Kensington

2 April 2019

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NEW RESIDENTIAL LENDING RATES

SOMETHING SPECIAL INSIDE

Help to Buy
Backed by HM Government

THIS INFORMATION IS FOR INTERMEDIARIES ONLY

Residential 2 April 2019

Kensington review the LIBOR rate quarterly. The current LIBOR rate is 0.90% with effect from 13th February 2019 – LIBOR floor 0.00% (minimum charge will be the reversion margin indicated)*

Broker procuration fee 0.40%.

SELECT & YOUNG PROFESSIONALS RATES (Maximum loan size £500,000)

YOUNG PROFESSIONALS RATE RANGE

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75%† SPECIAL	2 Year Fixed	2.69%	£1,999	x	LIBOR plus 4.30%*
75%†	2 Year Fixed	2.89%	£999	x	LIBOR plus 4.30%*
	3 Year Fixed	3.19%		x	
	5 Year Fixed	3.69%		x	LIBOR plus 4.00%*
75%†	2 Year Fixed	3.39%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	3.64%		✓	
	5 Year Fixed	4.09%		✓	LIBOR plus 4.00%*
80%†	2 Year Fixed	3.04%	£999	x	LIBOR plus 4.30%*
	3 Year Fixed	3.34%		x	
	5 Year Fixed	3.84%		x	LIBOR plus 4.00%*
80%†	2 Year Fixed	3.69%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	3.94%		✓	
	5 Year Fixed	4.19%		✓	LIBOR plus 4.00%*
85%†	2 Year Fixed	3.39%	£1,299	x	LIBOR plus 4.50%*
	3 Year Fixed	3.69%		x	
	5 Year Fixed	4.14%		x	LIBOR plus 4.20%*
85%†	2 Year Fixed	3.84%	£0	✓	LIBOR plus 4.50%*
	3 Year Fixed	4.09%		✓	
	5 Year Fixed	4.39%		✓	LIBOR plus 4.20%*
90%†	2 Year Fixed	4.84%	£1,299	x	LIBOR plus 4.50%*
	5 Year Fixed	5.19%		x	LIBOR plus 4.20%*
90%†	2 Year Fixed	5.29%	£0	✓	LIBOR plus 4.50%*
	5 Year Fixed	5.44%		✓	LIBOR plus 4.20%*
95%††	2 Year Fixed	5.09%	£1,299	x	LIBOR plus 4.50%*
	5 Year Fixed	5.44%		x	LIBOR plus 4.20%*

† Young Professional rates via limited distribution only.
†† 95% LTV is for purchase only and via limited distribution only.

Early Repayment Charges apply, see table for details.

SELECT LATER LIFE RATES (Maximum loan size £500,000)

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
70%	2 Year Fixed	3.34%	£1,499	x	LIBOR plus 4.30%*
	5 Year Fixed	3.79%		x	LIBOR plus 4.00%*
	10 Year Fixed	4.34%	£1,999	x	LIBOR plus 2.58%*

Early Repayment Charges apply, see table for details.

SELECT PREMIER - LARGE LOAN RATES (Minimum loan size £500,000)

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75%	1 Year Fixed	2.79%	0.25%	x	LIBOR plus 4.30%*
	2 Year Fixed	2.84%		x	
	5 Year Fixed	3.64%		x	LIBOR plus 4.00%*
80%	1 Year Fixed	2.94%	0.25%	x	LIBOR plus 4.30%*
	2 Year Fixed	2.99%		x	
	5 Year Fixed	3.79%		x	LIBOR plus 4.00%*
85%	1 Year Fixed	3.34%	0.25%	x	LIBOR plus 4.50%*
	2 Year Fixed	3.39%		x	
	5 Year Fixed	4.09%		x	LIBOR plus 4.20%*
90%	1 Year Fixed	4.74%	0.25%	x	LIBOR plus 4.50%*
	2 Year Fixed	4.79%		x	
	5 Year Fixed	5.14%		x	LIBOR plus 4.20%*

Early Repayment Charges apply, see table for details.

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Kensington review the LIBOR rate quarterly. The current LIBOR rate is 0.90% with effect from 13th February 2019 – LIBOR floor 0.00% (minimum charge will be the reversion margin indicated)*

Broker procuration fee 0.40%.

RESIDENTIAL RATES (Maximum loan size £500,000)

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75% SPECIAL	2 Year Fixed	2.89%	£1,999	x	LIBOR plus 4.30%*
75%	2 Year Fixed	3.09%	£999	x	LIBOR plus 4.30%*
	3 Year Fixed	3.39%		x	
	5 Year Fixed	3.89%		x	LIBOR plus 4.00%*
75%	2 Year Fixed	3.59%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	3.84%		✓	
	5 Year Fixed	4.29%		✓	LIBOR plus 4.00%*
80%	2 Year Fixed	3.24%	£999	x	LIBOR plus 4.30%*
	3 Year Fixed	3.54%		x	
	5 Year Fixed	4.09%		x	LIBOR plus 4.00%*
80%	2 Year Fixed	3.89%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	4.14%		✓	
	5 Year Fixed	4.44%		✓	LIBOR plus 4.00%*
85%	2 Year Fixed	3.64%	£1,299	x	LIBOR plus 4.50%*
	3 Year Fixed	3.94%		x	
	5 Year Fixed	4.39%		x	LIBOR plus 4.20%*
85%	2 Year Fixed	4.09%	£0	✓	LIBOR plus 4.50%*
	3 Year Fixed	4.34%		✓	
	5 Year Fixed	4.64%		✓	LIBOR plus 4.20%*
90%	2 Year Fixed	5.09%	£1,299	x	LIBOR plus 4.50%*
	5 Year Fixed	5.44%		x	LIBOR plus 4.20%*
90%	2 Year Fixed	5.54%	£0	✓	LIBOR plus 4.50%*
	5 Year Fixed	5.69%		✓	LIBOR plus 4.20%*

