

# Buy to Let Product Guide

August 2018

- ✓ Rates starting from 2.73%
- ✓ NEW! 60% and 65% LTVs introduced on Pepper48 and Pepper36
- ✓ Completion fee reduced to 1% on all 2 year fixed rates

Interesting case? We're interested.



Call **03333 701 101** or visit **[www.pepper.money](http://www.pepper.money)** to discover more.

**pepper**  
money

Aimed at Professional intermediaries only; not for public distribution.

"Pepper Money" is a trading name of Pepper (UK) Limited, a private limited company registered in England and Wales under Company Number 06548489, with its registered office at Harman House, 1 George Street, Uxbridge, London UB8 1QQ. Pepper (UK) Limited is authorised and regulated by the Financial Conduct Authority under Firm Registration Number 484078.

PM004\_0818\_001

# Highlights of our wide ranging criteria

## CCJs & Defaults

- Don't need to be satisfied and have no value limit
- Can be registered as recently as 7 months ago on our standard range
- 2 individual utility, communication or mail order account defaults up to and including £150.00 each ignored (applicable to Pepper 24, 18, 12 and 6)
- Fixed Term Credit Agreements Arrears none in 6 months

## No Credit Scoring

- We don't credit score to make decisions
- We don't credit score to determine product selection. What you see is what you get
- Manual underwriting by a team of skilled, mandated decision makers

## Capital Raising

- To our maximum LTVs for most legal purposes
- Debt consolidation to maximum LTVs

## Self-Employed

- Across the entire range
- Only 1 year's finalised accounts required
- Net profit for Sole Traders
- Salary and dividends for Company Directors
- Additional remuneration add back allowed where applicants own 100% of the company

## Let to Buy

- No additional rules
- All products up to max LTVs
- We'll do the Residential. We'll do the Buy to Let. We'll do both

## Day Rate Contractors

- Income assessed based on daily rate whether self-employed, limited company or umbrella company
- Minimum 12 months history and 3 months' bank statements
- Average or current day rate to be minimum of £200 per day

## Interest Only

- Across the entire range
- Max 80% LTV Buy to Let
- Sale of main residence acceptable repayment with no minimum

## Portfolio Landlords

- Portfolio landlords accepted
- Talk to us about additional requirements

## Lending In or Into Retirement

- Up to 85 years old at end of term on Buy to Let
- Talk to us about acceptable income types

## Strong Approach to Affordability

- 100% of overtime, shift allowance or bonus paid every week or month
- Flexibility around non-court ordered maintenance and many regular benefits e.g. Working Family Tax Credit, Child Benefit, etc
- 5 year fixed rental calculation based on pay rate

## Minimum Income £18k

- Can be the combined income of both applicants
- Must be earned income
- 100% of secondary income accepted

## Free Legals

- Free standard legals on all remortgages
- Provided by a reputable firm of solicitors



Suitable for clients that haven't had a CCJ or Default in the last 48 months

LIBOR = 0.63%  
Effective for all new business  
from 14 June 2018

	2 Year Fixed			5 Year Fixed			
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
60%				3.18%	2%	3.18%	4.00%
65%	2.73%	1%	6.63%				4.00%
70%	2.95%		6.63%	3.63%	2%	3.63%	4.00%
75%	3.08%		6.88%	3.73%		3.73%	4.25%
80%	3.43%		7.13%	3.93%		3.93%	4.50%
	ERC: 3%, 2%			ERC: 4%,4%,3%,3%,2%			
	Application fee = £135						

Key Criteria				
Credit Criteria		Applicant		Loan Size
<b>CCJs/Defaults:</b> <b>Mortgage/Secured Arrears:</b> <b>Bankruptcy/IVA:</b> <b>Repossessions:</b> <b>Debt Management Plan:</b>	0 in 48 months	<b>Age:</b>	Minimum 21 years; Maximum 85 years (at end of term)	<b>Min:</b> £25,001
	0 missed payments in 48 months (max arrears status of 0 in last 6 months)	<b>Min Income:</b>	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	<b>Max:</b> £750,000 up to 80% LTV; £1m up to 75% LTV
	Discharged > 6 years ago	<b>Max Applicants:</b>	2	<b>Repayment</b>
	None in last 6 years	<b>Employed:</b>	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	Capital & Interest; Interest Only
	Considered if satisfied over 12 months ago	<b>Self-Employed:</b>	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	<b>Term</b>
				<b>Min:</b> 5 years
				<b>Max:</b> 35 years

