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| **Topic** | **Content** | **Changes** |
| Accountants | Accountants must have one of the following qualifications/certifications:   * Institute of Chartered Accountants of England and Wales (ICAEW) * Institute of Chartered Accountant of Scotland (ICAS) * Chartered Accountants Ireland (CAI) * Association of Chartered Certified Accountants (ACCA) * Chartered Institute of Public Finance and Accountancy (CIPFA) * Association of International Accountants (AIA) * Association of Authorised Public Accountants (AAPA) * The Chartered Institute of Management Accountants (CIMA) * The Chartered Institute of Taxation (CIOT) * Association of Accounting Technicians (AAT) * Institute of Financial Accountants (IFA) * Association of Taxation Technicians (ATT). | No changes – just put in alphabetical order |
| Accountants Certificate / Reference | These are sent directly to the applicant’s accountant at the underwriter’s discretion. | Edited |
| Acreage | Properties with up to 20 acres of land can be considered providing this is not used for commercial use. We can however accept properties where the applicants are looking to purchase a hobby farm. | New |
| Additional Borrowing | If the applicant is already a Saffron Building Society mortgage holder and looking for further borrowing they will need to contact our Retention Mortgage Team: Telephone – 0800 072 1100 and select option 2, then option 1 | Edited |
| Additional/Secondary Income | The Society defines additional / secondary income as;   * Overtime * Bonus * Commission   Of which we can take;   * 100% (guaranteed) – evidence of track record of up to 3 years required. Subject to underwriters discretion * Up to 75% (non-guaranteed) – of additional / secondary income paid in the previous tax year subject to underwriters discretion – 50% taken as standard   For all additional / secondary income payments, we assess the stability of the income by reviewing the history while at the same time assessing the future viability of such payments. |  |
| Additional Properties in the background | Accepted, no limit on additional properties. | Edited |
| Adverse | **Missed mortgage payments**  No more than one occurrence within the last 12 months and no more than two occurrences in the last 24 months.  **Unsecured arrears**  No more than two occurrences within the last 24 months  **CCJs and Defaults**  Unsettled CCJs and Defaults:  Unsettled CCJs/Defaults are allowed up the total of £100 and up to £250 at underwriter’s discretion.  Settled CCJs and Defaults:   * + £250 if settled within last 12 months   + £500 if settled between 13 and 24 months ago   + £500+ if settled for more than 2 years   **IVAs/Debt Management Plans**  Must be settled for three years  **Bankruptcies**  Must be discharged over 5 years ago  We use Experian as our credit referencing agency and apply minimum Credit Score and maximum Indebtedness Index parameters as part of our lending decision. | Edited |
| Affordability Calculator | Our affordability calculators can be found under the “Calculators” tab on the website – please select the appropriate calculator.  For further assistance please contact the Intermediary Support Team | New |
| Agency Workers | Must have a minimum of two years agency work experience, income from this employment must not be the sole income.  Evidence required;   * 3 months latest payslips * 2 years latest P60s * Affordability is based on an average over the last 2 years. | Edited |
| Agricultural Ties | Unacceptable | No change |
| Annexe | Acceptable subject to property not being sublet – refer to Intermediary Support Team | New |
| Applicants | A max of 4 applicants on a Full Mortgage Application can be considered; only the 2 highest incomes can be used to support affordability.  If looking for a joint borrower sole proprietor first time buyer mortgage we can consider up to 3 incomes. | Edited |
| Application Fee | We charge a non-refundable application fee at full mortgage application stage. The costs are as follows:   * Residential application - £180 * Buy to Let application- £200 * Self-build application - £300 | Edited |
| Application Form | All applications must be submitted online via the Saffron for Intermediaries Portal, we do not a have paper based application or a data capture form | No change |
| Auction Purchase | Can be considered however please note we are unable to guarantee we can meet the exchange deadline | New |
| Back to Back | We can consider applications from applicants remortgaging within the last 6 months.  Refer to Intermediary Support Team | New |
| Bankruptcy | Applicant must have been discharged bankrupt a minimum of 5 years. | New |
| Basic Pay | 100% of basic salary + guaranteed allowances (e.g. area weighting allowance, car allowance, and housing allowance) |  |
| Benefit Income | We cannot take benefit income into account for affordability |  |
| Block of Flats | Max 5 storeys  In a block of up to 20 flats we would only lend on 1 flat per associated customer. In a block with more than 20 flats we would lend on a maximum of 2 flats.  We are able to consider outside of these by exception – please refer to the Intermediary Support Team | No change |
| Bonus | We can consider bonus income for affordability purposes:   * Up to 75% (non-guaranteed) – of additional / secondary income paid in the previous tax year subject to underwriters discretion – 50% taken as standard * 100% (guaranteed) subject to underwriters discretion   Our underwriters will assess the stability of the income by reviewing the history while at the same time assessing the future viability of such payments. | Edited |
| Bounce back loans (COVID related) | Self-employed applicants with bounce back loans (or other Covid related assistance) can be considered, provided the assistance is warranted and justified. |  |
| Bridging Finance | Unacceptable | No change |
| Builders deposits | A maximum of 5% in the form of a builder gifted deposit or incentive scheme is allowed subject to applicants having a minimum deposit of 5% from their own resources. | New |
