

Lending Criteria

Bank of Ireland  UK

This list is not exhaustive. Please contact us to discuss your requirements

Standard Residential

Read in conjunction with General Criteria

Age: Minimum: 18

Term: Maximum: 35 years or the number of years it will take (the eldest) applicant to reach 75 (whichever is lower). Minimum: 5 years. If the term goes beyond anticipated retirement age, the mortgage must be on a repayment basis and we may ask for evidence of means to repay until the end of term

Loan size: Minimum £25,001, maximum £1,500,000

Loan tiers for purchases: 95% up to £500,000, 85% up to £750,000, 80% up to £850,000, 75% up to £1,000,000, 70% up to £1,500,000. Fees may be added. Conditions apply

Loan tiers for remortgages: 90% up to £500,000, 85% up to £750,000, 80% up to £850,000, 75% up to £1,000,000, 70% up to £1,500,000. Fees may be added. Conditions apply

95%: Applicants borrowing on a 95% Loan to Value (LTV) basis cannot own any other property at the time of completion

Loan types: Repayment, interest only or a combination of both. For interest only or a combination please see the general section at the end of this criteria

Property: The following property types are not acceptable:

- Newly built apartments or conversions (built or converted within the last 12 months) where the LTV is greater than 80%
 - Newly built houses (built or converted within the last 12 months) where the LTV is greater than 90%
 - Properties less than 10 years old that are not covered by an approved new home warranty scheme or Professional Consultant's Certificate
 - Studio apartments, freehold apartments, apartments with unacceptable access arrangements (e.g. rear external staircases) or apartments within blocks where our valuer reports inadequate maintenance of communal areas
 - Ex-local authority or ex-public sector apartments that are greater than 4 storeys high or that have open decking access
 - Apartments converted from office buildings or refurbished ex-local authority blocks
 - Properties that exceed 75% LTV within blocks that have mixed residential and commercial use, unless:
 - a) In a development over 6 storeys and built after the year 2000
 - b) Commercial use is confined to the ground floor and not detrimental to future saleability
 - Properties being purchased under a Shared Equity arrangement
 - Properties which include commercial usage within the title
 - Properties with occupancy restrictions
 - Remortgages where you have owned the property for less than 6 months
 - Properties being acquired under an assignable contract
 - Purchases where the vendor has owned the property for less than 6 months (except where we have given consent)
 - Properties with communal heating, hot water or other services where the property is not individually metered
- Please note: Properties with solar panels may be acceptable; please call for more details

Refinance: You can remortgage to raise additional capital up to 85% LTV as long as the funds aren't used for business or speculative purposes, payment of tax, gambling debts and overseas property (including timeshare). If you're raising capital to repay any outstanding debt, the maximum LTV is 75%. Your application will also be subject to our General Lending Criteria and individual assessment by our underwriters

Ability to pay: We will review your application to ensure we are satisfied with your ability to pay. This will include a review of your overall circumstances including the amount of debt you have in relation to your income. For repayment mortgages, a minimum household income of £20,000 is required. Any income used to assess affordability must be contracted and paid in GBP

Cashback: Paid to solicitor on completion

Think carefully before securing other debts against your property.
Your property may be repossessed if you do not keep up repayments on your mortgage.

Lending Criteria continued...

NICHA

Read in conjunction with General Criteria

Age: Minimum: 18

Term: 35 years or the number of years it will take (the eldest) applicant to reach 75 (whichever is lower). Minimum: 5 years. If the term goes beyond anticipated retirement age we may ask for evidence of means to repay until the end of term

Loan size: Minimum £25,001, maximum £123,750

Maximum property value: £165,000

Loan to Value: To purchase a share of up to 75% of the property, the maximum advance will be 100% of the value of the share of the property (based on the lower of valuation or purchase price). The addition of fees is not permitted

Loan type: Repayment only

Property: The following property types are not acceptable:

- All apartment types including maisonettes
- Houses less than 10 years old that are not covered by an approved new home warranty scheme or Professional Consultant's Certificate
- Houses being purchased using any other scheme e.g. Right to Buy, Shared Ownership, Shared Equity arrangement, or any other Government assisted scheme
- Houses which include commercial usage within the title
- Houses with occupancy restrictions
- Houses being acquired under an assignable contract
- Purchases where the vendor has owned the property for less than 6 months (except where we have given consent)
- Houses with communal heating, hot water or other services where the property is not individually metered

Please note: Properties with solar panels may be acceptable; please call for more details

Refinance: Unavailable for debt consolidation. All other reasons subject to individual assessment by our underwriters

Ability to pay: Minimum household earned income of £20,000 (single or joint applications). We will review your application to ensure we are satisfied with your ability to pay, with rent payments to NICHA to be included as a committed outgoing in assessing affordability. This will include a review of your overall circumstances including the amount of debt you have in relation to your income. Any income used to assess affordability must be contracted and paid in GBP

Lending Criteria continued...

