



Buy-to-Let Criteria Guide

February 2025

A photograph of a row of colorful terraced houses in a city. The houses are painted in shades of purple, light blue, and white. They have white window frames and a black wrought-iron fence in front. A diagonal pink line cuts across the image from the bottom left to the top right.

For Intermediaries Only

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The Borrower

Maximum Applicants	Up to 4 applicants are acceptable for both Company and Individual applications
Minimum Age	21 years old (18 years old is acceptable as a secondary applicant) ILA will be required for all applicants under 21 years old
Maximum Age	85 years old (95 years old is acceptable as a secondary applicant) ILA will be required for all applicants over the age of 70 years old
First Time Buyer	Yes
First Time Landlords	Yes
Minimum Income	£15,000 p.a.

	Tier 1	Tier 2
Credit Score:	MT Finance will consider the credit score as part of the manual underwriting process, generally requiring applicants to have a score of Average or above	MT Finance will consider the credit score as part of the manual underwriting process, generally requiring applicants to have a score of Average or above
CCJs/Defaults:	No CCJs or Defaults (unsatisfied or satisfied) to exceed £500 in the last 36 months	No CCJs or Defaults (unsatisfied or satisfied) to exceed £5,000 in the last 36 months
Secured Arrears:	No more than a status 2 in the last 36 months	No more than a status 2 in the last 24 months, and a status 3 in the last 36 months
Unsecured Arrears:	No more than a status 2 in the last 36 months	Not counted
Pay Day Loans:	None showing in the last 12 months	None showing in the last 12 months
Debt Management Plans:	None registered in the last 36 months	None registered in the last 36 months
Bankruptcy, Repossession, IVAs and Administration Orders:	None registered in the last 72 months	None registered in the last 72 months
Arrangement to Pay:	None registered in the last 36 months	None registered in the last 36 months



Limited Company/LLP:

The Limited Company or LLP must be registered in England and Wales before Offer and can be set up as a Special Purpose Vehicle (“SPV”), or a Trading Company.

- Limited Company guarantors must include all Directors, and all Shareholders with > 25% controlling interest. Limited Company guarantors must hold an aggregate of at least 60% of the controlling interest. Guarantors to provide personal guarantees on a ‘joint and several liability’ basis
- LLP guarantors must include all designated members/general partners and those members with management rights as detailed in the LLP Agreement. LLP guarantors must own 100% of the Company
- All Guarantors must be individual Directors/Shareholders/Members, or a Connected Company
- All Guarantors must take Independent Legal Advice (ILA) before entering into the transaction

MT Finance’s adverse credit rules apply to the Company applicant and all Guarantors.

Residential Status:

All applicants must be resident in the UK for the last 3 years (excludes expats). All applicants must have permanent rights to remain in the UK.

Portfolio Landlords:

- A Portfolio Schedule must be provided in all cases
- Validation of their existing portfolio
- Assessment of portfolio leverage subject to maximum acceptable portfolio leverage of 80% LTV
- Assessment of the portfolio’s debt affordability. The portfolio’s aggregate gross annual rental income (pre-tax/costs/voids) should be equal to or greater than 125% of the portfolio’s aggregate annual mortgage debt interest only payments based on a stressed interest rate of 5.00%

MT Finance has no limit on the number of loans property investors hold with other lenders.

Expatriate:

- **Only available for Tier 1 borrowers**
- Maximum 70% LTV
- UK citizens only
- Residency in EEA or FATF member countries
- Holding a UK bank account
- Having an active credit footprint in the UK
- Minimum income requirement £15,000 sterling p.a. or equivalent

Employment Status:

A full 12-months employment or self-employed trading history is required, and at least one applicant must be a UK Tax Payer and either:

- Employed
- Self-Employed
- A Contractor
- Retired

The Loan

Legal Charge	MT Finance require First Legal Charge over the security property
Minimum Term	5 Years
Maximum Term	35 Years
Minimum Loan Amount	£25,001
Maximum Loan Amount	£3,000,000 (£2,000,000 on Tier 2)
Purchases	The loan amount will be based upon the lower of purchase price or current valuation

Re-Mortgages:

We will consider £ for £ re-mortgages and capital raising for any legal purpose other than:

- Consolidation of debts that have not been maintained satisfactorily (incl. any form of arrears including, but not limited to: Ground Rent, Service Charges, Secured Lending and Unsecured Lending)
- Tax liabilities - Inheritance Tax or Capital Gains Tax may be considered where the proposal does not suggest a position of financial stress for the borrower

We will consider upon referral:

- Let-to-Buy transactions
- Re-mortgages where the property has been purchased within the last 6 months

Deposit:

Funds from lawful proceeds are acceptable to MT Finance including:

- Savings
- Investments
- Pension
- Inheritance
- Sale or re-mortgage of property
- Dividends
- Family gifted deposits are acceptable from immediate family members (including step in-law relations)
- Builder's Deposit - A maximum of 5% is acceptable provided there is no charge of interest over the security property and/or any form of rental guarantee

Deposit from Directors Loan/Partners Loan/Shareholder Equity or Inter-Company Loan can be considered.