| Builders Incentives | A maximum of 5% in the form of a builder gifted deposit or incentive scheme is allowed subject to applicants having a minimum deposit of 5% from their own resources. | New |
| Building Insurance | It is a condition of all Saffron Building Society mortgage offers that appropriate buildings insurance cover is held over the security property for the duration of the mortgage term |  |
| Capital Raising | Can be considered although documentary evidence may be required i.e. quotes for building works. Debt consolidation is limited to 90% LTV max.  We will not consider requests to capital raise for the following:   * Payment of a tax bill * To repay gambling debts * Or deemed to be for any business purpose including repaying a business loan | No change |
| CCJs (County Court Judgements) | **Unsettled CCJs**  Unsettled CCJs are allowed up the total of £100 and up to £250 at underwriters discretion  **Settled CCJs**   * + £250 if settled within last 12 months   + £500 if settled between 13 and 24 months ago   + £500+ if settled for more than 2 years | Edited |
| CIS Workers (Construction Industry Scheme) | Can consider on our Contractor product range.  We require the following:   * The applicant to have 2 years industry experience * We require 6 month’s payslips and bank statements * A contract of employment if they have one * We will assess via the contract terms or if no contract available we will us an average of the last 6 months payslips. | Edited |
| Child Benefit | Unacceptable | No change |
| Child Tax Credits | Unacceptable | No change |
| Coach Houses | Leasehold coach houses acceptable subject to the individual valuer comments, freehold coach houses unacceptable. | No change |
| Concessionary Purchase | Transaction **must** go through at full market value and the gifted equity deposits must come from **immediate family members only.** | No change |
| Construction Type | Standard construction is considered as the following:  **Walls:** Brick, Stone, Concrete Blocks, Timber Frame – heavy (built before 1900), Timber Frame – modern – built to Building Regulations (1970 to date)  **Roof:** Tiled, Slate, Asbestos Slate, Thatch, Cedar Shingle, Flat (bitumen or 3-layer felt)  **Flat Roof:** Main flat roof covering is felt, asphalt, single ply elastomeric membrane or GRP. Up to 100% on purpose-built flats, but only up to 25% of entire area on houses - Subject to individual valuer comments.  **Single Skin Brickwork:** Brickwork of single skin thickness (113mm) is generally unacceptable, except in small areas of single storey structures, for example a porch. | No change |
| Contractors | Fixed term and short term contractors can be considered on the specific Contracting product range.  **Fixed term Contractors**;   * Latest 3 months payslips and P60; **and** * 3 months bank statements; **and** * Evidence of applicants experience (minimum of 2 years) within the same industry;**or** * Confirmation from employer of long-term employment arrangement; **or** * Written confirmation from a reputable agency of secure further positions.   **Short term Contractors** (including contractors employed under an umbrella company contract);   * 3 months bank statements and 3 months invoices * Current & previous contract; * CV confirming applicants experience (minimum of 2 years) within the same industry   Applicants must have 2 years’ experience within the same type of employment, a minimum of 3 months contract history backed by 3 months bank statement and invoices.  Income to be calculated as Daily Rate x days worked (max 5 per week) x 48.  **CIS Contractors**;   * The applicant to have 2 years industry experience * We require 6 month’s payslips and bank statements * A contract of employment if they have one * We will assess via the contract terms or if no contract available we will us an average of the last 6 months payslips.   **Zero Hour Contractors;**  Where lending to applicants with zero hour contract, the following applies:   * The applicant on the zero hour contract must be the secondary income earner; * The applicant must have a minimum of 2 years history of working experience on a zero hours contract - can be with different employers; * We require the 2 latest years P60’s and 3 latest months’ payslips. An average of the latest 2 years p60’s figures will be used for affordability, as long as this is consistent with the latest payslips. | Edited |
| Commercial Property Close By | Can be considered subject to type of commercial, location and subject to individual valuer comments. | No change |
| Commission | We can consider commission for affordability purposes:   * Up to 75% (non-guaranteed) – of additional / secondary income paid in the previous tax year subject to underwriters discretion – 50% taken as standard * 100% (guaranteed) subject to underwriters discretion   Our underwriters will assess the stability of the income by reviewing the history while at the same time assessing the future viability of such payments. | Edited |
| Credit Score | Applicants must not have credit score lower than 600, we use Experian as our credit referencing agency. If the applicant has a score between 500 and 599 they may still be considered however it is subject to underwriter’s discretion. | Edited |
| Data Capture Form | We do not have an available data capture form.  For Self Build and Custom Build we do have a supplementary information form which is required to be fully completed at DIP stage. | New |
| Debt Consolidation | Can consider debt consolidation up to 90% LTV | Edited |
| Decision in Principle | These must be generated online via the Saffron for Intermediaries Mortgage Portal. It is a soft footprint on the client’s credit profile at DIP stage. |  |
| Defaults | **Unsettled Defaults**  Unsettled CCJs/Defaults are allowed up the total of £100 and up to £250 at underwriter’s discretion.  **Settled Defaults**   * + £250 if settled within last 12 months   + £500 if settled between 13 and 24 months ago   + £500+ if settled for more than 2 years | Edited |