First Start

Read in conjunction with General Criteria

Sponsor: A sponsor is a close relative, normally a parent or step-parent of any applicant, who is added as a co-borrower

Age: Minimum: 18. Maximum age for sponsor at application is 60, and must not exceed 80 at the end of term

Term: Maximum: 35 years or the number of years it will take the eldest applicant (excluding Sponsor) to reach 75 (whichever is the lower). Minimum: 5 years. If the term goes beyond anticipated retirement age (either the applicant or sponsor), we will ask for evidence of means to repay until the end of the mortgage term

Loan size: Minimum £25,001, maximum £500,000 (inclusive of fees)

Loan to Value: Up to 95% (inclusive of fees)

Eligibility: Available on Purchase and Repayment only

- The sponsor must be a residential owner occupier living in the UK
- Applicants cannot own any other property at the time of completion. This doesn't apply to the sponsor whose mortgage commitments are included in the affordability assessment.

Property: You can choose if the property is owned solely by the applicant(s) or jointly by the applicant(s) and the sponsor. If the property to be owned is in the sole name of the applicant(s), then the sponsor as a condition of the Mortgage Offer must receive independent legal advice in respect of the transaction before completion.

The following property types are not acceptable:

- Newly built apartments or conversions (built or converted within the last 12 months) where the Loan to Value (LTV) is greater than 80%
- Newly built houses (built or converted within the last 12 months) where the LTV is greater than 90%
- Properties less than 10 years old that are not covered by an approved new home warranty scheme or Professional Consultant's Certificate
- Studio apartments, freehold apartments, apartments with unacceptable access arrangements (e.g. rear external staircases) or apartments within blocks where our valuer reports inadequate maintenance of communal areas
- Ex-local authority or ex-public sector apartments that are greater than 4 storeys high or that have open decking access
- Apartments converted from office buildings or refurbished ex-local authority blocks
- Apartments that exceed 75% LTV within blocks that have mixed residential and commercial use, unless:
 - a) In a development over 6 storeys and built after the year 2000
 - b) Commercial use is confined to the ground floor and not detrimental to future saleability
- Properties being purchased under a Right to Buy, Shared Ownership, or Shared Equity arrangement
- Properties which include commercial usage within the title
- Properties with occupancy restrictions
- Properties being acquired under an assignable contract
- Purchases where the vendor has owned the property for less than 6 months (except where we have given consent)
- Properties with communal heating, hot water or other services where the property is not individually metered

Please note: Properties with solar panels may be acceptable; please call for more details

Ability to pay: Maximum of four applicants (however, only the income of the sponsor and the highest earning applicant will be assessed). The sponsor's minimum assessable income must be at least £30,000. The highest earning applicant must have a minimum assessable income of at least £20,000. We will review your application to ensure we are satisfied with your ability to pay. This will include a review of your overall circumstances including the amount of debt you have in relation to your income. Any income used to assess affordability must be contracted and paid in GBP

Liability: All borrowers are jointly and individually liable for the total mortgage

Lending Criteria continued...

Self Build

Read in conjunction with General Criteria

Age: Minimum: 18

Term: Maximum: 35 years or the number of years it will take (the eldest) applicant to reach 75 (whichever is lower). Minimum: 5 years. If the term goes beyond anticipated retirement age we may ask for evidence of means to repay until the end of term

Loan to Value: 75% up to £1,000,000, 70% up to £1,500,000

Property: Should not be landlocked and should ideally have its own separate access, directly onto the public highway. Access shared with, running through a farm or in between working farm buildings are not acceptable. Properties in close proximity to working farm buildings or intensive agricultural activities, e.g. movement of livestock, storage of waste materials and machinery are unacceptable. All properties must be of Standard Construction

Loan purpose: Self Build Mortgages are generally designed to refinance a Bank of Ireland Bridging Loan that was arranged for the purpose of purchasing land and developing a single property on it, or for developing a single property on land already owned. The property must be for occupation by the borrower

Ability to pay: Minimum household earned income of £20,000 (single or joint applications). We will review your application to ensure we are satisfied with your ability to pay. This will include a review of your overall circumstances including the amount of debt you have in relation to your income.

Any income used to assess affordability must be contracted and paid in GBP

Lending Criteria continued...

