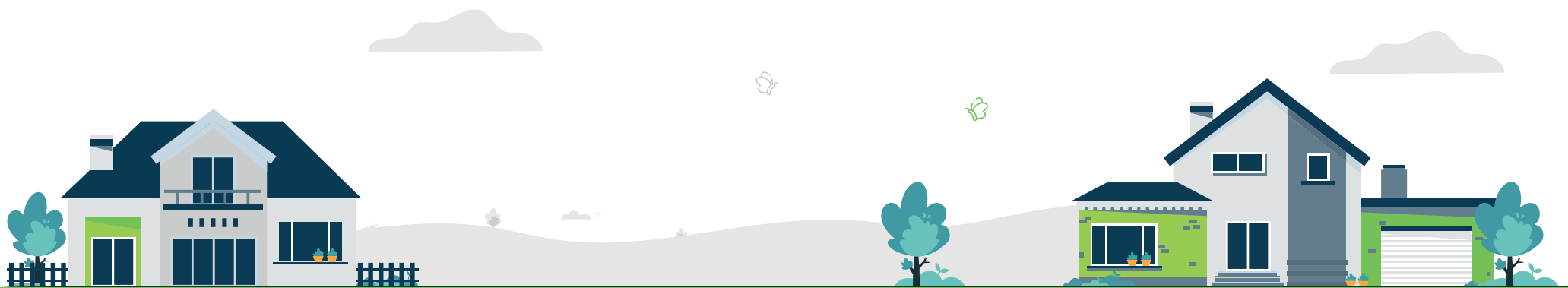


Residential & Buy to Let Product Guide

Released December 2024

Spring Finance Administered Variable Rate (SAVR) is 13.20% as at 9th December 2024



For Intermediaries Only

Spring Finance Limited, 3 Theobald Court, Theobald Street, Borehamwood, WD6 4RN

Spring Finance is a trading name of Spring Finance Group Ltd (14088677), Spring Finance Ltd (03709012), SF11 Ltd (07731478), SF13 Ltd (08273729), and Spring Finance M1 Ltd (14111987) all of which are registered in England and whose registered office is 3 Theobald Court, Theobald Street, Borehamwood WD6 4RN. Spring Finance Ltd is authorised and regulated by the Financial Conduct Authority. Firm reference number 300606.

Residential | First and Second Charge Products

Prestige

| LTV Bandings | Product | Prestige 1 Max 1 Demerits | Prestige 2 Max 2 Demerits | Maximum Gross Loan |
|--------------|-------------------|------------------------------|------------------------------|-----------------------|
| <65% | 2 Year Fixed | 10.75% | 10.90% | £300k to 50% |
| | 3 Year Fixed | 10.35% | 10.50% | |
| | 5 Year Fixed | 10.05% | 10.20% | |
| | Lifetime Tracker* | 11.45% | 11.60% | |
| 65% - 70% | 2 Year Fixed | 10.85% | 11.00% | £200k to 65% |
| | 3 Year Fixed | 10.45% | 10.60% | |
| | 5 Year Fixed | 10.20% | 10.35% | |
| | Lifetime Tracker* | 11.65% | 11.80% | |
| 70% - 75% | 2 Year Fixed | 10.95% | 11.10% | £150k to 70% |
| | 3 Year Fixed | 10.55% | 10.70% | |
| | 5 Year Fixed | 10.35% | 10.50% | |
| | Lifetime Tracker* | 11.80% | 11.95% | |
| 75% - 80% | 2 Year Fixed | 11.95% | 12.10% | £100,000 |
| | 3 Year Fixed | 11.55% | 11.70% | |
| | 5 Year Fixed | 11.35% | 11.50% | |
| | Lifetime Tracker* | 12.80% | 12.95% | |
| | 2 Year Fixed | 11.95% | 12.10% | £75,000 |
| | 3 Year Fixed | 11.55% | 11.70% | |
| | 5 Year Fixed | 11.35% | 11.50% | |
| | Lifetime Tracker* | 12.80% | 12.95% | |

*Lifetime tracker rates follow the Spring Administered Variable Rate +/- a margin. Commission - 2.00% of net loan capped at £2,000.

