



Secured loans

PRODUCT GUIDE | SEPTEMBER 2023

For intermediary use only

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Product matrix

Selection of flexible (HELOC) and traditional options (Homeowner Loan)

Plan	Product name	Rate type	Rates for LTVs up to						Max term	Flexible period	Product fee	ERCs
			60%	65%	70%	75%	80%	85%				
Status 0	Selina HELOC	Variable	+4.20%	+4.35%	+4.60%	+4.85%	+5.50%	+8.80%	30 years	5 years	£1,395	None
	Selina Homeowner Loan	Variable	+3.75%	+3.90%	+4.15%	+4.40%	+5.05%	+8.35%	30 years	n/a	£995	None
		2 Yr Fixed (reversion rate)	9.10% (+3.75%)	9.25% (+3.90%)	9.50% (+4.15%)	9.75% (+4.40%)	10.40% (+5.05%)	13.70% (+8.35%)			£995	2%, 1%
		2 Yr Fixed WOERC (reversion rate)	9.80% (+3.75%)	9.95% (+3.90%)	10.20% (+4.15%)	10.45% (+4.40%)	11.10% (+5.05%)	14.40% (+8.35%)			£1,195	None
		5 Yr Fixed (reversion rate)	8.45% (+3.75%)	8.60% (+3.90%)	8.85% (+4.15%)	9.10% (+4.40%)	9.75% (+5.05%)	13.05% (+8.35%)			£995	5%, 4%, 3%, 2%, 1%
		5 Yr Fixed WOERC (reversion rate)	10.05% (+3.75%)	10.20% (+3.90%)	10.45% (+4.15%)	10.70% (+4.40%)	11.35% (+5.05%)	14.65% (+8.35%)			£1,195	None
Status 1	Selina Homeowner Loan	Variable	+4.45%	+4.60%	+4.85%	+5.10%	Status 1 capped at 75% LTV		30 years	n/a	£1,195	None
		2 Yr Fixed (reversion rate)	9.80% (+4.45%)	9.95% (+4.60%)	10.20% (+4.85%)	10.45% (+5.10%)					£1,195	2%, 1%
		2 Yr Fixed WOERC (reversion rate)	10.50% (+4.45%)	10.65% (+4.60%)	10.90% (+4.85%)	11.15% (+5.10%)					£1,395	None
		5 Yr Fixed (reversion rate)	9.15% (+4.45%)	9.30% (+4.60%)	9.55% (+4.85%)	9.80% (+5.10%)					£1,195	5%, 4%, 3%, 2%, 1%
		5 Yr Fixed WOERC (reversion rate)	10.75% (+4.45%)	10.90% (+4.60%)	11.15% (+4.85%)	11.40% (+5.10%)					£1,395	None
Gross loan amount (min - max)			£10k - £1m (£250k on Status 1; £500k on unencumbered)				£25k - £500k					
Available on			Unencumbered and second charge				Second charge only					

Adverse criteria

Status 0 and Status 1 plans

Plan	Secured arrears	Other arrears	CCJs/Defaults		Short term loans	Payday loans	Bankruptcy/IVA	DMP	DRO/DAS	Repossession
			Satisfied	Unsatisfied						
Status 0	0 missed payments in 12m	1 missed payment in 12m (allowed on multiple items of credit)	0 > £500 in 24m		0 active (see Note 3)	0 in 24m	Not accepted	Accepted if in place for 12 months with no missed payments and being consolidated	Not accepted if in current DRO/DAS (see Note 4)	0 in 72m
	Currently up to date on payments		Excludes individual CCJs/ Defaults below £500 subject to total in last 72 months of no more than £5,000							
Status 1 (one element allowed)	0 missed payments in 12m	2 missed payments in 12m (allowed on multiple items of credit)	1 > £500 in 24m		0 active (see Note 3)	0 in 12m	Not accepted	Accepted if in place for 12 months with no missed payments and being consolidated	Not accepted if in current DRO/DAS (see Note 4)	0 in 72m
	Max 1 outstanding (see Note 1)	Must consolidate credit on which current status greater than 0 (see Note 2)	Excludes individual CCJs/ Defaults below £500 subject to total in last 72 months of no more than £5,000							
<i>Excludes communications, utilities, mail order</i>										