Buy to Let

Read in conjunction with General Criteria

Age: Minimum: 21. Maximum: 80 at expiry of mortgage term

Ability to pay: We will review your application to ensure we are satisfied with your ability to pay, including the level of unsecured and mortgage debt held in relation to your income

Eligibility: At least one applicant must be a residential home owner (whether subject to mortgage or not)

Rent cover: Ability to pay is assessed on rental income (which must be received in GBP). The rental income must be at least 145% of the monthly interest due, inclusive of any product fees added to the loan. This is calculated using the initial product rate or one of the rates from the table below depending on your circumstance, whichever is higher

	Buy to Let purchase / Let to Buy	Buy to Let remortgage
Fixed rate for less than 5 years or a variable rate	5.5%	5.5%
Fixed rate for 5 or more years	5%	5%

The examples below demonstrate how to work out the monthly rent required depending on your scenario. These are for illustrative purposes only and the figures have been rounded up to the nearest pound (£).

Example 1:		Example 2:	
Mortgage plus product fee	£99,995	Mortgage plus product fee	£99,995
Product rate 4.75%	x 5% (product is below 5% minimum)	Product rate 4.75%	x 5.5% (product is below 5.5% minimum)
Sub total	<u>£5,000</u>	Sub total	<u>£5,500</u>
	x 145%		x 145%
Annual rent required	£7,250	Annual rent required	£7,975
Monthly rent required £7,250 ÷ 12	£605	Monthly rent required £7,975 ÷ 12	£665

Term: Maximum: 35 years or the number of years until (the eldest) applicant is 80 (whichever is lesser). Minimum: 5 years

Loan size: Unless otherwise stated: Minimum: £25,001. Maximum: £500,000 per property for purchases and remortgages.

Maximum total borrowing: £1,500,000

Maximum number of properties: We accept a maximum of 3 mortgaged Buy to Let properties per applicant (either solely or jointly) across all lenders, including any with Bank of Ireland Group. Properties that are owned in the name of a limited company that an applicant is a director of and applications in progress should also be included. We don't take any Buy to Lets into account if they're not mortgaged.

Loan to Value: 75% up to £500,000

Refinance: Additional funds can be considered except for the following purposes:

- Business purposes
- Speculative purposes
- Overseas property (including timeshare)
- Payment of tax
- Debt consolidation of loans
- Payment of gambling debts

Property: The following property types are not acceptable:

- Newly built apartments or conversions (built or converted within the last 12 months)
- Properties less than 10 years old that are not covered by an approved new home warranty scheme or Professional Consultant's Certificate
- Any property that is subject to a private sale
- Properties which have an Energy Performance Certificate rating lower than E. In England and Wales we will accept a lower rated property provided the property is listed on the PRS Exemptions Register
- Where the existing owner will become the tenant upon completion
- Studio apartments, freehold apartments, retirement apartments, apartments with unacceptable access arrangements (e.g. rear external staircases) or apartments within blocks where our valuer reports inadequate maintenance of communal areas
- Properties with a value of less than £40,000
- Ex-local authority or ex-public sector apartments that are greater than 4 storeys high or that have open decking access or where the value is less than £90,000
- Apartments converted from office buildings or refurbished ex-local authority blocks
- Apartments or maisonettes in a development which contains mixed residential and commercial use (other than privately built flats or maisonettes above Class A1 (retail) or Class A2 (financial services etc) units)
- Subdivided houses where no leasehold title exists
- Properties being purchased under a Right to Buy, Shared Ownership, or Shared Equity arrangement
- Properties which include commercial usage within the title
- Properties with occupancy restrictions
- Remortgages where you have owned the property for less than 6 months
- Properties being acquired under an assignable contract or from a property investment club/company
- Purchases where the vendor has owned the property for less than 6 months (except where we have given consent)
- Properties with communal heating, hot water or other services where the property is not individually metered

Interest only: If not sale of mortgaged property, any repayment strategies must be held in the UK and the benefits must be held, valued and paid in GBP

Lending Criteria continued...

