



## Marsden Building Society Launch into the Furnished Holiday Let Market

We've diversified our lending portfolio by launching into the Furnished Holiday Let market for both UK and expat applicants. With the holiday let market continuing to grow, we want to be able to help support your clients with our simplified criteria and individual underwriting assessment.

We'll accept both purchase and remortgage applications up to 70% LTV on an interest only or repayment basis (please note, we have a 60% LTV restriction on flats).

### Key Criteria:

- No personal affordability assessment
- Interest coverage ratio up to 145% at 5.5%
- We take 30 weeks' rental income using an average of weekly low, medium and high season
- Minimum personal income requirement of £25,000 per application
- Minimum property value of £125,000
- Applicants must be owner occupiers
- First-time landlords accepted
- Whole properties listed for Air BnB accepted
- Applicants can reside in the property for up to 90 days a year
- Applicants must have no more than three mortgaged holiday or buy to lets (including their current application).

### Case Study:

Tom (39) & Sophia (37) – Joint income: £50,000

Tom and Sophia have holidayed for many years in the Lake District and have often wondered whether they could afford to own a base there. Owning a second home can be costly, especially as they would only be able to use it at certain times of the year, so they want to explore the holiday let market to potentially assist in making a return on their investment.

Tom and Sophia have saved a deposit of £25,000 and they plan to release a further £38,000 from their residential property. They've found a house on the outskirts of the national park with a purchase price of £210,000. With a deposit of £63,000, they require a loan of £147,000.

#### *How we could help:*

- ✓ Based on Tom and Sophia's age we could offer them a term of up to 35 years on interest only
- ✓ With a joint income of £50,000, they meet our minimum income requirement
- ✓ A loan size of £147,000 would be acceptable as we lend up to 70% LTV
- ✓ After reviewing the low, medium and high seasonal weekly rates confirmed by a holiday let agent and applying our rental stress, the case fits our assessment and we're able to support them with a mortgage.

FOR INTERMEDIARIES ONLY

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