

England & Wales

Buy To Let Conditions for Mortgage Offer - England & Wales

The Society's letting criteria must be applied to all tenancies granted. The Society's letting criteria may be varied from time to time. Apart from this concession, the provisions in your mortgage conditions remain in effect and letting of the property made without our consent, which does not comply with the letting criteria, will be a breach of your mortgage conditions. The Society's current letting criteria are as follows:-

Buy To Let cases

The property must be let on a single Assured Shorthold Tenancy and Notice of Ground 2 must be served on the tenant before the tenancy commences. Ground 2 (of the Housing Act 1988 (as amended)) states that the property is subject to a mortgage and that the Society may seek to recover possession of the property in the event that you fail to keep to the conditions of the loan. The tenancy agreement must include a provision that the tenancy will end under Ground 2 if the Society needs to take possession of the property to sell it. The tenant must be required to occupy the property as his or her only or principal home, either alone or with his or her family, and the tenancy must be for not less than 6 months and not more than 12 months. Where the rent exceeds £25,000 per annum (or from 1 October 2010, £100,000 per annum) provided that all of the other conditions of an Assured Shorthold Tenancy and the conditions detailed in this section 4 are satisfied, the tenancy will be acceptable to the Society.

In the case of a leasehold property, the terms of the lease must not prohibit the proposed tenancy. In the event that the consent of the landlord is required to any sub-letting in accordance with the lease, completion must not occur without it and evidence of the consent must be sent to us with the deeds.

We do not require sight of the tenancy agreement. However you must provide us with the following if requested:

- (a) a copy of the Notice of Ground 2 served on the tenant(s) and received by the tenant(s) acknowledging receipt of the original Notice; and/or
- (b) a certified copy of the tenancy agreement.

All tenancy agreements must be made in writing, be signed by all parties and contain the following provisions:

- (a) subletting, assignment and sharing occupation of the property is prohibited;
- (b) not to make any alterations to the property or allow the property to fall into disrepair.

The property must not be let to asylum seekers; anyone possessing any form of diplomatic immunity; Rent Act protected tenants; or anyone who is your relative. There must only be one tenancy agreement in place at any time and all adult occupiers must be a party to the tenancy agreement and jointly liable under it.

We do not accept applications from limited companies, partnerships, trusts housing associations or local authorities.

We do not accept applications where the proposed mortgaged property is used or is to be used for any commercial purpose or enterprise or is let to or is to be let to, limited companies, partnerships, trusts, housing associations or local authorities.

The deposit monies for the purchase must come from the borrower's own resources and in providing the certificate of title the solicitor confirms that the property and completion of the sale are not part of a 'distressed sale' of the property to the borrower through a home rescue scheme.

The property must be let or being actively marketed for letting within 3 months of completion and during the rest of the mortgage term be let or being actively marketed for letting.

Where the property is let partly or fully furnished you must comply with all statutory and other legal requirements relating to furnished lettings (including but not limited to fire and health and safety). Letting the property may affect the buildings and/or contents insurance. You must take steps to ensure that any buildings insurance cover will continue during any letting of the property in accordance with your obligations regarding the insurance of the property contained in the Society's Mortgage Conditions and in this offer.

Houses in Multiple Occupation ("HMO's") cases

Where the property is classed as an HMO as defined in the Housing Act 2004 (or any amending or replacement legislation), then a licence must be obtained from the Local Authority. The HMO licence must be maintained for as long as the property is an HMO and all conditions under the licence must be complied with. The property must also comply with all necessary planning permissions, building regulations, environmental health and fire regulations and comply with all necessary standards for HMO's. If for any reason you cannot comply with these requirements, you must inform us immediately.

If the property is classed as an HMO, you must ensure that you are registered as a landlord on the register of landlords with the local authority where the property is situated. Any letting agent employed by you in connection with the property must also be registered. You must comply with any conditions of registration. If for any reason you cannot comply with these requirements, you must inform us immediately.

