

## Housing Association Criteria

Housing Associations	1,000 properties minimum (refer if local authority).  Must be regulated by the Homes and Communities Agency (HCA) and be either a registered Housing Association or a registered provider appearing on the HCA register; <a href="http://www.gov.uk/government/publications/current-registered-providers-of-social-housing">www.gov.uk/government/publications/current-registered-providers-of-social-housing</a> .  The lease must adhere to the model produced by the HCA and incorporate a Mortgage Protection Clause.
Governance & Viability	Compliant G1 and G2, Viability V1 and V2 (refer if local authority)

## Applicant Details

Minimum Age	21 - if joint application, at least one applicant must be 21.														
Maximum Age	Normally the loan must be repaid before the oldest applicant's state retirement age detailed below or applicant's stated intended retirement age, whichever is lower. <table border="1"> <thead> <tr> <th>Date of Birth</th> <th>State Retirement Age</th> </tr> </thead> <tbody> <tr> <td>From 6 April 1950- 5 June 1953</td> <td>63</td> </tr> <tr> <td>From 6 June 1953- 5 September 1953</td> <td>64</td> </tr> <tr> <td>From 6 September 1953- 5 October 1954</td> <td>65</td> </tr> <tr> <td>From 6 October 1954- 5 March 1961</td> <td>66</td> </tr> <tr> <td>From 6 March 1961-5 April 1978</td> <td>67</td> </tr> <tr> <td>From 6 April 1978 onwards</td> <td>68</td> </tr> </tbody> </table>	Date of Birth	State Retirement Age	From 6 April 1950- 5 June 1953	63	From 6 June 1953- 5 September 1953	64	From 6 September 1953- 5 October 1954	65	From 6 October 1954- 5 March 1961	66	From 6 March 1961-5 April 1978	67	From 6 April 1978 onwards	68
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Maximum Number of Applicants	2														
Help to Buy Sustainability Assessment	The applicant must pass the Help to Buy Sustainability Assessment prior to the application being received by the Society.														

## Credit Criteria

CCJs & Defaults	CCJs/Defaults within the last 3 years are not acceptable.  CCJs/Defaults => 3 years prior to application are acceptable up to a maximum £2,500, subject to an explanation and being cleared/satisfied 12 months prior to application.  No other adverse entries must show on credit file.  CCJs/Defaults are not acceptable over 80% LTV. <b>Up to 80% LTV</b>
Missed/Late Payments	Mortgage, Loan and HP arrears & missed payments => 3 years prior to application, status 1 and 2 are accepted – status 3 or above not accepted.  Mortgage, Loan, HP arrears and missed payments within the last 3 years are not acceptable.  Credit Card, Mail Order, Utility commitments => 3 years prior to application – Up to and including status 2's are acceptable.  Credit Card, Mail Order, Utility <3 years prior to application – Status 2 – ok to proceed subject to the commitment being up to date for a minimum of 12 months prior to application. =< Status 3 are ok subject to commitments totalling less than £500 and being up to date for a minimum of 12 months prior to application.  <b>Above 80% LTV</b>  Mortgage, Loan and HP arrears and missed payments are not acceptable.  Credit card, Mail Order, Utility commitments- a maximum of 3 status 2s are acceptable if less than £100. No other adverse entries within the last 3 years must show on the credit file.

## Residency

Non-UK Citizens	For non-UK nationals we require the applicant(s) to have resided in the UK for a minimum of 2 years. We will also require proof of indefinite leave to remain/residence certificate, or settled or pre-settled status in the UK.
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## Employment Status

Employed	Minimum of 6 months in current job and not in probation.
Fixed-Term Contracts	<b>LTV &gt;80%</b> - The applicant must have been contracting for a minimum of 3 years.
	<b>LTV &lt; 80%</b> - The applicant must have been contracting for a minimum of 1 year with a further 2 years experience in the same field.  Zero hour contracts accepted – please refer.
Self-Employed	<b>LTV &gt;80%</b> - The applicant must have been in their current business for a minimum of 3 years.
	<b>LTV &lt; 80%</b> - The applicant must have been in their current business for a minimum of 1 year with a further 2 years experience in the same field.  Directors with a shareholding of more than 25% will also be classified as self-employed.

## Deposit Details

Deposit	Applicants' own deposit or gift from an immediate family member (spouse, parent, grandparent, sibling, child or grandchild) is acceptable. Evidence of the source of deposit is required.
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## Income