| Dependents | Financial dependents must be entered on the affordability calculator including adult dependants not named on the mortgage. | No change |
| Deposit | **Acceptable sources of deposit**   * Savings are acceptable as a source of deposits but must be accompanied by a copy of savings book or bank statement showing the full amount of the deposit; * Equity – confirmation of the sale price and balance outstanding; * Capital to be raised from another property – copy of the mortgage offer letter; * Endowment/investment policy maturity – letter showing maturity value; * Deposits provided by gift or loan must be accompanied by a Letter signed by the person making the gift confirming the amount and on what terms. Evidence of funds may be required. * Gifted equity deposit, from a close family member and the property must be purchased at **full market value.** * Close family members are the following: * Parents, step parents and adoptive parents; * Brothers and sisters, half brothers and sisters, and step brothers and sisters. * Children, step children and adopted children * Grandparents and step grandparents * Grandchild and step grandchild; and * Aunt and Uncle * Funds from liquidation of legitimate assets where necessary evidence can be provided to satisfy source of funds requirements. * Builder’s gifted deposit - A maximum of 5% in the form of a builder gifted deposit or incentive scheme is allowed subject to applicants having a minimum deposit of 5% from their own resources.   The gifted deposits listed below are subject to referral for assessment:   * Provided by the vendor (Landlord only) * Protected by a Deed of Trust (or similar); * The person providing it will be living in the property, but is not named on the mortgage (except where satisfactory explanation is provided for this arrangement); or * There is a beneficial/equitable ownership/interest in the property.   Where the source of deposit is a loan, full details will be required;   * Amount; * Lender (explain background if not a financial institution); * Loan terms (e.g. interest rate, payments required); * Any security required (e.g. second charge) | Edited |
| Development Finance | We offer development finance, please contact the team on 01799 592886 | Edited |
| Diplomatic Immunity | Unacceptable |  |
| Direct Debit | Direct debit forms are automatically generated on submission of a Full Mortgage Application and can be located in the “Documents” section of the application.  Direct Debits must be from a UK Bank Account in the name of one or all of the Applicants. If the application is in the name of a Limited Company, then the UK Bank Account must be in the name of that Company. Please note that Confirmation of Payee services are now in force, which is a bank account name checking service. We will ask you to confirm the Applicants' preferred payment day by uploading a note to the application. The preferred date can be any day between 1st and 28th of the month | No change |
| Disability Benefit | Unacceptable | No change |
| DMPs (Debt Management Plans) | All debt management plans must be settled for a minimum of 3 years. |  |
| Employment | **Acceptable Employment**   * Permanently employed Full/Part time. * Fixed term contracts. * Short term renewable contracts (including contractors employed under an umbrella company contract). * Employed director with less than 20% share. * Temporary / Agency Workers. * Zero hours / Bank Staff.   **Self-employed;**   * Sole trader. * Partnership. * Company directors with more than 20% share.   Min term of employment/self-employment;  Employed applicants;   * There is no minimum time with employer however we will require up to 3 months of earnings * Applicants who are in their probationary period can be consider providing they have 2 years’ experience in a similar role.   Self-employed applicants;   * Where less than 3 years income but a minimum of 1 year’s income can be evidenced, this be considered on the Self Employed product range. * Where there is a minimum of 3 years of income can be evidenced, this can be considered on the Everyday product range for self-employed clients. | Edited |
| Employer Tied Accommodation | Applicants who reside in employer / tied accommodation e.g. teacher, vicar etc. can be considered on a BTL basis as long as we can obtain suitable proof of address and the security property is to be let out. | No change |
| EPC Rating | For BTL and EXPAT BTL applications the security property must have an EPC rating of E or above. An EPC rating certificate must be provided at full mortgage application stage to show that the security property meets the legal requirement. | No Change |
| Equestrian Ties | Unacceptable | No Change |
| Equity Share Loan Scheme | Unacceptable | No Change |
| Estate Rent Charges | Please refer to the Intermediary Support Team if estate rent charges are applicable. | New |
| Expat | British Nationals who hold a UK passport living and working overseas. Available on Ex Pat BTL product only.  **Expat BTL not available to applicants living in an EEA country**  Restricted countries: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden. | No change |
| Exposure Limits | For multiple purchases/remortgage in the same block of flats the exposure limits are one flat in one block or maximum 10% in block | No change |
| EU / EEA Citizens | Can be considered if the applicants have 5 years UK address history pre application.  Post Brexit the applicants must have EU settlement status granted - settled status only.  Letter from home office must be uploaded to the application to confirm. | No change |
| Fees and Charges | Please refer to our individual products for arrangement fees and associated fees | Edited |
| First Time Buyers | A first time buyer is an individual who has never owned a property previously.  Specific product range available up to 95%  On our BTL products we do allow first time buyer / first time landlords. | Edited |
