

# Buy to Let product guide

All Brokers

(Version 2.5, effective 7 May 2021)

No stress testing, no stress.

- ICR-busting loan terms (rental income to cover 100% of pay rate).
- Foreign nationals, first-time landlords, expats and adverse considered.
- All structures considered: partnerships, trusts, limited and offshore companies.

**Every wave is different. So is every loan.**



# Buy to Let guide: no stress testing

All brokers

Product	Wave 1	Wave 2	Wave 3	Wave 4	Wave 5
Rate	4.99% pa	5.49% pa	5.99% pa	6.99% pa	7.49% pa
Deferred Interest	Up to 1% pa on LTVs up to 70%			Up to 2% pa	
Pay Rate	3.99% pa	4.49% pa	4.99% pa	4.99% pa	5.49% pa
ICR	<b>No stress test: only 100% of pay rate (Rate less Deferred Interest)</b>				
Min Loan	£150,000				
Max Loan	£15,000,000				
Max LTV	75%	70%		65%	
Low LTV Product Shift	N/A	If LTV under 50%, product shifts down to Wave 1	If LTV under 50%, product shifts down to Wave 2	If LTV under 50%, product shifts down to Wave 3	If LTV under 50%, product shifts down to Wave 4
Term	5 years			2 or 3 years	
Fee	2.5%				
Proc Fee	1.5%				
Admin	<p><b>Loans on portfolios of less than 5 properties</b> If loan is less than £500k: £249 + £150 per additional security property. If loan is more than £500k: £399 + £150 per additional security property.</p> <p><b>Loans on portfolios of 6 properties or more</b> Portfolio of between 6-10 properties: £1,995. Portfolio of 11 or more properties: £2,995.</p>				
ERCs	4%/3%/2% – final 2 years ERC free			3%/3%/3% – final 3 months ERC free	
Top Slicing	Not allowed		Not allowed (Retained shortfall allowed)	Allowed up to max 20% (Retained shortfall allowed)	
Interest retention	3 months will be deducted for purchases				
Property					
Min Property Value	£200,000				
Max Property Value	£2m	£3m		£5m	
Mixed Use	No	Commercial up to 25% (LTV will be restricted)	Commercial up to 30% (LTV will be restricted)		
HMO	Up to 6 bedrooms	Up to 10 bedrooms	Up to 16 bedrooms	Up to 24 bedrooms	
MUFB	8 units max	12 units max	16 units max	30 units max	
Max exposure in a block	<12 units – max 35% of block; 13-40 units – max 25% of block; >40 units – max 10 units of block				
Ex Local Authority Flats	Yes provided no balcony access and in London	Yes provided no balcony access	Yes		
Flats above Commercial	No	Yes			
Air BNB/Holiday Lets	No	Airbnb only	Yes		
Planning Irregularity	No			Yes depending on severity	
Property Location	England only				
Works permitted to security	10% max permitted				
Borrower Details					
1st Time Buyer	No		Yes		
1st Time Landlords	No	Yes – must own main residence	Yes		
UK Individual	Yes				
UK Company	Yes				
Offshore Company	No	Yes (locations specified in Lending Guide)			
UK UBO	Yes				
Ex Pat UBO	Min 2 properties in UK excluding security	Min 1 property in UK excluding security	Yes		
Foreign National UBO	Must have permanent right to reside and currently reside in the UK. Min 2 properties in UK excluding security.	Min 1 property in UK excluding security	Yes		
Min Income	£30,000 (can be property income)	Not required			
Min age	21 years				
Max age at beginning of term	<70 years old				
Max no of applicants	4				
Borrower Credit					
Defaults	0 in 24 months, 1 in 36 months <£1,000 satisfied	0 in 24 months, 3 in 36 months <£5,000 satisfied	0 in 12 months, <£1,000 in 24 months	<£1,000 in 24 months – if unsatisfied, must be on completion	>£1,000 in 24 months
CCJs	0 in 24 months, 1 in 36 months <£1,000 satisfied	0 in 24 months, 3 in 36 months <£5,000 satisfied	0 in 12 months, <£1,000 in 24 months	<£1,000 in 24 months – if unsatisfied, must be on completion	>£1,000 in 24 months
Unsecured on loan balances over £500	0 in 24 months, 2 in 36 months		max 3 in 24 months	max 3 in 12 months	>3 in 12 months
Secured Mortgage Payments	0 in 36 months		0 in 24 months, 1 max in 36 months	0 in 24 months	0 in 3 months, 6 in 24 months
IVA/Bankruptcy/CVA	No			Yes provided discharged over 3 years	Yes provided discharged over 2 years

# Buy to Let. Reinvented.

Been stressed by PRA stress-testing? Not any more. Boost your clients' borrowing power instantly with #3rdGen Buy To Let.

Here at Octane we always do things differently and we've removed the stress from Buy to Let by requiring just 100% rental cover. No stress testing, no stress.

#3rdGen Buy to Let puts you and your clients back in control. Our experience and flexibility mean we'll lend where others won't: foreign nationals, first-time landlords, expats and adverse credit are all considered.

And we'll lend to all structures, from limited and offshore companies to partnership and trusts. Total transparency, total commitment to making deals work.

**#3rdGen Buy to Let. Experience delivers.**



## Our core values

### CERTAINTY

Our team live and breathe lending. We aim to be crystal clear. We know how much certainty means to you. When we say 'yes', we mean 'yes'.

### EXPERIENCE

Over the years we've completed some of the industry's most tricky loans. Between us we've lent well over £3bn across more than 5,000 loans.

### FLEXIBILITY

Ultra-bespoke lending is where we're making waves. Our loans are adapted to your needs. Never the other way around.

### ACCESS

We're by your side each step of the way. Just pick up the phone and talk directly to the people who make the decisions.

Call us on 0345 222 9009

Octane Capital Ltd • Haskell House, 152 West End Lane, London NW6 1SD • 0345 222 9009 • [deals@octanecapital.co.uk](mailto:deals@octanecapital.co.uk) • [octanecapital.co.uk](http://octanecapital.co.uk)

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