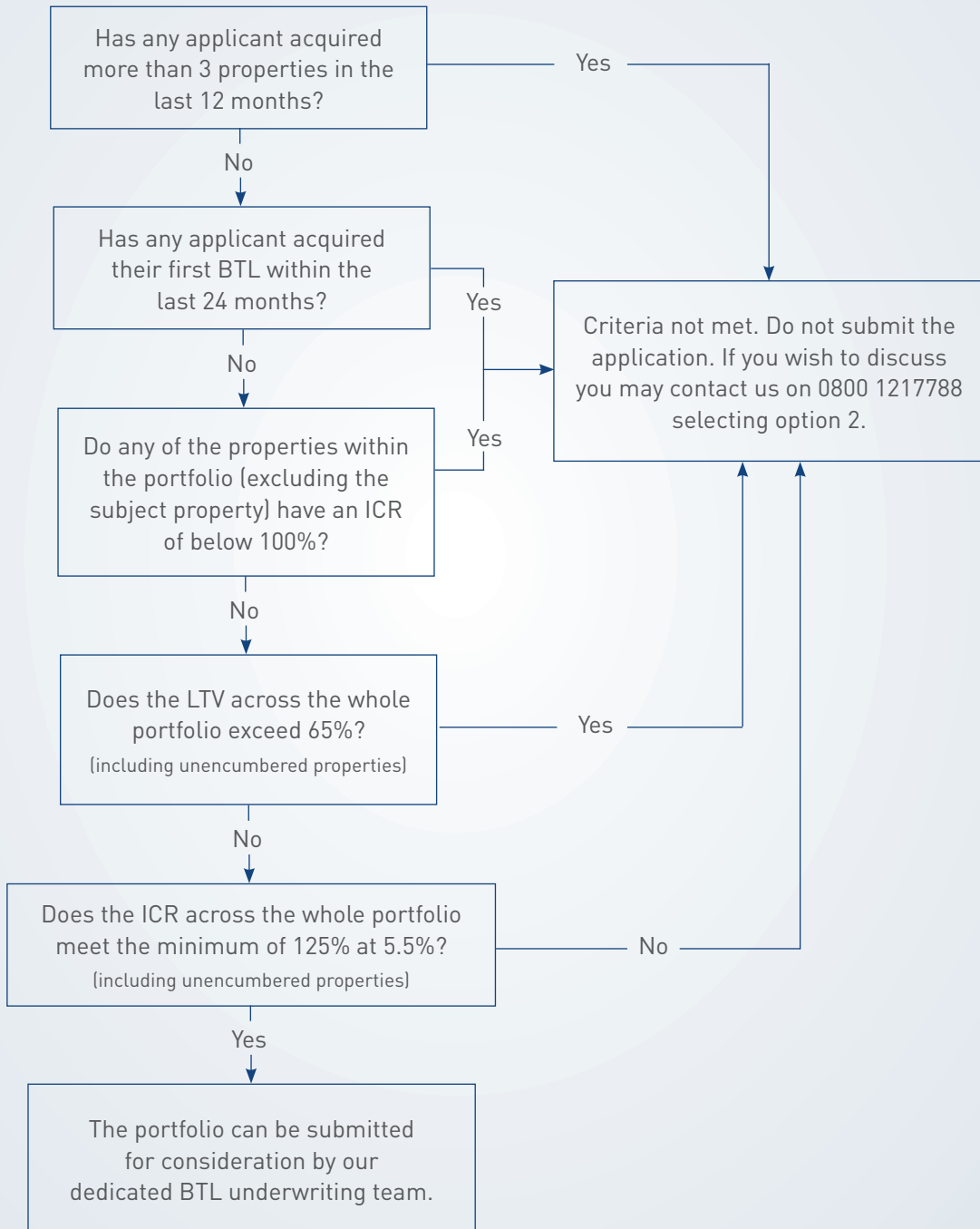
A) BTL ICR criteria subject property

Questions applicable in all cases



B) The Whole Portfolio (for those defined as portfolio landlords)

Questions applicable where client(s) have four or more mortgaged BTL properties, individually or in total (including this application)



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All information is subject to change.

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