Repayment Type:

MT Finance will accept capital and repayment, and interest-only repayment strategies.

Affordability:

	2 Year Fixed	5 Year Fixed
Basic Rate	125%	125%
Higher Rate	140%	125%
Additional Rate	140%	125%
Limited Company/LLP	125%	125%

Interest Calculation Rate

2 year fixed rate - Affordability calculated on the greater of payrate plus 2% or 100% at BOE plus 5%

5 year fixed rate - Affordability calculated on payrate

Maximum Loan and LTV

Property Type	Up to £	Maximum LTV - Tier 1	Maximum LTV - Tier 2
Standard	Up to £1,500,000	80% LTV	80% LTV
	£1,500,001 up to £2,000,000	75% LTV	75% LTV
	£2,000,000 up to £3,000,000	75% LTV	N/A
Small HMO	Up to £2,000,000	80% LTV	75% LTV
Large HMO	Up to £2,000,000	80% LTV	70% LTV
Small MUFB	Up to £3,000,000	75% LTV	70% LTV
Large MUFB	Up to £700,000	75% LTV	N/A
Semi-commercial	Up to £1,500,000	75% LTV	N/A

Total Obligor Exposure Tier 1

Up to £1,500,000	80% LTV
£1,500,001 – £3,000,000	75% LTV
£3,000,001 - £7,500,000	70% LTV

Total Obligor Exposure Tier 2

Up to £1,500,000	80% LTV
£1,500,001 - £2,500,000	75% LTV
£2,500,000 - £5,000,000	70% LTV

The Property

Location	England and Wales only
Minimum Property Value	Standard residential: £50,000 Properties above/adjacent to commercial: £100,000 Ex-Local Authority/MOD properties: £150,000 London & South East, £75,000 elsewhere HMO/MUFBs: £150,000 within London & South East, £100,000 elsewhere
Tenure	Freehold houses and leasehold property
Minimum Lease	At least 75 years at application
Listed Property	Grade II acceptable, Grade I or II* are unacceptable
Minimum Sqm	28 Sqm

Acceptable Tenancies:

Tenancies of up to 36 months are acceptable, including:

- Assured Shorthold Tenancies (AST) or Occupation Contracts (Wales)
- Student Lets
- Single or multiple ASTs
- Short term lets: Airbnb, Holiday lettings, Serviced Apartments*

*Serviced apartments are subject to there being no restrictions precluding renting on standard ASTs.

- Corporate lets up to 5 years

Holiday Lets:

- Only available on Tier 1 products
- Provided there are no holiday let planning or usage restrictions
- The property has suitable demand for sale and rental in the private rental sector
- The security is not on a holiday park or a park home

Rental income for Holiday Lets is calculated on a residential tenancy basis (e.g. AST)

New Builds:

- Maximum LTV: Houses & Flats: 75% LTV
- Maximum loan: £2,000,000

All new build properties or properties less than 10 years old must have an acceptable New Build Warranty stated in the UK Finance Handbook or Professional Consultants Certificate.

Flats:

Converted self-contained flats are acceptable subject to:

- Maximum 80% LTV
- Maximum Loan: £1,500,000
- Studio Flats are acceptable subject to them being self-contained with their own separate bathroom facilities
- High-rise property, over 6 storeys are accepted where the valuation indicates good marketability and good rental demand. MT Finance requires blocks over 5-storeys to include a lift
- Properties with Cladding can be considered, subject to Valuers comments and the EWS1 report with ratings A1, A2 and B1 only being acceptable

House of Multiple Occupancy:

- At least one applicant must have at least a 12 months of property investment experience
- Maximum LTV: 80%
- Maximum Loan: £2,000,000
- Up to 15 bedrooms on referral basis and only available on Tier 1
- Small HMO – Up to six rooms with no complex structure (easily converted back to residential status) and/or let to no more than six unrelated individuals. If room sizes allow for more than one individual per room under government guidelines, the share must be a related individual
- Large HMO – Six to fifteen rooms, complex structures (not easily converted back to a residential status), Suis Generis planning and/or smaller size HMOs where planning allows the rooms to be a shared let to unrelated individuals and therefore unrelated individuals exceed room total

Multi-unit Freehold Block:

- At least one applicant must have at least a 12 months of property investment experience
- Maximum LTV: 75%
- Maximum Loan: £3,000,000 (£700,000 if >4 units)
- Tier 2 only available on Small MUFb products
- All units must be self-contained

Ex Local Authority/MOD Properties:

- Maximum LTV: 75%
- Flats are acceptable up to 70% LTV
- Balcony/deck access flats are acceptable subject to Valuer's comments
- Levels of low private ownership are only acceptable up to maximum 60% LTV, subject to valuers confirming good rental demand and good saleability

Properties Above/Adjacent to Commercial Premises:

- Maximum LTV: 75%
- Maximum loan: £2,000,000
- Will not consider properties above or adjacent to commercial premises where valuer comments are negative, the valuer does not recommend the property as suitable security for mortgage purposes, or where the valuer believes the proximity to commercial materially impacts future saleability or marketability of the security

