

Innovation

Partnership

Reliability

Experience

## Residential Second Charge Loans

United Trust Bank offers a range of second charge loan products. These are designed to meet the requirements of customers who wish to raise additional funds secured on their home whilst leaving their existing first mortgage arrangement untouched.

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we understand specialist banking



## Available Products

	Max LTV	65% LTV		70% LTV		75% LTV		80% LTV		85% LTV	Early Redemption Charges
	Net Loan	£10k to £125k	£125k+ to £400k	£10k to £125k	£125k+ to £400k	£10k to £125k	£125k+ to £250k	£10k to £125k	£125k+ to £250k	£10k to £75k+	% by year
0 – Status	BoE Lifetime Tracker *	+3.95%	-	+3.95%	-	+4.55%	-	-	-	-	No ERCs
	2 Yr Fixed Rate ERC	3.85%	4.05%	4.15%	4.55%	4.70%	5.20%	-	-	-	1.75%, 1.00%
	3 Yr Fixed Rate ERC	3.95%	4.15%	4.25%	4.65%	4.80%	5.30%	-	-	-	2.75%, 2.00%, 1.25%
	5 Yr Fixed Rate ERC	4.05%	4.30%	4.35%	4.55%	4.85%	5.35%	-	-	-	4.50%, 3.50%, 2.75%, 1.75%, 0.75%
	5 Yr Fixed Rate No ERC	4.55%	4.95%	4.55%	4.95%	5.10%	5.60%	-	-	-	No ERCs
	Net Loan	£10k to £125k	£125k+ to £250k	£10k to £125k	£125k+ to £250k	£10k to £125k	£125k+ to £250k	£10k to £125k	£125k+ to £250k	£10k to £75k+	% by year
1 – Status	BoE Lifetime Tracker *	+5.55%	-	+5.55%	-	+6.65%	-	-	-	-	No ERCs
	2 Yr Fixed Rate ERC	6.25%	7.55%	6.35%	7.70%	7.00%	8.45%	-	-	-	2.00%, 1.00%
	3 Yr Fixed Rate ERC	6.35%	7.65%	6.45%	7.80%	7.10%	8.55%	-	-	-	3.00%, 2.00%, 1.25%
	5 Yr Fixed Rate ERC	6.45%	7.75%	6.60%	7.90%	7.20%	8.65%	-	-	-	5.00%, 4.00%, 3.00%, 1.75%, 0.75%
	5 Yr Fixed Rate No ERC	7.00%	8.20%	7.00%	8.20%	7.50%	8.95%	-	-	-	No ERCs
2 – Status	BoE Lifetime Tracker *	+7.80%	-	+7.80%	-	+8.50%	-	-	-	-	No ERCs
	2 Yr Fixed Rate ERC	8.55%	9.15%	8.90%	9.90%	9.60%	-	-	-	-	2.50%, 1.25%
	3 Yr Fixed Rate ERC	8.65%	9.25%	9.00%	10.00%	9.70%	-	-	-	-	4.25%, 2.75%, 1.50%
	5 Yr Fixed Rate ERC	9.00%	9.35%	9.50%	10.10%	10.45%	-	-	-	-	5.25%, 4.25%, 3.00%, 2.00%, 0.75%
	5 Yr Fixed Rate No ERC	9.80%	10.40%	9.80%	10.40%	10.75%	-	-	-	-	No ERCs
	Product Fees	£795 0 Status, £995 all BoE trackers and all 1 and 2 status, £1495 loans over £125K									

\* Tracker rates follow the BoE base rate at the stated margin, down to a BoE minimum of 0.50%.

Key Criteria
<p><b>Loan Amount and LTV</b> Loan sizes stated are Net, Broker and Product Fees can be added. Gross loan to be used for LTV.</p> <p><b>Loan Purpose</b> Generally any legal purpose, excluding Bankruptcy, Business Start-up and Debtor to Creditor payments. For loans over £250k please refer to the latest Packaging Guide for specific requirements.</p> <p><b>Repayment Method/Term</b> Capital Repayment only, over a 3 to 30 year term including part years. Customers must be aged 18 to 85 years at end of term.</p> <p><b>Commission</b> 1.25% Gross. Calculated on the Net loan requested by the Customer. Subject to a 6 month early redemption clawback.</p> <p><b>Introducer/Broker Fees</b> Maximum 10%, capped at £2,500. This includes all elements of Introducer, Broker, Packaging, Valuation or Other Fees and whether added to loan or paid before completion. Calculated on the Net loan requested by the Customer.</p> <p><b>Early Redemption Charge</b> Where no ERC, unlimited over-payments are allowed. ERC products do allow an overpayment, up to a maximum of 10% per annum. ERC's are stated as a % by the year applicable.</p>