Demerits

| Type | Definition | Eligibility |
|---|--|--|
| Mortgage /Secured Loans | • 1 unit per missed payment in last 12 months | <ul style="list-style-type: none"> • Security and background properties assessed • 0 missed in last 3 months • Minimum of 6 months mortgage history required on 2nd charge applications |
| CCJ/Defaults | • 1 unit per CCJ/Default in last 12 months | <ul style="list-style-type: none"> • Ignore accounts under £500 • Max CCJ/Default limit £10,000 per item - refer if greater |
| Unsecured Credit | • 1 unit per account where worst status is 3 or higher in last 6 months | • Ignore accounts under £500 |
| IVA/DMP | • 1 unit per plan per applicant - missed payments in last 12 months treated as an additional demerit | • Must have been in place for a minimum of 12 months |
| Bankruptcies | - | - |
| Pay Day Loans (must be settled from loan advance) | - | <ul style="list-style-type: none"> • None in last 6 months • - max 2 in last 12 |

Early Repayment Charge

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------|--------|--------|--------|--------|--------|
| 2 Year Fixed | 2.00% | 1.00% | - | - | - |
| 3 Year Fixed | 3.00% | 2.00% | 1.00% | - | - |
| 5 Year Fixed | 5.00% | 4.00% | 3.00% | 2.00% | 1.00% |
| Lifetime Tracker | 1.00% | - | - | - | - |

Lender Fee

| Product | Fee |
|-----------------------|--------|
| 1st Charge | £1,595 |
| 2nd Charge <=£50,000 | £1,195 |
| 2nd Charge <=£300,000 | £1,495 |

Reversion Rate

| LTV | Rate |
|-------|--------------|
| <70% | SAVR - 0.10% |
| >=70% | SAVR +0.90% |

Core

| LTV Bandings | Product | Core 1 Max 3 Demerits | Core 2 Max 4 Demerits | Core 3 4+ Demerits | Maximum Gross Loan |
|--------------|-------------------|--------------------------|--------------------------|-----------------------|--------------------|
| >65% | 2 Year Fixed | 11.60% | 12.45% | 13.40% | £200k to 65% |
| | 3 Year Fixed | 11.10% | 12.25% | 13.20% | |
| | 5 Year Fixed | 10.80% | 12.00% | 12.95% | |
| | Lifetime Tracker* | 12.25% | 12.90% | 13.85% | |
| 65% - 70% | 2 Year Fixed | 11.75% | 12.60% | 13.55% | £150k - 65 to 70% |
| | 3 Year Fixed | 11.25% | 12.40% | 13.35% | |
| | 5 Year Fixed | 10.95% | 12.15% | 13.10% | |
| | Lifetime Tracker* | 12.40% | 13.05% | 14.00% | |
| 70% - 75% | 2 Year Fixed | 11.95% | 12.80% | - | £100,000 |
| | 3 Year Fixed | 11.45% | 12.60% | - | |
| | 5 Year Fixed | 11.15% | 12.35% | - | |
| | Lifetime Tracker* | 12.60% | 13.25% | - | |
| 75% - 80% | 2 Year Fixed | 13.05% | - | - | £75,000 |
| | 3 Year Fixed | 12.55% | - | - | |
| | 5 Year Fixed | 12.25% | - | - | |
| | Lifetime Tracker* | 13.70% | - | - | |

*Lifetime tracker rates follow the Spring Administered Variable Rate +/- a margin.
Commission - 2.00% of net loan capped at £2,000.

Demerits

| Type | Definition | Eligibility |
|---|--|--|
| Mortgage /Secured Loans | • 1 unit per missed payment in last 12 months | • Security property assessed • Minimum of 3 months mortgage history required on 2nd charge applications |
| CCJ/Defaults | • 1 unit per CCJ/Default in last 12 months | • Ignore accounts under £500 |
| Unsecured Credit | • 1 unit per account where worst status is 3 or higher in last 6 months | • Ignore accounts under £500 |
| IVA/DMP | • 1 unit per plan per applicant - missed payments in last 12 months treated as an additional demerit | • Must have been in place for a minimum of 6 months |
| Bankruptcies | - | • Core 3 only. Refer to Packaging Guide for further information |
| Pay Day Loans (must be settled from loan advance) | - | • Refer if any in last 3 months, and/or 4 or more in the last 12 months |

Early Repayment Charge

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------|--------|--------|--------|--------|--------|
| 2 Year Fixed | 2.00% | 1.00% | - | - | - |
| 3 Year Fixed | 3.00% | 2.00% | 1.00% | - | - |
| 5 Year Fixed | 5.00% | 4.00% | 3.00% | 2.00% | 1.00% |
| Lifetime Tracker | 1.00% | - | - | - | - |

Lender Fee

| Product | Fee |
|-----------------------|--------|
| 1st Charge | £1,595 |
| 2nd Charge <=£50,000 | £1,195 |
| 2nd Charge <=£300,000 | £1,495 |