| Fixed / Short Term Contracts | Fixed term and short term contractors can be considered on the specific Contracting product range.  **Fixed term Contractors**;   * Latest 3 months payslips and P60; **and** * Evidence of applicants experience (minimum of 2 years) within the same industry;**or** * Confirmation from employer of long-term employment arrangement; **or** * Written confirmation from a reputable agency of secure further positions.   **Short term Contractors** (including contractors employed under an umbrella company contract);   * Accountants certificate from an independent accountant; **or** * Self-assessment tax calculation forms; **or** * The online submitted online returns and a Tax Year overview for each corresponding tax year; **or** * 3 months bank statements and 3 months invoices; **and** * Evidence of existing or new contract.   Applicants must have 2 years’ experience within the same type of employment, a minimum of 3 months contract history backed by 3 months bank statement and invoices.  Income to be calculated as Daily Rate x days worked (max 5 per week) x 48. | No change |
| Flats | * **Maximum number of floors** - 5 * **Above commercial** – can be considered if the commercial is not deemed as potentially affecting the suitability of the property as security. * **New Build flats** - up to 75% of capital and interest and 60% Interest only and Part & Part * **Studio flats** - subject to valuation and the internal floor area must not be less than 35 square metres; there must be a kitchen facility and a separate bathroom * **Freehold flats** Unacceptable * **Ex local authority flats with independent access (throughout block)**; can be considered at a max LTV of 75% capital and interest and 60% interest only and subject to underwriting and valuation * **Freehold Coach Houses and Maisonettes** - Unacceptable | Edited |
| Flats in blocks over 5 storeys | May be considered subject to location – please refer to the Intermediary Support Team | Edited |
| Flats above commercial | Can be considered if the commercial is not deemed as potentially affecting the suitability of the property as security.  Please refer the Intermediary Support Team | Edited |
| Flood Zones | If the property is subject to a flood risk we may not be able to consider. Please see further details below:  Zone 1: Acceptable  Zone 2: Acceptable if insurable and subject to individual valuer comments  Zone 3a: Unacceptable  Zone 3b: Unacceptable | New |
| Flying freehold | Only where the flying freehold portion is no more than 15% of the total floor space, subject to individual valuer comments  and there are satisfactory legal arrangements concerning rights of support and access for maintenance and repair in place | No change |
| Foreign Income | Only income paid in GBP and subject to UK tax is taken in to account to support affordability.  For Ex Pat BTL mortgage applications, clients paid in foreign income is acceptable as lending is based on the rent received. | No change |
| Foreign Nationals | Must have indefinite leave to remain | No change |
| Freehold Houses | Acceptable | Edited |
| Freehold Flats | Unacceptable | Edited |
| Gifted Deposit | Accepted from close family members.   * Close family members are the following: * Parents, step parents and adoptive parents; * Brothers and sisters, half brothers and sisters, and step brothers and sisters. * Children, step children and adopted children * Grandparents and step grandparents * Grandchild and step grandchild; and * Aunt and Uncle   Our gifted deposit letter can be found in our Supplementary Documentation section of the website (Can we link?) | Edited |
| Gifted Equity | Accepted from close family members.  Our gifted deposit letter can be found in our Supplementary Documentation section of the website (Can we link?) | Edited |
| Guarantor Mortgages | Saffron do not offer guarantor mortgages | Edited |
| House Boats | Unacceptable | Edited |
| Help to Buy | Unacceptable | Edited |
| HMO (House of Multiple Occupancy) | Unacceptable | Edited |
| HMRC Tax Assessment Form | Anyone who submits a tax return can obtain evidence of earnings via an SA302 (or acceptable equivalent - see point 2 below) for the last 4 years in one of 3 ways:   1. Online SA302. Must show the relevant tax year, applicant’s name, Unique Tax Reference (UTR). 2. Online tax computation. Must show the relevant tax year, applicants name and UTR **and** accompanied by the associated Tax Year Overview document from applicants HMRC online account. 3. Paper SA302’s can be requested by telephone direct from HMRC - 0300 2003300.   For simplicity the checklist item will ask for SA302’s – which covers all 3 of the above. | No change |
| Holiday Lets | Unacceptable | No change |
| Homebuyers Report | We do not offer or collect fees for homebuyer’s reports. If a homebuyers report is required notify us at FMA stage. The standard valuation fee will be collected & the cost of the homebuyers report will be paid by the applicant directly to the surveyor. | No change |
| Identification | We allow electronic ID&V, If we this is not available we will require the below:  Acceptable proof of ID;   * Current full UK/European passport a British Visitors passport is not acceptable) * Current full or provisional UK photo card driving licence. * Current full UK driving licence (old version). Old style provisional driving licences are not accepted. * Inland Revenue Tax Notification/Demand/Assessment (less than 12 months old). * Letter from the Benefits Agency confirming entitlement to benefits or state pension (less than 12 months old). * Firearms certificate or Shot Gun certificate.   