General

Employment status: Employed and self employed considered. If self employed, you must have been trading for 3 years but only the last 2 years' accounts are required

Contractors: We will consider applications from contractors, subject to the following criteria:

- A minimum of 12 months contracting in their current occupation
- A minimum gross contracting income of £50,000 per annum. We will base affordability assessment on 80% of the applicant's gross income.
- A maximum of 90% Loan to Value (LTV)
- We will use the current contract for income assessment, but we will also review all contracts held in the last 12 months

Loan types: Repayment, interest only or a combination of both. For interest only or a combination please see our interest only criteria below

Lending area: Mainland Northern Ireland

Property: A property will be considered to have onerous leasehold terms where one or all of the following is identified:

- The original lease term on a new build flat (or second hand flat built post 2000) is less than 125 years
- The original lease term on a new build house (or second hand house built post 2000) is less than 250 years
- The maximum ground rent at the start of the lease term exceeds 0.1% of the property value or £500 a year whichever is the higher.
- The lease must be amended to comply with the above. If not the case cannot proceed.
- Leasehold terms of less than 85 years at the start of application
- Leasehold terms of less than 45 years at the end of the term
- The ground rent must remain reasonable at all times during the lease term, with unreasonable multipliers and increases not allowed

Property owner: We only accept transactions where the seller is the owner or registered proprietor of the property, and has been so for at least 6 months. For all remortgage business the registered owner or proprietor must have owned the property for a period of at least 6 months

Nationality: We normally require all applicants to be resident in the UK for the 3 years preceding the mortgage application. Foreign Nationals from within the European Economic Area (EEA) have automatic rights of residency and work so will be assessed for status in the same way as a British citizen. Non EEA citizens need to demonstrate rights to work and reside in the UK and can apply to borrow up to a maximum of 75% Loan to Value (LTV). These rights can be shown by passport stamps or Home Office papers. The right to remain in the UK must be for a sufficiently long period to justify the granting of a long-term loan

Early Repayment Charge: If you repay all or part of your loan before the end of the early repayment period, we may charge you an Early Repayment Charge to cover any losses we might otherwise incur. When you repay the whole of the loan you must pay us any mortgage release fee we charge at the time of repayment. If you have deferred payment of the lending fee you must also pay this. For part repayments, an additional administration fee applies

Overpayments: You can overpay at any time during your mortgage term. If in a promotional period, you can overpay a minimum of £500 and a maximum of 10% of the outstanding mortgage balance (as at 31st March the previous year) without incurring any early repayment or administration charges. After the promotional period the amount you can overpay is unlimited, however if you pay off your mortgage in full charges may apply.

Clean credit history: We will not lend to any applicant who has ever:

- Been bankrupt
- Been subject to an Individual Voluntary Arrangement (IVA)
- Owned a property which has been taken into possession or who has surrendered voluntary possession to a lender

We will normally only lend to applicants who in the last 3 years have no:

- Arrears on mortgages, fixed loans or rent
- More than two consecutive missed payments on credit or store cards
- More than one single CCJ to maximum of £250, and not within the last 12 months

Missed mail order or telecoms payments are normally disregarded

Payday loans: If you have had a payday loan within the last 12 months we won't normally lend. If you have taken out a payday loan over 12 months ago then your case will need to be looked at individually to assess affordability

Portability: All mortgages are portable when redeeming and completing on a new Bank of Ireland UK product. Conditions apply; please ask for details

Standard legal fees paid by lender

Remortgage Transaction: If stated in the Offer of Loan, Bank of Ireland UK will pay for the legal fees and disbursements (excluding additional work, see below) providing the remortgage transaction is handled via Legal Marketing Services, and is completed. The firm of Solicitors is instructed to act for us only. If applicants wish to arrange their own legal representation they will be responsible for the legal costs and disbursements incurred. Please note: Bank of Ireland UK will not pay for charges relating to additional work outside the scope of a standard remortgage transaction. This includes further valuation reports, related legal services, transfer of equity, deed of postponement, deed of grant, deed of variation, merger of freehold or leasehold title, leasehold supplements, change of name, telegraphic transfer of surplus funds to borrower, local searches for loans over £1,000,000, or if an exceptional amount of work is required to correct a defective title.

Purchase Transaction: If stated in the Offer of Loan, Bank of Ireland UK will pay the basic fee for the legal work involved in a standard property purchase. This offer of fees assisted conveyancing does not include any payment for cost that the solicitor must pay to a third party such as a local authority or other search fees, Stamp Duty Land Tax, the cost of taking out defective title indemnity insurance or registration fees payable to the Land Registry. The offer also does not include the charge, plus VAT, payable to the solicitor to deal with the settlement of any Stamp Duty Land Tax and the submission of the Stamp Duty Land Tax form or the cost of any associated sale. The solicitor will provide you with full details of this charge and the third party costs you will have to pay. These fees, along with the legal fee for any additional legal work that the solicitor carries out for you, are payable by you. If the purchase does not go ahead, you will not have to pay for the standard conveyancing work carried out, but you will have to pay any third party costs already paid by the solicitor. For property purchases in Scotland please contact us for details of our nominated Solicitor when obtaining your Approval in Principle. If you choose not to use our nominated Solicitor you will be liable for the legal costs.