Property
<p><b>Mortgage History</b> Minimum 12 months mortgage history, with 6 months in current property. First mortgage lender must be FCA regulated.</p> <p><b>Location</b> England, Wales and Mainland Scotland.</p> <p><b>Exclusion</b> Properties that are DSS, valued under £100k, Commercial, Shared Ownership, within first 4 years of a RTB pre-emption period, not suitable for mortgage security or have Agricultural Restrictions, a Possessory Title or Non-permanent construction.</p> <p><b>Valuation Required</b> <b>Hometrack</b> – Up to 65% LTV and £100k Gross Loan and up to 70% LTV and £50k Gross Loan. Minimum confidence score of 5.0, Max. property value of £1m. <b>Drive-By</b> – Up to 65% LTV and £100k Gross Loan and up to 75% and £50k Gross Loan. <b>Internal Mortgage Valuation</b> – Up to maximum LTV and Gross Loan. Where loan is greater than £250k, the maximum property valuation is £2.5m.</p> <p>Specialist reports required if not purchased or remortgaged in the last 5 years.</p>

## Reversionary Rate

### BoE Lifetime Trackers

Follow the BoE rate at the stated margin, down to a minimum of 0.50%.

### Fixed Rates

	<75%	>75%
Status 0	BBR +5%	-
Status 1	BBR +6%	-
Status 2	BBR +8%	-

Follow the BoE rate at the stated margin, down to a minimum of 0.50%

## Income and Affordability

### Source of Income

**Employed** – 6 months in current role, or 3 months in current role if 12 months continuous and no probation. 100% of all guaranteed income including Basic Pay, Car Allowance and Shift Allowance. 50% of Commission, subject to 18 month history. 0% of all non-guaranteed irregular income (eg bonus and overtime). Government Key worker programme overtime and shift work by referral.  
**Self-Employed** – Maximum 65% LTV. Sole Traders: 100% of Net Profit. Partnerships/Limited Companies: 100% of all sustainable drawings or dividends in addition to any salary. Retained Profits and Directors Loans are not accepted.  
**Pension/Maintenance** – 100% of all regular income.  
**Working Family Tax Credit, Child Benefit and Child Tax Credit** – 100% providing a minimum of £25,000 total income.  
**Unacceptable Income** – All other Benefits, Trusts, Income received not in £ sterling.

### Proof of Income

**Employed** – Last 2 computerised payslips, or last 2 non-standard payslips and a P60 or Bank Statement to show credit.  
**Self-Employed** – Sole Trader/Partnership – Last 2 years self-assessment forms, including SA302s or HMRC Tax Calculation Summary supported by a Tax Year Statement. Limited Company Director – Accountants Certificate detailing last 2 years figures, SA302s and Tax Year Statement or Last 2 years accounts, SA302s and Tax Year Statement.  
**Pension** – Last Pension Statement showing monthly or annual income and latest Bank Statement to show credit.  
**Maintenance, Working Family Tax Credit, Child Benefit and Child Tax Credit** – Last Court Order, CSA documentation or Entitlement letter showing income with the latest Bank Statement showing credit to match.

### Affordability Assessment

**Min. Primary Applicant Income** – £15k pa

**Max DTI** – 45%

**Max LTI** – 6.0 = 0 Status, up to 80% LTV

– 6.0 = All ERC loans to £400k

– 4.5 = 1 and 2 Status, up to 80% LTV

– 4.5 = All loans over £250k without ERC

– 4.0 = All loans up to 85% LTV

**I&E Decision** – Pass

Affordability must be evidenced for the entire term.

## Status Definitions

**Credit Score** No minimum Credit Score on all products.

Eligibility	Unsecured Credit	Secured Loan and Mortgages	CCJ's and Defaults
Definition	Assess active credit which is not up to date. Ignore if Mail Order or Comms.	Assess mortgage arrears in the last 12m or still outstanding.	Assess number (satisfied or not) and total E-value. Ignore if under £300, Mail Order or Comms.
UTB=0 Status	All accounts currently up to date.	<ul style="list-style-type: none"> <li>0 in 3m, 0 in 12</li> <li>0 outstanding</li> </ul>	<ul style="list-style-type: none"> <li>0 in last 2 years</li> <li>Max of 5 over 2 years old, providing all total less than £5k</li> </ul>
UTB=1 Status (1 element from)	Max 5 accounts up to 2 payments in arrears, must be consolidated. No recent payday loans.	<ul style="list-style-type: none"> <li>0 in 3m, 1 in 12m</li> <li>Max 1 outstanding</li> </ul>	<ul style="list-style-type: none"> <li>1 in last 12 months</li> <li>No Max number over 1 years old, providing all total less than £10k</li> </ul>
UTB=2 Status (2 elements from)	Max 5 accounts up to 3 payments in arrears, must be consolidated. No recent payday loans.	<ul style="list-style-type: none"> <li>0 in 3m, 2 in 12m</li> <li>Max 2 outstanding</li> </ul>	<ul style="list-style-type: none"> <li>2 in last 12 months</li> <li>No Max number over 1 year old, providing all total less than £15k</li> </ul>