Reversion Rate

| LTV | Rate |
|------|-------------|
| <80% | SAVR +1.90% |

| The Loan | | Self Employed Income | | The Property | |
|------------------------------|---|---|---|-------------------------------------|--|
| Minimum Term | • 2 years | Minimum Trading Period | • 1 year | Location | • England, Wales and mainland Scotland only |
| Maximum Term | • 30 years | Evidence - Sole Trader | • 1 years HMRC tax calculation and supporting overview AND 3 most recent business bank statements to evidence still trading | Minimum Value | • £75,000 on 1st charge, £100,000 on 2nd charge |
| Repayment | • Capital repayment | Evidence - Limited Company/Partnership | • 1 years HMRC tax calculation and supporting overview AND signed accounts or accountants reference | Tenure | • Freehold or leasehold - subject to 75 years remaining at start of loan and 55 at end of term |
| Affordability | • An LTI cap of 6x applies to all loans • A DTI cap of 45% applies to all loans These caps are applied automatically in Flow | Contractor Income | | Hometrack | • Maximum gross loan £75,000 • Maximum property value £1,000,000 |
| Loan Purpose | • All legal purposes considered. Loans for business purpose considered on referral • Loans for speculative purposes not accepted | Income Calculation | • Day rate x 5 x 46 | Hometrack Confidence Level | • Minimum confidence level 5 up to 65% LTV |
| Further Advances | • Considered after 6 months subject to account conduct • Commission will be paid on the new borrowing only | Minimum Time Contracting | • 3 months | Hometrack Property Restrictions | • Not permitted on ex-local authority flats or maisonettes |
| Employment and Income | | Minimum Contract Remaining | • Evidence of renewal required if 1 month or less remaining on current contract | Driveby Valuations | • Maximum gross loan £100,000 • Maximum property value £1,000,000 |
| Minimum Income | • Minimum gross annual household income of £18,000 - £15,000 must be earned from employment and/or pensions | Gaps Allowed | • 4 weeks in the last 12 months | Driveby LTV | • Maximum LTV 65% |
| Employed Income | | Evidence | • Contract and 3 most recent payslips, invoices or bank statements | Driveby Property Restrictions | • Not permitted on flats or maisonettes |
| Time Employed | • 3 months history required. Probation considered subject to evidence of previous employment | Construction Industry Scheme (CIS) | | Internal Valuation | • Required where an application fails Hometrack or Driveby criteria |
| Evidence | • 3 most recent payslips | Minimum Time in Role | • 3 months | Mortgage Information | |
| Bonus/Commission /Over-time | • 100% if evidenced on all payslips. Annual bonus considered on referral subject to 2 years evidence | Evidence | • 3 most recent remittance slips AND bank statements | 1st Mortgage Balance | • Where applicable, LTV calculated on balance outstanding where the LTV is below 75%. Redemption figure used where LTV is over 75% |
| Shift/Car/Location Allowance | • 100% if received across all payslips | Pension Income | | Mortgage Reference/ Payment Profile | • Equifax accepted providing no arrangement recorded in the last 12 months, or a succession of 6's |
| Maternity Pay | • Company and statutory maternity pay considered on referral | State and Private | • 3 most recent remittance slips or bank statements | Consent | • Required in favour of Spring Finance Ltd if applicable. We may consider lending where consent has been declined |
| | | Benefit Income | | | |
| | | Child Tax Credit/Child Benefit | • Accepted for children aged 16 or under at the start of the loan - subject to a plausible explanation for any future changes in income, award letter and 3 most recent bank or government gateway statements | | |
| | | Other Benefit Income | • Refer to Packaging Guide for further information on acceptable benefit incomes | | |

Buy to Let & Consumer Buy To Let | First and Second Charge Products

1st/2nd charge products - Buy to Let

| LTV Bandings | Product | BTL 0 Max 0 Demerits | BTL 1 Max 1 Demerits | Maximum Gross Loan |
|--------------|-------------------|-------------------------|-------------------------|-----------------------|
| <60% | 2 Year Fixed | 11.60% | 11.95% | £150,000 |
| | 3 Year Fixed | 11.40% | 11.70% | |
| | 5 Year Fixed | 11.10% | 11.40% | |
| | Lifetime Tracker* | 12.15% | 12.45% | |
| 60% - 70% | 2 Year Fixed | 11.90% | 12.20% | £100,000 |
| | 3 Year Fixed | 11.65% | 11.95% | |
| | 5 Year Fixed | 11.35% | 11.65% | |
| | Lifetime Tracker* | 12.40% | 12.70% | |
| 70% - 75% | 2 Year Fixed | 12.25% | - | £75,000 |
| | 3 Year Fixed | 12.00% | - | |
| | 5 Year Fixed | 11.70% | - | |
| | Lifetime Tracker* | 12.75% | - | |

*Lifetime tracker rates follow the Spring Administered Variable Rate +/- a margin. Commission - 2.00% of net loan capped at £2,000.