Acceptable proof of residency;   * Local Authority tax bill or statement (valid for the current year) * Utility bill or statement (under 3 months old) (current year for water bills) (mobile phone statement and internet prints are not accepted). * Bank/Building Society/National Savings/Credit Union statement dated within the last 3 months – including Current; Savings or Loan statement (Not mortgage or credit card). Internet prints are not accepted. Statements printed in branch, stamped by the issuing branch, are acceptable. * Current full or provisional UK photo card driving licence (if not used to verify as ID). * Current full UK driving licence (old version). Old style provisional driving licences are not accepted (if not used to verify as ID). * Inland Revenue Tax Notification/Demand/Assessment (less than 12 months old) (if not used to verify as ID). * Letter from the Benefits Agency confirming entitlement to benefits or state pension (less than 12 months old) (if not used to verify ID).   Where a customer has recently changed their name through marriage; divorce or by deed poll and provides ID in their old name and wants the account opened in the new name – we will accept ID in their old name with satisfactory evidence of their change of name e.g. marriage certificate; decree absolute; deed poll etc.). The photo ID must be certified, with the additional confirmation that the photo is a true likeness of the applicant.  If the customer has lived at their current address for less than 3 months, we will require proof of residency for the new and previous address they must also provide 1 additional item from the residency verification list above to show their previous address and this address must be included in the ID searches. | Edited |
| Interest Only | LTV – 70%, up to 75% inclusive of fees.  Further information regarding repayment vehicles can be found below:  - For Lending Into Retirement click [here](https://www.saffronforintermediaries.co.uk/sites/default/files/2020-09/lending-into-retirement-August-2019_0.pdf)  - For Interest Only Acceptable Repayment Vehicles click [here](https://www.saffronforintermediaries.co.uk/sites/default/files/2020-09/Interest%20Only%20Acceptable%20Repayment%20Vehicles.pdf) | No change |
| Income | Acceptable Income;   * **Gross annual income** - 100% of basic + guaranteed allowances (e.g. area weighting allowance, shift allowance, car allowance, housing allowance) * **Regular overtime, bonus or commission** - 100% (guaranteed) – evidence of track record of up to 3 years required. 50% (non-guaranteed) – of additional / secondary income paid in the previous tax year * **Self-employed, Sole trader, Partnership or Limited Company** - Please refer to ‘Self Employed’ * **Rental income** - 50% of net surplus (unless personal income is derived from a business as a professional landlord – self-employed criteria then applies) * **Maintenance** - 50% (by court order – child must be 13 years or under) * **Personal / State Pensions** - 100% * **Maternity Leave** - 100% of basic salary upon return to work and must be confirmed by employer. Please refer to ‘Maternity/Parental Leave’ for further details * **Second Jobs** - 100% of income can be used if second job has been held for a minimum of 6 months and the applicant is not working more than 60 hours per week. * **Trust Funds** - Refer to Intermediary Support Team   Unacceptable Income;   * **All Benefits** - Child tax credits, housing benefit, child benefit and job seekers etc. * **Income paid in a foreign currency (non GBP)** | No change |
| Independent Living Allowance | Unacceptable | No Change |
| Ireland | We do not lend in Ireland | No change |
| IVAs (Individual Voluntary Arrangements) | All IVAs must be settled for a minimum of 3 years. | NEW |
| Joint borrower sole proprietor (JBSP) | Available on the first time buyer Joint Borrower Sole Proprietor product Visit our calculator page for our JBSP calculator | No change |
| Japanese Knotweed | We cannot lend on properties with Japanese Knotweed | No change |
| Leasehold | Leasehold properties are accepted.  Share of freehold can be considered.  On leaseholds, leases must have at least 60 years remaining at the end of the mortgage term.  Will consider applications where the lease is increasing to an acceptable term, simultaneously with the mortgage completion | No change |
| Lending into retirement | We offer a variety of retirement products suitable for older applicants. We take earned income up to the age of 75 and have no maximum age.  Please refer to our Lending into Retirement Policy (LINK) | Edited |
| Let to Buy | Can consider on BTL range, client must have evidence of an onward residential purchase. | Edited |
| Loan to Income (LTI) | Maximum borrowing is assessed on an affordability basis with the max borrowing capped at a LTI of 4.49 times.  We may consider 5 times incomes for affordability providing the applicants meet the following criteria:  Loans over £300,000  LTV under 80%  Sole income - £50,000  Joint income - £80,000  The above is subject to underwriters assessment | Edited |
| Location | No post code restrictions within England and Wales.  We do not lend in Scotland and Northern Ireland. | No change |
| Live Work Property | Unacceptable | Edited |
| Limited Company BTL | * Available up to 75% * First time buyers, first time landlords accepted * UK Limited companies only * New SPVs allowed * Company must be set up with the principal activity of buying and holding residential investment property and used for that purpose only – no other trading purposes permitted. | Edited |
| Maintenance Income | Can consider 50% court ordered maintenance for affordability providing that the child is under the age of 13 years old. | No change |
| Maisonettes | Leasehold maisonettes accepted. | No change |
| Maternity Leave | We are able to take 100% of basic salary upon return to work and must be confirmed by employer, required proofs;   * Latest payslip and P60 (where required); **and** * Last payslip prior to maternity/ parental leave showing the full salary; **and** * Alternative source of funds to support payments and living costs if income during maternity/ parental leave is insufficient (e.g. savings). * Where an applicant intends to return to work on the same terms as before the start of maternity/ parental leave, we will need confirmation of this; * Where an applicant (or either applicant if joint application) will be changing their working pattern following maternity/ parental leave, we will need a letter from the applicant’s employer confirming their return to work conditions.   Ensure that anticipated childcare costs have been included in the affordability calculator. If no childcare costs provide an explanation and details of any alternative arrangements. | New |