Suitable for clients that haven't had a CCJ or Default in the last 36 months

LIBOR = 0.63%  
Effective for all new business  
from 14 June 2018

	2 Year Fixed			5 Year Fixed			
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
60%				3.28%	2%	3.28%	4.70%
65%	2.78%	1%	7.33%				4.70%
70%	2.98%		7.33%	3.77%	2%	3.77%	4.70%
75%	3.18%		7.58%	3.88%		3.88%	4.95%
80%	3.48%		7.83%	4.03%		4.03%	5.20%
	ERC: 3%, 2%			ERC: 4%,4%,3%,3%,2%			
	Application fee = £135						

Key Criteria				
Credit Criteria		Applicant		Property Value
CCJs/Defaults:	0 in 36 months	Age:	Minimum 21 years; Maximum 85 years (at end of term)	Min: £70,000
Mortgage/Secured Arrears:	0 missed payments in 36 months (max arrears status of 0 in last 6 months)	Min Income:	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	Max: £750,000 up to 80% LTV; £1m up to 75% LTV
Bankruptcy/IVA:	Discharged > 6 years ago	Max Applicants:	2	Repayment
Repossessions:	None in last 6 years	Employed:	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	Term
Debt Management Plan:	Considered if satisfied over 12 months ago	Self-Employed:	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	Min: 5 years Max: 35 years

Suitable for clients that haven't had a CCJ or Default in the last 24 months

LIBOR = 0.63%  
Effective for all new business  
from 14 June 2018

	2 Year Fixed			5 Year Fixed			
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
70%	3.13%	1%	7.33%	3.93%	2%	3.93%	4.70%
75%	3.33%		7.58%	4.03%		4.03%	4.95%
80%	3.73%		7.83%	4.18%		4.18%	5.20%
	ERC: 3%, 2%			ERC: 4%,4%,3%,3%,2%			
	Application fee = £135						

Key Criteria				
Credit Criteria		Applicant		Loan Size
<b>CCJs/Defaults:</b>	0 in 24 months	<b>Age:</b>	Minimum 21 years; Maximum 85 years (at end of term)	<b>Min:</b> £25,001
<b>Mortgage/Secured Arrears:</b>	0 missed payments in 24 months (max arrears status of 0 in last 6 months)	<b>Min Income:</b>	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	<b>Max:</b> £750,000 up to 80% LTV; £1m up to 75% LTV
<b>Unsecured Arrears:</b>	2 individual utility, communication or mail order account defaults up to and including £150.00 each ignored	<b>Max Applicants:</b>	2	<b>Repayment</b>
<b>Bankruptcy/IVA:</b>	Discharged > 6 years ago	<b>Employed:</b>	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	Capital & Interest; Interest Only
<b>Repossessions:</b>	None in last 6 years	<b>Self-Employed:</b>	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	<b>Term</b>
<b>Debt Management Plan:</b>	Considered if satisfied over 12 months ago			<b>Min:</b> 5 years
				<b>Max:</b> 35 years

Suitable for clients that haven't had a CCJ or Default in the last 18 months

**LIBOR = 0.63%**  
Effective for all new business  
from 14 June 2018

	5 Year Fixed			
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
70%	4.47%	2%	4.47%	4.95%
75%	4.67%		4.67%	5.20%
80%	5.37%		5.37%	5.45%
	ERC: 4%,4%,3%,3%,2%			
	Application fee = £135			