Demerits

| Type | Definition | BTLO/BTL1 Eligibility |
|--|--|--|
| Mortgage /Secured Loans | • 1 unit per missed payment in last 12 months | • Security property assessed • Minimum of 6 months mortgage history required on 2nd charge applications |
| CCJ/Defaults | • 1 unit per CCJ/Default in last 12 months | • Ignore accounts under £500 • Max CCJ/Default limit £10,000 per item - refer if greater |
| Unsecured Credit | • 1 unit per account where worst status is 3 or higher in last 6 months | • Ignore accounts under £500 |
| IVA/DMP | • 1 unit per plan per applicant - missed payments in last 12 months treated as an additional demerit | • Must have been in place for a minimum of 12 months |
| Bankruptcies | - | - |
| Pay Day Loans (must be settled from loan advance) | - | • None in last 6 months - max 2 in last 12 |

Early Repayment Charge

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------|--------|--------|--------|--------|--------|
| 2 Year Fixed | 2.00% | 1.00% | - | - | - |
| 3 Year Fixed | 3.00% | 2.00% | 1.00% | - | - |
| 5 Year Fixed | 5.00% | 4.00% | 3.00% | 2.00% | 1.00% |
| Lifetime Tracker | 1.00% | - | - | - | - |

Lender Fee

| Product | Fee |
|------------|---|
| 1st Charge | 2.5% of net loan subject to a minimum of £1,595 |
| 2nd Charge | 2.5% of net loan subject to a minimum of £1,195 |

Reversion Rate

| LTV | Rate |
|-------|-------------|
| <70% | SAVR +0.90% |
| >=70% | SAVR +1.40% |

| The Loan | | Income | | Mortgage Information | |
|---------------------------------|--|--------------------------------------|--|-------------------------------------|---|
| Minimum Term | <ul style="list-style-type: none"> 2 years | Income | <ul style="list-style-type: none"> Evidence of income required on all cases | 1st Mortgage Balance | <ul style="list-style-type: none"> Where applicable, LTV calculated on balance outstanding |
| Maximum Term | <ul style="list-style-type: none"> 30 years | Employed | <ul style="list-style-type: none"> Latest payslip required | Mortgage Reference/ Payment Profile | <ul style="list-style-type: none"> Equifax accepted providing no arrangement recorded in the last 12 months, or a succession of 6's |
| Repayment | <ul style="list-style-type: none"> Capital repayment or interest only | Self-Employed | <ul style="list-style-type: none"> Latest tax return and overview required | Consent | <ul style="list-style-type: none"> Required in favour of Spring Finance Ltd if applicable. We may consider lending where consent has been declined |
| Loan Purpose | <ul style="list-style-type: none"> All legal purposes considered. Loans for business purpose considered on referral Loans for speculative purposes not accepted | Pension | <ul style="list-style-type: none"> Latest remittance slip or bank statement required | | |
| Further Advances | <ul style="list-style-type: none"> Considered after 6 months subject to account conduct Commission will be paid on the new borrowing only | The Property | | | |
| Employment and Income | | Location | <ul style="list-style-type: none"> England, Wales and mainland Scotland only | | |
| Minimum Income | <ul style="list-style-type: none"> Minimum gross annual income £18,000 for the 1st applicant - £15,000 must be earned from employment and/or pensions | Minimum Value | <ul style="list-style-type: none"> £100,000 on 1st and 2nd charge | | |
| Affordability | | Tenure | <ul style="list-style-type: none"> Freehold or leasehold - subject to 75 years remaining at start of loan and 55 at end of term | | |
| Rental Coverage | <ul style="list-style-type: none"> Assessed on the lower valuer of the AST or valuers rental assessment. We may consider applying a 10% uplift to the valuers assessment where the AST supports the higher figure | Energy Performance Certificate (EPC) | <ul style="list-style-type: none"> Minimum EPC rating of E or above - unless the property is exempt from the regulations | | |
| Debt Service Cover Ratio (DSCR) | <ul style="list-style-type: none"> 125% DSCR required for low rate tax payers 145% DSCR required for high rate tax payers 155% DSCR required for additional rate tax payers 145% DSCR required for HMO/AirBNB/Holiday Lets | Driveby Valuations | <ul style="list-style-type: none"> Maximum gross loan £100,000 Maximum property value £1,000,000 | | |
| Income Top Up | <ul style="list-style-type: none"> Personal income can be used to support debt service cover ratio subject to a minimum DSCR of 130% - subject to a full I&E on the applicants residential property | Driveby LTV | <ul style="list-style-type: none"> Maximum LTV 65% | | |
| | | Driveby Property Restrictions | <ul style="list-style-type: none"> Not permitted on Flats or maisonettes | | |
| | | Internal Valuation | <ul style="list-style-type: none"> Required where an application fails Driveby criteria | | |
| | | 1st Charge Applications | <ul style="list-style-type: none"> Applicants must own their residential property | | |