| Maximum Age | We do not have a maximum age however the mortgage term will be assessed on a case by case.  Working income can only be accepted up to a maximum age of 75. | Edited |
| Maximum Loan | Maximum loan amount is £1,000,000, unless specified on the selected product. Borrowing above this can still be considered on a bespoke basis, please refer to the Intermediary Support Team. | Edited |
| Maximum Property Value | No Maximum property value | Edited |
| Maximum Term | 40 Years | Edited |
| Minimum Age | Minimum age is 21 but underwriter’s discretion can be applied to a minimum of 18 years. | Edited |
| Minimum Loan | Minimum loan amount is £30,000. | Edited |
| Minimum Property Value | Minimum property value is £100,000 | Edited |
| Minimum Term | 5 years | Edited |
| Mining / Radon gas area | Subject to individual property and assessment by valuer and conveyancer involved in the Mortgage transaction. | No change |
| Mixed use properties | Unacceptable | No change |
| Mobile Homes | Unacceptable | No change |
| Modern Methods of Construction | Can be considered if they are BOPAS, BBA or BRE accredited with a 60 year durability guarantee.  Please contact the Intermediary Support team to discuss further | Edited |
| Mortgage Arrears | No more than one occurrence of a late or missed payment within the last 12 months and no more than two occurrences of a late or missed payment within the last 24 months. | Edited |
| Multi Units | Unacceptable | Edited |
| Multi Lets | Unacceptable | Edited |
| Offers | Offers are valid for 6 months.  If an extension is required this is subject to underwriter’s discretion and further supporting documentation may be required. | No change |
| New Build Flats | Accepted up to 75% of capital and interest and 60% Interest only and Part & Part. | New |
| New Build Houses | Accepted up to 95% LTV on a repayment basis | New |
| Non borrowing occupier | If a non-borrowing occupier will be residing in the property, an additional occupier form/letter must be completed prior to completion.  If part or all of the deposit is coming from a non-borrowing occupier, we will insist on them being listed as an applicant on the mortgage, as they will hold an interest in the property. | No change |
| New Build Warranty | The list of acceptable warranty providers is below:   * NHBC * LABC * Premier Guarantee * ICW Limited * Buildzone * Castle 10/Checkmate * Buildassure * One Guarantee * Global Home Warranties * Q Assure * Protek * Advantage HCI * Ark Residential Insurance * *\*Zurich (\*historical)* * \**BLP (\*historical)* | Edited |
| Northern Ireland | We do not lend in Northern Ireland. | No change |
| Non – Financial Incentives | We may consider builder incentives, please refer to the Intermediary Support Team | Edited |
| Non Standard Construction | Considered by exception where appropriate care & consideration has been given to the structure /longevity /maintenance problems that might arise and information available indicates the society’s security position would not be impaired by undertaking this lending.  The society restricts lending on properties classified as defective or un-mortgageable in the valuation report. | No change |
| Non UK Taxpayers | We cannot consider non UK tax payers for Residential or BTL cases however foreign income/non UK tax payers will be considered on Expat BTL cases only. | No change |
| Overtime | We can consider overtime for affordability purposes:   * 100% (guaranteed) – evidence of track record of up to 3 years required. * 50% (non-guaranteed) – of additional / secondary income paid in the previous tax year.   For all additional / secondary income payments, we assess the stability of the income by reviewing the history while at the same time assessing the future viability of such payments. | No change |
| Parental Leave | We are able to take 100% of basic salary upon return to work and must be confirmed by employer, required proofs;   * Latest payslip and P60 (where required); **and** * Last payslip prior to maternity/ parental leave showing the full salary; **and** * Alternative source of funds to support payments and living costs if income during maternity/ parental leave is insufficient (e.g. savings). * Where an applicant intends to return to work on the same terms as before the start of maternity/ parental leave, we will need confirmation of this; * Where an applicant (or either applicant if joint application) will be changing their working pattern following maternity/ parental leave, we will need a letter from the applicant’s employer confirming their return to work conditions.   Ensure that anticipated childcare costs have been included in the affordability calculator. If no childcare costs provide an explanation and details of any alternative arrangements. | New |
| Paternity Leave | We are able to take 100% of basic salary upon return to work and must be confirmed by employer, required proofs;   * Latest payslip and P60 (where required); **and** * Last payslip prior to maternity/ parental leave showing the full salary; **and** * Alternative source of funds to support payments and living costs if income during maternity/ parental leave is insufficient (e.g. savings). * Where an applicant intends to return to work on the same terms as before the start of maternity/ parental leave, we will need confirmation of this; * Where an applicant (or either applicant if joint application) will be changing their working pattern following maternity/ parental leave, we will need a letter from the applicant’s employer confirming their return to work conditions.   Ensure that anticipated childcare costs have been included in the affordability calculator. If no childcare costs provide an explanation and details of any alternative arrangements. | New |