Early Repayment Charges apply, see table for details.

RESIDENTIAL PROPERTY PLUS^ (Maximum loan size £500,000)

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75%	2 Year Fixed	3.19%	£999	x	LIBOR plus 4.30%*
	3 Year Fixed	3.49%		x	
	5 Year Fixed	3.99%		x	LIBOR plus 4.00%*
75%	2 Year Fixed	3.69%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	3.94%		✓	
	5 Year Fixed	4.39%		✓	LIBOR plus 4.00%*

^ Details on page 5.

Early Repayment Charges apply, see table for details.

OPTIONS RATES‡

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75%	2 Year Fixed	4.09%	£1,499	x	LIBOR plus 4.30%*
	3 Year Fixed	4.39%		x	
	5 Year Fixed	4.79%		x	LIBOR plus 4.00%*
75%	2 Year Fixed	4.54%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	4.79%		✓	
	5 Year Fixed	5.04%		✓	LIBOR plus 4.00%*
80%	2 Year Fixed	4.39%	£1,499	x	LIBOR plus 4.30%*
	3 Year Fixed	4.69%		x	
	5 Year Fixed	5.09%		x	LIBOR plus 4.00%*
80%	2 Year Fixed	4.84%	£0	✓	LIBOR plus 4.30%*
	3 Year Fixed	5.09%		✓	
	5 Year Fixed	5.34%		✓	LIBOR plus 4.00%*
85%	2 Year Fixed	4.69%	£1,499	x	LIBOR plus 4.50%*
	3 Year Fixed	4.99%		x	
	5 Year Fixed	5.34%		x	LIBOR plus 4.20%*
85%	2 Year Fixed	5.14%	£0	✓	LIBOR plus 4.50%*
	3 Year Fixed	5.39%		✓	
	5 Year Fixed	5.59%		✓	LIBOR plus 4.20%*

Early Repayment Charges apply, see table for details.

‡ Options is not available to First Time Buyers - an applicant is considered a First Time Buyer if they have not held a mortgage or owned an unencumbered property in the last 12 months

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Broker procuration fee 0.40%.

HELP TO BUY RATES (Help to Buy: Equity Loan (including England and Wales). London Help to Buy)

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75%	2 Year Fixed	3.69%	£999	✓	LIBOR plus 4.30%*
	3 Year Fixed	3.99%		✓	
	5 Year Fixed	4.49%		✓	LIBOR plus 4.00%*

Equity loans are available on a Repayment basis only.

RIGHT TO BUY

LTV	Rate Type / Term	Rate	Completion Fee	Feature	Reversion
75% *(100% of Discounted Purchase Price)*	2 Year Fixed	4.74%	£0	✓	LIBOR plus 4.30%*
	5 Year Fixed	5.14%		✓	LIBOR plus 4.00%*

Early Repayment Charges

Term	Year 1	Year 2	Year 3	Year 4	Year 5
5 Year Fixed	4.00%	3.00%	1.50%	1.00%	1.00%
3 Year Fixed	3.00%	2.00%	1.00%		
2 Year Fixed	3.00%	2.00%			
1 Year Fixed	3.00%				

Feature

✓	Free valuation for purchase. Either free valuation & free legals, or free valuation & £250 cashback for re-mortgage. Free valuation for Right to Buy and Help to Buy purchase and free valuation for Right to Buy re-mortgage. (Standard legals only apply on loans up to £500,000. For full details please see our criteria guide)
x	None

Credit History

Criteria	Select	Residential	Options
Defaults acceptable (if older than)	36 months	24 months	0 in 6, 1 in last 24 months, satisfied or unsatisfied. Max £1,500
Secured Loan Arrears acceptable (if older than)			0 in 3, worst status 1 in 24 months
CCJs (unsatisfied CCJ's will be accepted at the underwriters discretion)	Up to and including 90% LTV: 36 months ago 95% LTV: 72 months ago	24 months ago	0 in 6 (registered), 1 in last 24 months (max £1000)
Unsecured Credit arrears acceptable if accounts now up to date	Max status of 2 in last 12 months	Max status of 2 in last 12 months	No max status (if current/existing arrears are present all payments must have been made 6 months prior to application.)
We are unable to accept any Debt Management Plans (DMP) in place less than	12 months	12 months	12 months
All communications Defaults ignored			