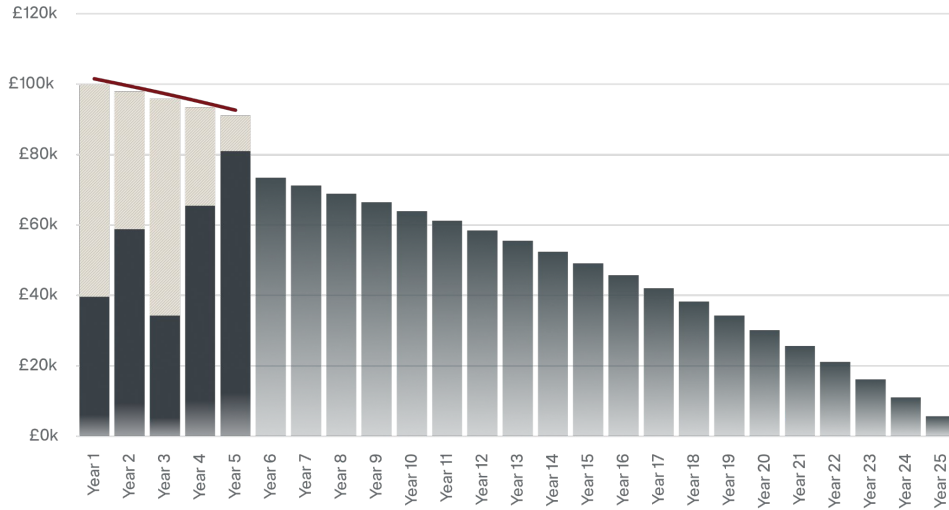
Minimum credit accounts	
Second charge	5 active accounts in total (can be spread across two applicants)
Unencumbered	5 accounts per applicant, one of which must be active

Notes:

1. Subject to satisfactory explanation if still outstanding. Repayment or consolidation of the amount outstanding may be required as a condition of consent.
2. Value of mandatory consolidated credit cannot exceed more than 1.5x the total application income. Credit cards with 1 outstanding missed payment excluded from mandatory consolidation (or can be consolidated outside of the 1.5x cap) with good rationale.
3. Short term loans are loans with a term of up to 6 months. May be accepted if proof of reasonable APR and from mainstream unsecured lender.
4. Debt Recovery Scheme/Debt Arrangement Scheme.
5. Explanations will be required for items of credit with history of adverse.

Products available

Selina HELOC



HELOC balance

Can flex up and down as needed over the first 5 years

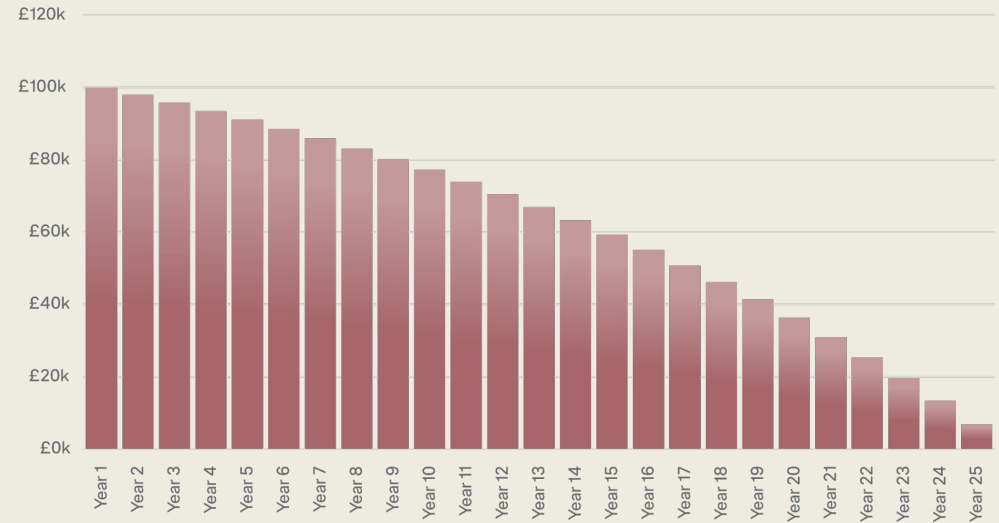
Available funds

Interest paid on funds drawn down, not full credit limit

Credit limit

Gradually reduces over the term (amortisation)