| Portfolio Landlords | A portfolio landlord is a landlord with 4 or more mortgaged buy to let properties.   * Minimum ICR on properties being financed by the Society: * Re-mortgage no capital raising: Rental cover 125% of pay rate * Re-mortgage capital raising and new BTL: Rental cover 140% of either pay rate +2% or 5.5%, whichever is higher * 5 Years fixed rate: Rental Cover 140% of pay rate   All other BTL assets in the portfolio (not financed by the society) must meet rental cover of at least 125% of pay rate both individually and collectively.     * Lending is restricted to a maximum of 10 properties in aggregate but with a maximum exposure of £1.5m to any individual * Maximum LTV is 75% on each property (this includes any fees to be added).   At FMA stage we will require four additional documents to be completed and uploaded onto the case.  These documents can be found below:  [Property Portfolio Form](https://www.saffronforintermediaries.co.uk/sites/default/files/2021-03/Property%20Portfolio%20Form%202021.xlsx) – Form to include properties held in both personal and business names - all applicants portfolio details can be submitted on the same form        (Once completed this must be converted to PDF and uploaded within the portal)  [Business Plans](https://www.saffronforintermediaries.co.uk/sites/default/files/2020-09/portfolio-landlords-business-plan.pdf)– Form includes cash flows and personal assets and liabilities form         · For Limited Company Buy-to-Lets please complete this form for each director        · Personal assets and liabilities section must be completed for each applicant | Edited |
| Porting | Products are portable except for self-build | No change |
| Probationary Period | Applicants can be considered if they are in their probationary period however we will require them to have 2 years work experience in a similar role. | NEW |
| Proof of Income | Documentation (minimum) required - **Employed**;   * Last 3 month’s payslips * Latest P60 * If the applicant has been employed for over 6 months and is not a first time buyer – we can consider 1 payslip and 1 bank statement for documentary evidence   Documentation (minimum) required - **Self-employed**;   * **Sole Trader/Partnership**; Last 3 years accounts or last 3 years SA302’s or the online submitted tax returns and a tax year overview for each corresponding year (if self-employed product – 1 or 2 years audited accounts plus projection from qualified accountant) * **Limited Company**; Last 3 years accounts audited by qualified accountant (if self-employed product – 1 or 2 years audited accounts plus projection from qualified accountant).   Documentation (minimum) required – **Contractor**;   * Current and previous contract. * Latest 3 months bank statement showing invoice credits. For first time buyers, 6 months will be required. * CV outlining previous employment history (2 years in the same industry required).   Additional documents may be required at underwriter discretion. | No change |
| Product Fees | Product fees vary between products, please refer to specific products details. See product guide | No change |
| Property | **Flats**   * **Studio flats**; subject to valuation and the internal floor area must not be less than 35 square metres; there must be a kitchen facility and a separate bathroom. * **Freehold flats;** Unacceptable * **Ex local authority flats with independent access (throughout block)**; can be considered at a max LTV of 75% and subject to underwriting and valuation.   Other unacceptable properties;   * Properties deemed uninhabitable * Freehold Maisonettes * Freehold Coach Houses * Retirement Properties * Sheltered Housing * Mobile Homes * Houseboats * Holiday Lets * Properties with guaranteed rental schemes | Edited |
| Remortgage within 6 months | We can consider applications from applicants who have remortgaged within the last 6 months.  Refer to Intermediary Support Team | New |
| Rental Income | Rental profit showing on SA302s can be used for affordability at 50%. By underwriters discretion for professional landlords 90% of rental profit can be taken into account for affordability | Edited |
| Repayment Vehicles | Please refer to our Interest Only policy for guidance – Click here (Add in link) | Edited |
| Restrictive Covenants | Cannot be consider if they affect the resalebility of the property. Please refer to the Intermediary Support Team | Edited |
| Retirement Properties | Unacceptable | No change |
| Right to buy | Unacceptable | No change |
| Scotland | We do not lend in Scotland | No change |
| Second charges | We cannot consider a case where there is a second charge on the property unless the applicant is capital raising to pay off the second charge. | Edited |
| Second Jobs | Can be consider if the applicant has had the second job for 6 months and works no more than 60 hours per week | New |
| Second Property | We are able to consider second homes as long as the home forms our security property. | Edited |
| Self-Build | Self-Build projects are accepted for applicants who want to live in the property.  Please see product details and criteria here – (LINK HERE) | Edited |
| Self-Certification | Unacceptable | No change |