Scotland

Buy To Let Conditions for Mortgage Offer – Scotland

The Society's letting criteria must be applied to all tenancies granted. The Society's letting criteria may be varied from time to time. Apart from this concession, the provisions in your mortgage conditions remain in effect and letting of the property made without our consent, which does not comply with the letting criteria, will be a breach of your mortgage conditions. The Society's current letting criteria are as follows:-

Buy To Let cases

The property must be let on a Short Assured Tenancy and Notice of Ground 2 must be served on the tenant before the tenancy commences. Ground 2 (of Schedule 5 of the Housing (Scotland) Act 1988) states that the property is subject to a mortgage and that the Society may seek to recover possession of the property in the event that you fail to keep to the conditions of the loan. The tenancy agreement must include a provision that the tenancy will end under Ground 2 if the Society needs to take possession of the property to sell it. The tenant must be required to occupy the property as his or her only or principal home, either alone or with his or her family, and the tenancy must be for not less than 6 months and not more than 12 months.

We do not require sight of the tenancy agreement. However you must provide us with the following if requested:

- (a) a copy of the Notice of Ground 2 served on the tenant(s) and received by the tenant(s) acknowledging receipt of the original Notice; and/or
- (b) a copy of the AT5 Notice under Section 32 of the Housing (Scotland) Act 1988 served on the tenant(s) that the tenancy is a Short Assured Tenancy, received by the tenant(s) acknowledging receipt of the original AT5 Notice; and/or
- (c) a certified copy of the tenancy agreement.

All tenancy agreements must be made in writing, be signed by all parties and contain the following provisions:

- (a) subletting, assignment and sharing occupation of the property is prohibited;
- (b) not to make any alterations to the property or allow the property to fall into disrepair.

The property must not be let to asylum seekers; anyone possessing any form of diplomatic immunity; Rent Act protected tenants; or anyone who is your relative. There must only be one tenancy agreement in place at any time and all adult occupiers must be a party to the tenancy agreement and jointly liable under it.

We do not accept applications from limited companies, partnerships, trusts housing associations or local authorities.

We do not accept applications where the proposed mortgaged property is used or is to be used for any commercial purpose or enterprise or is let to or is to be let to, limited companies, partnerships, trusts, housing associations or local authorities.

The deposit monies for the purchase must come from the borrower's own resources and in providing the certificate of title the solicitor confirms that the property and completion of the sale are not part of a 'distressed sale' of the property to the borrower through a home rescue scheme.

The property must be let or being actively marketed for letting within 3 months of completion and during the rest of the mortgage term be let or being actively marketed for letting.

Where the property is let partly or fully furnished you must comply with all statutory and other legal requirements relating to furnished lettings (including but not limited to fire and health and safety).

Letting the property may affect the buildings and/or contents insurance. You must take steps to ensure that any buildings insurance cover will continue during any letting of the property in accordance with your obligations regarding the insurance of the property contained in the Society's Mortgage Conditions and in this offer.

Houses in Multiple Occupation ("HMO's") cases

Where the property is classed as an HMO as defined in the Civic Government (Scotland) Act 1982 (Licensing of Houses in Multiple Occupation) Order 2000 as amended (or any amending or replacement legislation), then a licence must be obtained from the Local Authority. The HMO licence must be maintained for as long as the property is an HMO and all conditions under the licence must be complied with. The property must also comply with all necessary planning permissions, building regulations, environmental health and fire regulations and comply with all necessary standards for HMO's. If for any reason you cannot comply with these requirements, you must inform us immediately.

Landlord registration

You must ensure that you are registered as a landlord on the register of landlords with the local authority where the property is situated in terms of the Antisocial Behaviour etc. (Scotland) Act 2004. Any letting agent employed by you in connection with the property must also be registered under that Act. You must comply with any conditions of registration. If for any reason you cannot comply with these requirements, you must inform us immediately.