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Criteria Overview

Minimum Loan Amount	£25,001 (£500,000 for Select Premier Large Loan products).
Maximum Loan Amount	Select, Select Young Professionals and Residential: £500,000 maximum. Select Premier Large Loan products £2m maximum up to 80%LTV and £1m maximum up to 90% for all borrowers. Options: £500,000 maximum across all LTV's. Where fees are added to the loan then affordability will be calculated on the gross loan amount. Please note, that our maximum lending to an individual (or joint applicants) is limited to no greater than £2m across Residential and Buy to Let mortgages. 95% LTV is for purchase only.
Early Repayment Charges	See table for details.
Employment Status	Employed/Self-employed.
Region	England, Wales and Scotland only.
Minimum Age (at submission)	21 years. 55 years for Later Life.
Maximum Age	Young Professionals: Maximum age is 35 years at application. Later Life: Maximum age is 89 years at end of term. All other ranges: Maximum age is 75 at the end of the term. Where a customer is borrowing into retirement, or beyond the age of 70, this can only be agreed on repayment mortgages. Maximum age at the application stage for applicants who wish to borrow beyond 70 must not exceed 55 years of age. Where there is an element of interest only, the maximum age at the end of the term is 70.
Minimum Term	5 years (minimum 6 years for 5 Year Fixed rates or where any element of the loan is on Interest Only). Minimum 11 years for 10 Year Fixed rates.
Maximum Term	40 years.
Minimum Valuation	£75,000
New Build	Maximum 90% LTV. Subject to product maximums and underwriter discretion regarding new build exposure. Once an Offer is produced it is valid for a 180-day period. Extensions may be granted on purchase applications subject to re-assessment of the client, income (where applicable), re-inspection of the property (where applicable) and new product.
Minimum Income	No minimum income. All applications underwritten on affordability. For Young Professionals minimum income is £35,000 (joint application - minimum income £50,000). Please see our online lending policy search tool for acceptable professions.
Referencing	Proof of ID, proof of income (payslips covering the last 3 months plus the latest P60 or most recent finalised and agreed accounts (for tax assessment) attached to the accountant's headed paper or SA302 supported by the latest tax year overview). If over 85% LTV, a minimum of 2 years trading will be required including proof of income. For subsequent remortgages or subsequent purchases where the LTV is less than 75%, the latest P60 and most recent payslip are acceptable providing that no variable income is being considered), proof of interest only repayment vehicle (if applicable a Supplementary Form for Interest Only must be completed) and proof of last 24 months rent payments (if applicable). Credit search and valuation report will be obtained by Kensington. Proof of last 24 months mortgage payments will be required if not showing on credit search. Where applicants(s) are not on the voters roll for last two years evidence of address is required. We may request additional information including most recent 3 months bank statements.
Help to Buy	For those purchasing a new build property via the Help to Buy Equity Loan schemes. For further information on the Help to Buy schemes information is available via the following links: https://www.helptobuy.gov.uk/equity-loan/equity-loans/ www.gov.uk/affordable-home-ownership-schemes/help-to-buy-equity-loans Applicants need to be aware of the implications and obligations of taking a Help to Buy Equity Loan as part of the financing of the property purchase. Including but not limited to how: applicants must be able to provide a 5% deposit contribution; the maximum purchase price is £600,000 (£300,000 in Wales); the property purchased must be for an only residence; and the buyer cannot rent out their existing home and buy a second home through Help to Buy. Payments will be required on the Equity Loan after five years in addition to the repayments on the applicant's loan with Kensington. The applicant should consider how they will repay this loan and understand that if house prices go up the amount they have to pay back increases.
Right to Buy	Kensington will advance money to allow borrowers to participate in the Government Right to Buy scheme Where the Right to Buy notice is in a sole name, it is acceptable for the mortgage to be in joint names. Where the notice is in joint names, Kensington would expect the application to be in joint names. Kensington will not advance funds (including any fees) within the pre-emption period over and above the discounted purchase price (applies to both purchase and remortgage). Kensington will lend on houses. It will also lend on ex-local authority flats, subject to a £200,000 minimum valuation. Kensington will consider remortgage capital raising within the pre-emption period for home improvements For those customers purchasing their property from a council, more information can be obtained via the following links : www.gov.uk/right-to-buy-buying-your-council-home/discounts
Property Plus	Range allows for lending on the following (subject to an acceptable valuation with no comments negatively effecting resale): Pre-fabricated Reinforced Concrete, Poured Concrete, Steel Framed / Steel Clad (pre 2000), 100% Timber Framed (post 1980), Cob Construction, Colt Construction, Concrete Block, Stone and Part Rendered Breeze block with Pebble Dashed Outer Walls For additional non-standard construction types refer to: www.kensingtonmortgages.co.uk/lendingcriteria

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Kensington and Kensington Mortgages are trading names of Kensington Mortgage Company Limited. Registered in England & Wales: Company No. 03049877. Registered address: Ascot House, Maidenhead Office Park, Maidenhead SL6 3QQ. Kensington Mortgage Company Limited is authorised and regulated by the Financial Conduct Authority (Firm Reference No. 310336). Some investment mortgage contracts are not regulated by the FCA.

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