| Self Employed | **Impact of Covid 19**  **For businesses who started trading prior to the 2020/21 tax year, we may be able to discount this pandemic year from your affordability assessment. Please speak to the Intermediary Support Team for more information.**  Our standard product ranges require a minimum of 3 years of trading.   * For applicants with a rising or downward trend of income we will typically use latest figures for affordability purposes * For applicants with fluctuating income we will typically use average figures for affordability purposes   Our specialist Self Employed product range requires a minimum of 1 year trading, with the latest years’ figures typically being used for affordability purposes  All Self-Employed applications will be manually assessed by our Specialist Underwriters in conjunction with the required supporting documentation and we reserve the right to tailor our approach to individual’s circumstances if deemed necessary. Income from businesses that are insolvent, illiquid, or displaying negative trends are unlikely to be acceptable.  Income used:   * **Sole Trader;** Net Profit * **Partnership;** Share of Net profit and/or Salary * **Limited Company (where shareholding is >=20%);** Dividends plus Drawings. Where ownership is 100% we may be prepared to use net profit rather than dividends. 3 years figures required (unless product allows for less).   Less than 3 years of accounts but a minimum of 1 years of accounts may be considered on our specialist Self-employed product range.  Documentation required ;  Please see this [link](https://www.saffronforintermediaries.co.uk/sites/default/files/2021-04/Supporting%20Documents_April2021_16_1.pdf) | Edited |
| Shared Equity | Unacceptable | No change |
| Shared Ownership | Unacceptable unless applicant is remortgaging to purchase 100% share of property | Edited |
| Sheltered Housing | Unacceptable | Edited |
| Shift allowance | We can consider shift allowance for affordability purposes:   * Up to 75% (non-guaranteed) – of additional / secondary income paid in the previous tax year subject to underwriters discretion – 50% taken as standard * • 100% (guaranteed) subject to underwriters discretion   For all additional / secondary income payments, we assess the stability of the income by reviewing the history while at the same time assessing the future viability of such payments. | No change |
| Shorthold Tenancy Agreement | Property must be let out on an AST (6-24 months) | Edited |
| Small Holdings | Unacceptable | No change |
| Solar Panels | The conveyancer must confirm on/or before completion of the mortgage that the solar panels fitted, comply with CML-BSA guidance and minimum requirements. | No change |
| Solicitors Panel | Solicitors must be found on the Law Society website and have at least two SRA approved managers at that firm.  If not on the panel the processing team would complete due diligence checks and if satisfactory will send panel application form to solicitors.  To find out if the applicants solicitors is already on panel please contact the processing team on **01799 582966 option 1**. | No change |
| State benefits | Unacceptable | No change |
| Steel framed properties (Older property) | Unacceptable | No change |
| Sub-contractors | Applicants must have 2 years’ experience within the same type of employment, a minimum of 3 months contract history backed by 3 months bank statement and invoices.  Income to be calculated as Daily Rate x days worked (max 5 per week) x 48.  **CIS Workers**  We require the following:   * The applicant to have 2 years industry experience * We require 6 month’s payslips and bank statements * A contract of employment if they have one * We will assess via the contract terms or if no contract available we will us an average of the last 6 months payslips.   See contracting product range | Edited |
| Tax Credits | Unacceptable | No change |
| Tenancy / Tenants | For BTL’s the property must be let on an AST (6-24months).  If the property not currently let, a letter from a local estate agent confirming the potential rent (this needs to be supported by the valuation).  Regulated BTL’s, where the property is let to family members can be considered as long as the mortgage can be supported by affordability. Please refer to ‘Income’ to see acceptable and unacceptable income.  Corporate tenancy can be accepted  Student lets are not acceptable | No change |
| Tenants in common | Can be considered subject to underwriting and advice from the conveyancers involved in the mortgage transaction | No change |
| Tenure | Freehold and Leasehold properties are accepted (not freehold flats).  Share of freehold can be considered.  On leaseholds, leases must have at least 60 years remaining at the end of the mortgage term.  Will consider applications where the lease is increasing to an acceptable term, simultaneously with the mortgage completion. | No change |
| Transfer of Equity | Can run simultaneously with a mortgage application, terms must be highlighted to the underwriters at DIP stage. | No change |
| Trust Arrangements / Trust Deeds | Unacceptable | Edited |
| Unsecured Arrears | No more than two late or missed payments within the last 24 months | Edited |
| Undervalue Transactions | Unacceptable | No change |
| Valuations | Carried out by a 3rd party. Basic mortgage Valuation fees are listed on the website under the Residential Valuation Fees Section and on the Buy to Let Valuation Fees Section. | No change |
| Vendor-gifted deposits | Can be considered if the applicant is being gifted a deposit from their existing landlord. No other scenarios of vendor-gifted are deposit accepted | Edited |
| Visas | We are unable to consider applicants on any type of visa. The applicant must have indefinite leave to remain | Edited |
| Wales | Saffron do lend in Wales | Edited |
| Warranties | The list of acceptable warranty providers is below:   * NHBC * LABC * Premier Guarantee * ICW Limited * Buildzone * Castle 10/Checkmate * Buildassure * One Guarantee * Global Home Warranties * Q Assure * Protek * Advantage HCI * Ark Residential Insurance * *\*Zurich (\*historical)* * \**BLP (\*historical)* | Edited |
| Working Tax Credits | Unacceptable | No change |
| Zero hour contracts | Where lending to applicants with zero hour contract, the following applies:   * The applicant on the zero hour contract must be the secondary income earner * The applicant must have a minimum of 2 years history of working experience on a zero hours contract - can be with different employers * We require the 2 latest years P60’s and 3 latest months’ payslips. An average of the latest 2 years p60’s figures will be used for affordability, as long as this is consistent with the latest payslips. | No change |