Key Criteria				
Credit Criteria		Applicant		Property Value
<b>CCJs/Defaults:</b>	0 in 18 months (max 3 in 36 months; max 2 allowed in months 19 to 24)	<b>Age:</b>	Minimum 21 years; Maximum 85 years (at end of term)	<b>Min:</b> £70,000
<b>Mortgage/Secured Arrears:</b>	2 missed payments in 36 months (max arrears status of 0 in last 6 months; no missed payments in last 18 months; 1 missed payment in months 19 to 24)	<b>Min Income:</b>	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	<b>Max:</b> £750,000 up to 80% LTV; £1m up to 75% LTV
<b>Unsecured Arrears:</b>	2 individual utility, communication or mail order account defaults up to and including £150.00 each ignored	<b>Max Applicants:</b>	2	<b>Repayment</b>
<b>Bankruptcy/IVA:</b>	Discharged > 6 years ago	<b>Employed:</b>	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	<b>Term</b>
<b>Repossessions:</b>	None in last 6 years	<b>Self-Employed:</b>	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	<b>Min:</b> 5 years
<b>Debt Management Plan:</b>	Considered if satisfied over 12 months ago			<b>Max:</b> 35 years

Suitable for clients that haven't had a CCJ or Default in the last 12 months

**LIBOR = 0.63%**  
Effective for all new business  
from 14 June 2018

	5 Year Fixed			
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
70%	5.38%	2%	5.38%	5.25%
75%	5.68%		5.68%	5.50%
	ERC: 4%,4%,3%,3%,2%			
	Application fee = £135			

Key Criteria				
Credit Criteria		Applicant		Loan Size
<b>CCJs/Defaults:</b>	0 in 12 months (max 3 in 24 months; max 2 allowed in months 13 to 18)	<b>Age:</b>	Minimum 21 years; Maximum 85 years (at end of term)	<b>Min:</b> £25,001
<b>Mortgage/Secured Arrears:</b>	2 missed payments in 24 months (max arrears status of 0 in last 6 months; no missed payments in last 12 month; 1 missed payment in months 13 to 18)	<b>Min Income:</b>	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	<b>Max:</b> £1m up to 75% LTV
<b>Unsecured Arrears:</b>	2 individual utility, communication or mail order account defaults up to and including £150.00 each ignored	<b>Max Applicants:</b>	2	<b>Repayment</b>
<b>Bankruptcy/IVA:</b>	Discharged > 6 years ago	<b>Employed:</b>	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	Capital & Interest; Interest Only
<b>Repossessions:</b>	None in last 6 years	<b>Self-Employed:</b>	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	<b>Term</b>
<b>Debt Management Plan:</b>	Considered if satisfied over 12 months ago			<b>Min:</b> 5 years <b>Max:</b> 35 years

Suitable for clients that haven't had a CCJ or Default in the last 6 months

**LIBOR = 0.63%**  
Effective for all new business  
from 14 June 2018

5 Year Fixed				
LTV	Initial Rate	Comp Fee	Rental Calculation (140% x)	Reversion Rates (Libor +)
<b>70%</b>	<b>5.87%</b>	<b>2%</b>	<b>5.87%</b>	<b>5.75%</b>
ERC: 4%,4%,3%,3%,2%				
Application fee = £135				

Key Criteria				
Credit Criteria		Applicant		Loan Size
<b>CCJs/Defaults:</b>	0 in 6 months (max 4 in 24 months; max 2 allowed in months 7 to 12 or 3 in months 13 to 18)	<b>Age:</b>	Minimum 21 years; Maximum 85 years (at end of term)	<b>Min:</b> £25,001
<b>Mortgage/Secured Arrears:</b>	3 missed payments in 24 months (max arrears status of 0 in last 6 months; 0 missed payments in last 12 months; 2 missed payments in months 13 to 18)	<b>Min Income:</b>	£18,000 per application (no foreign currency income and rental income cannot be the principal income source. Rental income from the security property must also be excluded)	<b>Max:</b> £1m up to 75% LTV
<b>Unsecured Arrears:</b>	2 individual utility, communication or mail order account defaults up to and including £150.00 each ignored	<b>Max Applicants:</b>	2	<b>Repayment</b>
<b>Bankruptcy/IVA:</b>	Discharged > 6 years ago	<b>Employed:</b>	Minimum of 6 months in current job and not in probation. Evidence of employment history is required to cover the last 12 months	Capital & Interest; Interest Only
<b>Repossessions:</b>	None in last 6 years	<b>Self-Employed:</b>	Must have been in their current business for a minimum of 12 months and able to supply 1 year's trading accounts	<b>Term</b>
<b>Debt Management Plan:</b>	Considered if satisfied over 12 months ago			<b>Min:</b> 5 years <b>Max:</b> 35 years