Product fees: Payments should not be made at application stage. Bank of Ireland UK will deduct the fee from the loan amount upon completion or add it to the loan amount

Interest only criteria: You can borrow on an interest only basis up to 60% of the purchase price or valuation (whichever is the lower). We'll also consider up to 75% of the purchase price or valuation (whichever is the lower) if the amount you want over 60% is on repayment. Subject to:

- A minimum equity of £250,000
- A minimum assessable individual income of £50,000 per annum or minimum assessable joint income of £75,000 per annum (where neither applicant fulfils the individual income requirement). Income for all applicants must be contracted and paid in GBP

We are unable to lend into any applicant's retirement on an interest only basis

We only accept the sale of this mortgaged property as the repayment strategy. This will be verified by an underwriter to ensure that it's credible.

We only accept loans over 75% of the purchase price or valuation (whichever is the lower) on a repayment basis.

This criteria is not exhaustive, please contact us for more details.

Valuation and Surveys

A mortgage valuation is a report on the condition of the property you're planning to buy or remortgage. There are three valuation types which are listed below - each one offering progressively more information about a property.

If you opt for a more detailed report, such as a HomeBuyer Report or a Building Survey, we'll still need a Standard Mortgage Valuation Report from one of our panel valuers for our purposes. Provided you tell us that you want a more detailed report at the time of your application we may be able to instruct a surveyor to carry out a standard mortgage valuation and your chosen report at the same time. This may be cheaper than having each report carried out separately.

Important information: We'll do our very best to instruct a HomeBuyer Report or contact you with the details for a Building Survey if you've asked for one. This depends on the availability of suitable surveyors which we're unable to guarantee. If we can't instruct a more detailed report, the valuer will only carry out a standard mortgage valuation. We'll let you know if this happens and refund any additional fee you've already paid. This normally takes up to five working days to show on your account.

Standard Mortgage Valuation Report

A Standard Mortgage Valuation Report is not a survey. It's a limited check on the property that the mortgage lender carries out to ensure it's worth the money they're lending. A mortgage valuation is unlikely to cover items which would be picked up in a survey.

HomeBuyer Report

A HomeBuyer Report is a survey completed to a standard format set out by RICS. It's most suitable for conventional properties built within the last 150 years which are in reasonable condition. It doesn't detail every aspect of the property and only focuses on urgent matters needing attention.

Important information: There are instances when the valuer we've instructed will tell us that a HomeBuyer report isn't suitable for the property being mortgaged to us. On these occasions we'll only instruct a standard mortgage valuation. We'll let you know if this happens and refund any additional fee you've already paid. This normally takes up to five working days to show on your account.

Building Survey

A Building Survey is a comprehensive inspection of a property, reported in a style to suit the property and your specific requirements. It's suitable for all properties, especially listed buildings. It examines all accessible parts of the property and you can ask to have specific areas included, so it covers any particular concerns you may have about the building. It's a product which can be tailored to your needs, agreed between you and your surveyor.

In Scotland, it is a legal requirement that the seller provides potential purchasers with a **Single Survey** - this gives buyers information about the condition and value of a home, allowing them to make an informed decision before committing to the purchase. On some occasions, the seller may also commission a Standard Mortgage Valuation Report. If this has happened then we may be able to use that report for the purposes of assessing our security, meaning you won't have to pay for a separate valuation.

Purchase Price or Valuation	Standard Mortgage Valuation Report only	HomeBuyer Report (inc Standard Mortgage Valuation Report)
Up to £50,000	£240	£440
Up to £75,000	£240	£440
Up to £100,000	£240	£440
Up to £150,000	£240	£440
Up to £200,000	£310	£550
Up to £250,000	£310	£550
Up to £350,000	£360	£630
Up to £500,000	£470	£790
Up to £750,000	£610	£990
Up to £1m	£840	£1,255
Up to £1.5m	£940	£1,490
Up to £2m	£1,090	£1,940
Up to £2.5m	£1,290	£2,390
Up to £3m	£1,490	£2,690
Up to £3.5m	£1,690	£3,090
Up to £4m	£1,890	£3,390

Please note these valuation fees include an administration fee of £90. Re-inspections incur a minimum charge of £50 per visit (this includes an administration fee of £8.50)

This document can be made available in Braille, large print or audio upon request.

**Think carefully before securing other debts against your property.
Your property may be repossessed if you do not keep up repayments on your mortgage.**

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