

Habito[👉]

Buy-to-Let

Mortgages 🙌



Eligibility criteria

This document explains when we can or can't offer you a Habito mortgage.

Specifically, you'll see information about:

1. Who can apply
2. The types of properties we accept
3. What you can do with the mortgage
4. Company buy-to-let
5. Portfolio landlords

1 Who can apply

Criteria segment Habito policy

Number of applicants	Maximum of 2
First time landlords	Accepted up to 75% loan to value (LTV), minimum property value of £75,000
Portfolio landlords	✓
Age	Minimum: 21 Maximum at the end of your mortgage term: 85
Minimum income	£20k if LTV over 75%, otherwise none
Affordability (rental income coverage)	125% interest coverage if you're a lower rate taxpayer 140% interest coverage if you're a higher rate taxpayer
Income	Employed: minimum employment of 3 months Self-employed: the business must have been trading for a minimum of 1 year Rental Pension
Residency	3 year UK address history, currently resident with permanent right to reside
Credit history	We can't accept applications if you've had: <ul style="list-style-type: none">• Bankruptcy or IVA in the last 6 years• CCJ in last 12 months• Defaults in the last 2 years• Secured arrears in the last 2 years• More than 1 missed payment on unsecured arrears in the last 2 years

2 The types of properties we accept

Criteria segment	Habito policy
Property valuation	We'll always get a physical valuation to verify the value
Property value	<p>In London £75,000 – £10,000,000</p> <p>Outside London £50,000 – £10,000,000</p> <p>Properties under £75,000 have max LTV 70% and only available to non-FTLs</p> <p>Minimum property value of £100,00 for loans above 75% LTV</p>
Location	England & Wales only
Tenure	Flats must be leasehold, and set to have at least 50 years left on the lease at the end of the mortgage term
Tenancies	We accept Assured Shorthold Tenancies of 6–36 months. We won't accept properties you'll rent to family
HMOs and multi unit	×
Ex-local authority	Accepted up to 75% LTV
New build	<p>Maximum loan amount £750,000 in London, £500,000 outside London</p> <p>Maximum 75% LTV for Houses</p> <p>Maximum 75% LTV for Flats and Maisonettes</p> <p>Cash incentives up to 5% accepted</p>
Flats	<p>Accepted as standard with 3 exceptions:</p> <ul style="list-style-type: none"> Flats with 5 or more floors should have a minimum property value of £250,000 and a maximum LTV of 75% in London and minimum property value £150,000 and maximum LTV of 75% outside of London Flats above/adjacent to commercial premises should have a minimum property value of £250,000 and a maximum LTV of 75% in London and minimum property value £150,000 and a maximum LTV of 75% outside of London Studios should have a minimum value of £200,000
Minimum Size	30sqm for all properties

3 What you can do with this mortgage

Criteria segment Habito policy

Type of mortgage	Purchase or remortgage (but you can't use it to add a person to the mortgage)
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Capital raising allowed	Any legal reason except: <ul style="list-style-type: none">• Investment in high risk products• Gambling or payment of gambling debts• Payment of tax bill• Business debt• Debt consolidation, if you've got a bad credit history• Transfer of equity
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Repayment methods	Interest only or repayment
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Mortgage term	5 – 35 years
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Loan to value	Up to 80% (fees won't change your LTV)
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Loan size	£25,001 – £1,000,000 up to 75% LTV £25,001 – £750,000 up to 80% LTV
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Consumer buy-to-let	We don't accept these
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Let-to-buy	We don't accept these
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Portability	These mortgages aren't portable
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Exposure	Maximum £3m. If exposure >£1m average LTV with Habito up to 75%
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How long the offer is valid for	90 days
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4 Company Buy-to-lets

Criteria segment	Habito policy
Number of directors	Up to 2 directors, and you both need to be on the mortgage application
Your shareholding	You need to have 80% or more If you're applying with another director, your combined total needs to be 80% or more
Age of company	This doesn't matter as long as you set your company up before you applied for the mortgage
Type of company	We only accept Limited Companies registered in England and Wales with Companies House Non-trading only
SIC codes accepted	68100 – Buying and selling of own real estate 68209 – Other letting and operating of own or lease real estate 68320 – Management of real estate on a fee or contract basis 68201– Renting and operating of housing association real estate
Personal guarantee	We'll ask every director for a personal guarantee
Affordability (rental income coverage)	125% interest coverage for all Limited Company cases
Company credit history	We can't accept applications if your company has had: <ul style="list-style-type: none">• Voluntary Arrangements in the last 6 years• CCJs in the last 3 years• Any kind of liquidation• Secured arrears in the last 2 years• Unsecured arrears for 2 months or more in the last 2 years• Active notice to be struck off
Assessment of directors	We'll assess directors in the same way we assess individual customers

5 Portfolio landlords

Criteria segment	Habito policy
Definition	Any application (including joint) where there will be 4 or more mortgaged BTL properties at completion
Portfolio size	There is no maximum background portfolio size
Business Plan	We will only lend to applicants with a sufficient level of landlord experience
Portfolio Stress	125% @ 5.5% for the whole portfolio

**If you have any questions,
the Lending Team will be
happy to help**