Semi-commercial:

- Only available on Tier 1 products
- Semi-commercial freehold property acceptable subject to the commercial element not exceeding 40% of the security
- Subject to no negative commentary on the saleability or marketability of the residential element

Property Exposure:

- No more than 20% or 2 units (whichever is the greater) exposure within a block of flats over 4 units
- For blocks of flats of 4 units or less we can look up to 100% exposure within the block

Energy Performance:

- All security properties are required to have a minimum EPC rating of E

Acceptable Security:

MT Finance will only consider property types where the valuer confirms the property is suitable security for mortgage purposes subject to it meeting the property criteria and is not on our Unacceptable Property List.

Acceptable Construction Types:

MT Finance can consider any construction/roof types where the valuer confirms the property is suitable security for mortgage purposes subject to it meeting the property criteria and is not on our Unacceptable Property/Construction List. MT Finance considers a property to be of standard construction if it is built of stone, concrete block and/or brick with either solid or cavity walls that consist of an inner and outer skin. The outer skin will usually be of stone, brick or block. The roof will be of slate, tile, thatch or felt.

- Modern Methods of Construction are acceptable (subject to valuers comments)
- Timber-framed construction is only acceptable with an external brick skin or where BOPAS-approved
- Flat roofs are acceptable. 100% flat roofs are only acceptable if a modern method is used, or the security property is a block of flats (subject to valuers comments)



Unacceptable Property:

- Freehold flats/maisonettes
- Non-HMO properties with more than eight bedrooms
- Properties with an EPC rating lower than E
- Properties with multiple kitchens where the Valuer states it negatively impacts re-saleability
- Properties with shared services unless part of a House in Multiple Occupation or an MUFB of 2-4 units, in a converted house and not required by planning to separate
- Properties with more than 10 acres
- Working farms or properties with agricultural restrictions/farms/small holdings
- Properties with continuing structural movement, or movement that requires monitoring
- Underpinned properties where no guarantees are available
- Grade I & Grade II asterisk listed buildings
- Live/work units
- Properties affected by dry rot or unmanageable Japanese knotweed
- House boats/caravans/park homes/mobile homes
- Monkey puzzle style houses
- Properties with any form of restrictive covenants that materially adversely affect the value of the property or its future marketability e.g. retirement homes
- Affordable housing/Shared ownership
- Landlocked/Ransom Strip properties
- Uninsurable properties
- Properties with outstanding enforcement notices or Government grants
- Properties with flying freehold greater than 20%
- Unregistered land (excl. Properties subject to first registration at Land Registry - New Build)
- Purpose-built student accommodation/HMOs
- Properties where relevant parts do not meet the Minimum Room Size standards
- Semi-Commercial Properties where the commercial element is greater than 40%

Unacceptable Construction:

- Prefabricated reinforced concrete construction (PRC) refer if works undertaken, valuers positive comments and guarantee in place
- Concrete block construction designated Mundic
- Mundic block materials
- Properties of High Alumina Cement
- Properties of 100% timber construction
- Any property designated defective under the Housing Act
- Properties under 10 years' old without an acceptable structural defects warranty
- Wimpey No Fines if the property is a flat
- Flats of Large Panel System (LPS) construction



Meet your BDM



Megan Betts

BDM for Buy-to-Let

Megan joined MT Finance after over a decade of working broker-side. She now uses the knowledge and expertise she has accrued to support our buy-to-let intermediary partners and their clients.

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David Kingham

BDM for London & South East

David started as an NBE in 2019 and progressing to senior underwriter for regulated bridging, his expertise allowed him to smoothly transition into business development, where he excels in navigating complex markets and providing innovative solutions.

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Joe Grace

Senior BDM for London & South East

Joe originally joined us in 2019 as a New Business Executive, meaning he has an in-depth knowledge of our operations and process. His ability to forge strong relationships make him a natural BDM for our brokers in London.

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Richard Sherman

Senior BDM for South West & South Wales

Richard joined us in 2018 and has over 10 years' experience in the industry. Having joined from a mortgage broker, he's uniquely placed to understand how our brokers in South West England and South Wales truly operate and how best to support them.

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Chris Parr

Senior BDM for Midlands & North

Chris Parr has over 17 years experience in the industry. Since joining the team in 2020, he has used his vast knowledge to support our introducing brokers in the Midlands, Northern England and North Wales.

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Submit Business



Submit Business

Easily submit a new case and manage your existing ones, all via our intermediary portal. Or if you'd rather discuss your case prior to submission, call our expert BTL team - they're friendly and happy to help.

[More info >](#)



BTL Product Guide

If you're looking for an effortless and hands-on approach to your cases - you've found it! Take a look at the latest rates and key criteria for our buy-to-let mortgage products.

[More info >](#)



BTL Submission Guide

This handy guide will ensure you provide us with all the correct documentation and necessary requirements, so your client's buy-to-let mortgage application runs super smoothly.

[More info >](#)