Employed	<p><b>We capture gross annual income and net monthly income details. In addition we may also consider;</b></p> <p>60% of regular overtime, bonus or commission (avg. of these over the last 2 years P60). Up to 100% of second employed income, subject to length of service meeting criteria.</p>
Fixed-Term Contracts	<p><b>Fixed-term contracts</b></p> <p>For applicants on fixed-term contracts of less than 6 months, the minimum period of employment with the same employer is 6 months. For those on contracts of 6-12 months or more, the contract must have been renewed at least once. If the contract is for more than 12 months, the applicant must be more than 6 months into the contract.</p>
Self-Employed	<p><b>Self-employed</b></p> <p>We require 2 years accounts covering a 3 year-period, together with 3 years tax computations/SA302s to establish income. We assess the income by averaging the last 3 years income or we will take the most recent year, whichever is lowest of the two.</p> <p>Certified Accounts need to be signed and dated within 18 months. In addition, we would require sight of recent Business Bank Statements.</p> <p>For sole traders we will accept 3 years tax overviews and SA302s supported with 3 months Business Bank Statements subject to underwriter approval. We will consider cases with 1 years trading accounts and 2 years P60 if previously employed in the same field, max LTV 80%.</p>
	<p><b>Contractors/CIS Workers</b></p> <p>Applicants operating on an hourly or daily rate of pay are acceptable, max 80% LTV. Offshore Umbrella Companies are not acceptable. Minimum 6 months completed contract with evidence of past/present/future contracts. CIS workers are acceptable, max 80% LTV. We require a minimum of 12 months evidence of minimum employment and latest 3 years tax overviews/SA302s or previous years P60s in same line of work.</p> <p>100% private and/or state pension.</p>
Other Income	<p>The Society may also take into account a percentage of any payments received in respect of investment, dividend or rental income if evidenced by 3 years SA302s and accounts or SA100s.</p> <p>100% of maintenance can be used if court ordered or payments can be evidenced on the most recent 6 months' bank statements.</p> <p>100% child benefit payment, 50% working and child tax credits (for children up to age 14). For us to accept this, the applicant must be in receipt of the income for the full term of the mortgage.</p> <p>100% of benefits which are subject to a lifetime award such as PIP and ESA.</p>
Minimum Income	Minimum income requirement is £17,500 per application.
Maximum Income	Maximum joint income to qualify is £80,000 outside of London or £90,000 if in London.

## Mortgage Details

Mortgage Size	<p>Minimum loan size £30,000</p> <p>Maximum loan size: £375,000</p> <p>Based on the minimum share available to purchase (25% - our minimum loan size is £30,000)</p>
Mortgage Term	<p>Minimum 5 years (product dependant).</p> <p>Maximum 35 years.</p>
Remortgage Applicants	We will not consider remortgage applications.
Repayment	Capital repayment only.
Interest Only Repayment Vehicle	We will not accept Interest Only as a repayment option.
Let to Buy	<p>Not accepted. Lease will prohibit sub-letting (not lodger or paying guest).</p> <p>Consent from Provider needed to sub-let. Consent from the Society cannot automatically be given.</p> <p>The Society requires evidence from the Provider that they are agreeable to the let. The Society requires sight of the length of time (if applicable) the Provider has agreed for the property to be let.</p> <p>Fees would be applicable subject to approval of enquiry.</p>
Right to Buy	Not accepted.
Property Ownership	No other property is to be owned by any applicant (unless simultaneous exchange & completion of sale property to acquire this property).
Additional Borrowing	<p>Home improvements – not accepted.</p> <p>Debt consolidation – not accepted.</p> <p>Staircasing/Buying out Leaseholder/Complying with covenants: 10% minimum staircasing/max up to 25% (multiple tranches can be completed the same day to purchase more than 25% if deemed appropriate. Please refer to underwriting.)</p> <p>Shares bought at the open market value.</p> <p>Final step to full ownership must be minimum 10%. Full ownership and transfer of the freehold to be simultaneous.</p>
Release of Part Security	Not applicable due to leasehold.

## Property Criteria

Minimum Property Value	£100,000
Maximum Property Value	£500,000
Locations	England and Wales.
Acceptable Property	<p>Property Types: No self-builds. Flats/apartments are not acceptable. Must be standard residential construction.</p> <p>The property must be the main residence of the applicant(s).</p> <p>Properties must be of traditional construction.</p> <p>Timber framed properties may be considered if brick clad.</p> <p>New build houses subject to NHBC/Local Authority Building Control Scheme/Premier/Checkmate (Castle 10)/Buildzone/Zurich/ICW (International Construction Warranties)/AHCI Ltd or Professional Consultants Certificates.</p> <p>Leasehold Only. Model lease 2010+ (earlier for remortgage/resale separate undertaking for 28 days' notice).</p>
Unacceptable Property	<p>Any construction covered by Housing Defect Legislation such as high alumina cement, prefabricate reinforced concrete, large panel system, BISF.</p> <p>Prefabricated properties.</p> <p>Studio flats and ex-local authority flats.</p> <p>New build flats.</p> <p>Flats above commercial property.</p> <p>No commercial activity.</p> <p>Any property where an EWS1 form for wall cladding is required.</p> <p>Purchase of property currently in a company name – not accepted.</p>

## Tenure

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### Leasehold

For leasehold, there must be a minimum of 85 years unexpired lease at the start of the mortgage and 55 years remaining at the end.

Ground rent/estate rent charges within policy if applicable.

**Case outside criteria?  
We'll always take a look**

Call 01282 440583\* to talk to a member of our dedicated Intermediary Support Team

FOR INTERMEDIARY PROFESSIONALS ONLY

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