Northern Ireland

Buy To Let Conditions for Mortgage Offer - Northern Ireland

The Society's letting criteria must be applied to all tenancies granted. The Society's letting criteria may be varied from time to time. Apart from this concession, the provisions in your mortgage conditions remain in effect and letting of the property made without our consent, which does not comply with the letting criteria, will be a breach of your mortgage conditions. The Society's current letting criteria are as follows:-

Buy To Let cases

The property must be let as a private tenancy and must not be a protected tenancy (within the meaning of the Private Tenancies (Northern Ireland) Order 2006). The tenancy agreement must not attempt to exclude any of the provisions of the Private Tenancies (Northern Ireland) Order 2006. The tenancy agreement must contain all the information required under Regulation 2 of the Tenancy Terms Regulations (Northern Ireland) 2007 and in addition it must include a provision that the tenancy is subject to the existing mortgage/charge in favour of the Society and it will end if the Society needs to take possession of the property and sell it. The tenant must be required to occupy the property as his or her only or principal home, either alone or with his or her family, and the tenancy must be for not less than 6 months and not more than 12 months.

In the case of a leasehold property, the terms of the lease must not prohibit the proposed tenancy. In the event that the consent of the landlord is required to any sub-letting in accordance with the lease, completion must not occur without it and evidence of the consent must be sent to us with the deeds.

You must comply with all statutory and other legal requirements relating to lettings (including, but not limited to, the requirements of the Private Tenancies (Northern Ireland) Order 2006).

We do not require sight of the tenancy agreement. However you must provide us with a certified copy of the tenancy agreement if requested. You must also notify us in writing if you receive any notices in relation to the property including, but not limited to, Notices of Unfitness or Disrepair under the Private Tenancies (Northern Ireland) Order 2006 and provide us with copies.

All tenancy agreements must be made in writing, be signed by all parties and contain the following provisions:

- (a) subletting, assignment and sharing occupation of the property is prohibited;
- (b) not to make any alterations to the property or allow the property to fall into disrepair.

The property must not be let to asylum seekers; anyone possessing any form of diplomatic immunity; Rent Act protected tenants; or anyone who is your relative. There must only be one tenancy agreement in place at any time and all adult occupiers must be a party to the tenancy agreement and jointly liable under it.

We do not accept applications from limited companies, partnerships, trusts housing associations or local authorities.

We do not accept applications where the proposed mortgaged property is used or is to be used for any commercial purpose or enterprise or is let to or is to be let to, limited companies, partnerships, trusts, housing associations or local authorities.

The deposit monies for the purchase must come from the borrower's own resources and in providing the certificate of title the solicitor confirms that the property and completion of the sale are not part of a 'distressed sale' of the property to the borrower through a home rescue scheme.

The property must be let or being actively marketed for letting within 3 months of completion and during the rest of the mortgage term be let or being actively marketed for letting.

Where the property is let partly or fully furnished you must comply with all statutory and other legal requirements relating to furnished lettings (including but not limited to fire and health and safety).

Letting the property may affect the buildings and/or contents insurance. You must take steps to ensure that any buildings insurance cover will continue during any letting of the property in accordance with your obligations regarding the insurance of the property contained in the Society's Mortgage Conditions and in this offer.

Houses in Multiple Occupation ("HMO's") cases

Where the property is classed as an HMO as defined in the Housing (Northern Ireland) Order 2003 (or any amending or replacement legislation), then, for as long as the property is an HMO, unless the property is exempt, the property must be registered with the Northern Ireland Housing Executive ("NIHE") and comply with all standards for HMO's laid down by the NIHE. The property must also comply with all necessary planning permissions, building regulations, environmental health and fire regulations and comply with all necessary standards for HMO's. If for any reason you cannot comply with these requirements, you must inform us immediately.

Landlord registration

You must ensure that you are registered as a landlord on the register of landlords with the local authority where the property is situated in terms of the Statutory Registration Scheme for Houses in Multiple Occupation 2004 (the "Scheme"). Any letting agent employed by you in connection with the property must also be registered under that Scheme. You must comply with any conditions of registration. If for any reason you cannot comply with these requirements, you must inform us immediately.