Selina Homeowner Loan



Homeowner loan balance

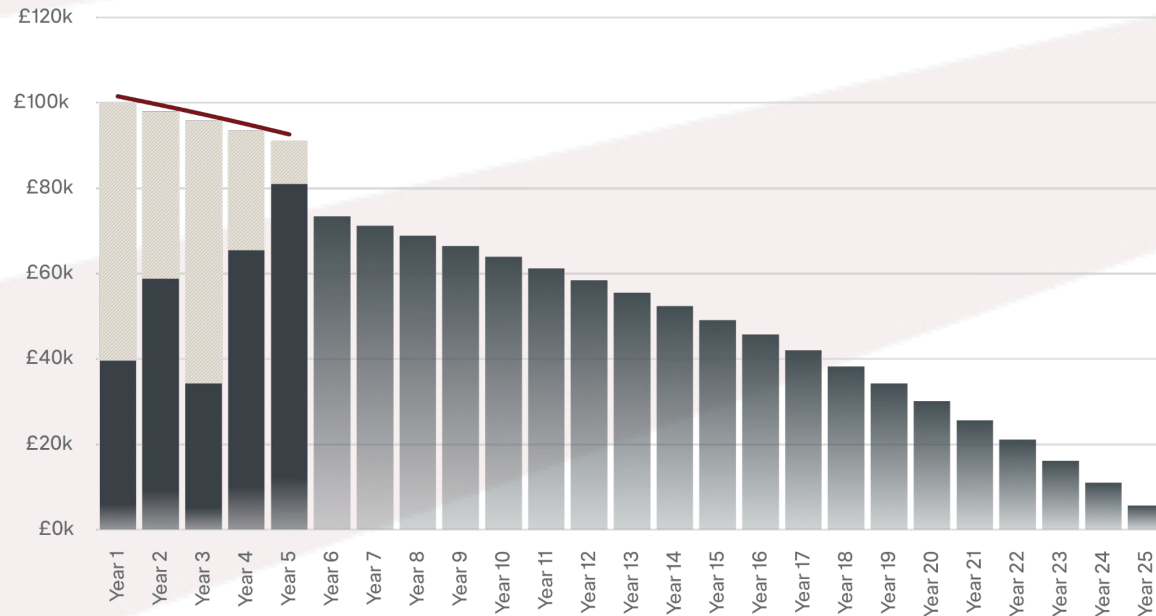
Reduces as monthly repayments are made

Drawdown	Withdraw and repay funds during 5 year flexible period*	One up-front lump sum
Flexible period	5 years	Not applicable
Typical loan purposes	Business purposes, school fees, large scale home improvements, contingency	Debt consolidation, home improvements, BTL purchase, vehicle purchase
Term	5 - 30 years	5 - 30 years
Monthly repayments	Calculated of funds withdrawn	Calculated on full loan amount
Interest paid	Only paid on funds withdrawn	On full loan amount
ERCs	None	Product dependent

*Minimum withdrawal at completion is equal to any fees added to the loan

How it works: HELOC

Flexible borrowing with a Home Equity Line of Credit



HELOC balance
Can flex up and down as needed over the first 5 years

Available funds
Interest paid on funds drawn down, not full credit limit

Credit limit
Gradually reduces over the term (amortisation)

Reasons a HELOC could be a great option for your customers

Flexibility

Draw, repay and redraw funds during the first 5 years. Perfect for:

- School fees
- Business purposes
- Large scale home improvements
- Contingency

Savings

Only pay interest on funds drawn down, not the full credit limit. Monthly repayments adjust up/down when customers draw/repay.

Planning

Add some headroom on the HELOC. Draw additional funds if needed (e.g. going over budget on home renovations).

Notes:

Contingency purpose can be included subject to underwriting.

Product terms

Property

Location	Minimum ownership	Minimum value	Second homes	Tenure	Referral
England, Wales, Mainland Scotland	6 months	£100k, except where: <ul style="list-style-type: none"> Flats with 5 or more floors: min value £150k Flats above commercial properties: min value of £150k and maximum LTV of 60% 	Accepted	<ul style="list-style-type: none"> Freehold Leasehold (subject to 55 years remaining at end of the term) 	Subject to full valuation and max LTV of 75%: <ul style="list-style-type: none"> Listed properties (Grade I, II, and II*) Timber framed properties

Affordability

Income types accepted	Assessment
<p>Employed Guaranteed income: 100% Bonus/overtime/commission: 50%</p> <p>Self-employed Contractor annualised day rate: 100% Sole trader: 100% of net profit Limited company: 100% director salary, dividends</p> <p>Pension: 100% Property income: 90% Acceptable benefits: 100%</p>	<p>Minimum income £22,500 (£30,000 where two applicants)</p> <p>Max DTI 45%</p> <p>Max LTI 6.0x (4.49x for unencumbered)</p>

Commission

Procuration fee	Clawbacks
HELOC: up to 2% on net drawdowns made in first 12 months	Non-ERC products: 100% on overpayments/early redemption in first 12 months
Homeowner Loan: up to 2% on net loan amount	ERC products: 100% on overpayments/early redemption in first 6 months; 50% in months 7-12

Valuations

Second charge

Property value	Hometrack confidence	Valuation and AVM criteria for LTVs up to					
		50%	65%	70%	75%	80%	85%
Up to £500k	<4	Full RICS inc drive-by					Full RICS only
	4 - 4.9	✓ Hometrack	Full RICS inc drive-by				
	5 - 5.9	✓ Hometrack			Full RICS inc drive-by		
	6+	✓ Hometrack					
Up to £1m	< 4	Full RICS inc drive-by					Full RICS only
	4 - 4.9	✓ Hometrack	Full RICS inc drive-by				
	5 - 5.9	✓ Hometrack			Full RICS inc drive-by		
	6+	✓ Hometrack					Full RICS inc drive-by
£1m+	< 5	Full RICS only					
	5 - 5.9	✓ Hometrack	Full RICS only				
	6+	✓ Hometrack				Full RICS only	

Unencumbered

Property value	Hometrack confidence	Valuation and AVM criteria for LTVs up to		
		50%	60%	75%
Up to £1m	< 5	Full RICS inc drive-by		
	5+	✓ Hometrack		Full RICS inc drive-by
£1m+	< 5	Full RICS only		
	5 - 5.9	✓ Hometrack	Full RICS inc drive-by	Full RICS only
	6+	✓ Hometrack		Full RICS inc drive-by

Notes:

Drive-bys accepted where Hometrack accepted except on £1m+ properties (can be referred if located within Inner London and valued no greater than £1.5m).

Where Hometrack confidence is up to 0.2 below the required level, we may accept the lowest value in the Hometrack valuation range on referral (0.1 for unencumbered).



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