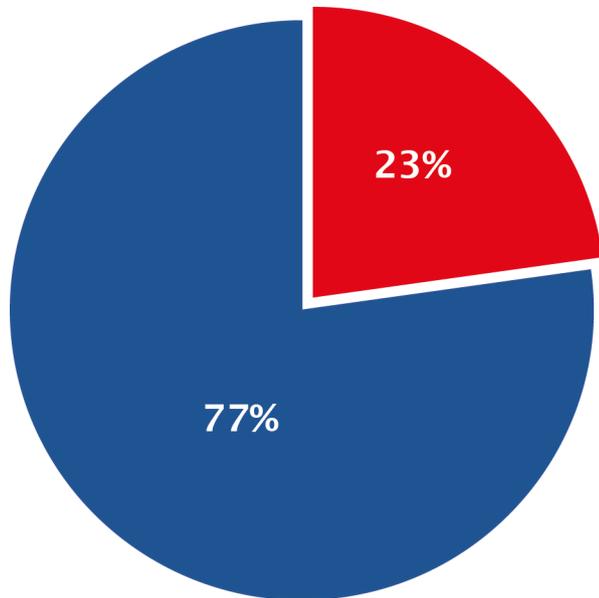


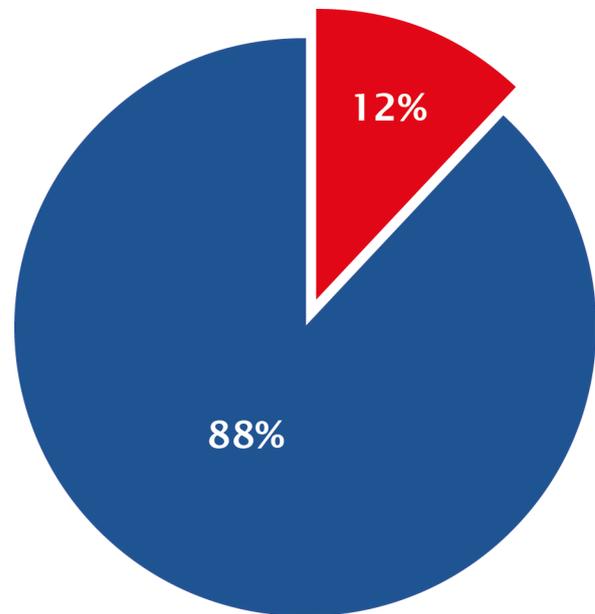
Lenders & Products

Buy to Let Mortgage Lenders



- Lenders offering products to Ltd Co borrowers
- Lenders with no Ltd Co products

Buy to Let Mortgage Products



- Products available to Ltd Co borrowers
- Products available to Individuals

In H1 2015 there were 31 buy to let mortgage lenders, of which seven offered products to limited company borrowers. The majority of these products were available to Special Purpose Vehicles (SPV) not trading limited companies. These figures are up slightly on the second half of 2014 where, of the 28 buy to let lenders, only 6 were offering products to limited companies.

The average number of products in H1 2015 was 850 of which 99 were available to limited company borrowers. This compares favourably to H2 2014 where there were 79 products available to limited companies from a total of 762.

Pricing

In July 2015 products for limited companies were, on average, c.0.8% p.a. more expensive than the market as a whole, although there were some products (which carried restrictions on availability) that were more attractively priced. The average cost of five year fixed rates was heavily influenced, in particular, by a very attractively priced range of products from Metro Bank.

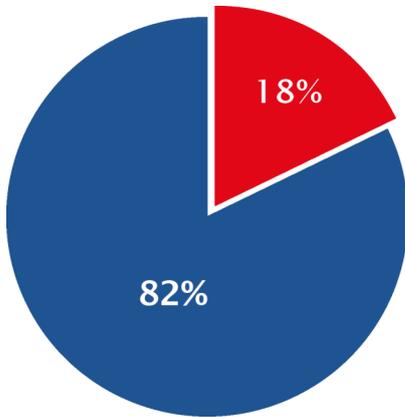
Buy to Let Mortgage Products: July 2015

	Limited Company		Entire Market	
	No.	Av. Cost	No.	Av. Cost
Variable	64	5.4%	265	4.8%
2 Year Fix	16	5.1%	275	4.0%
3 Year Fix	26	5.8%	207	4.8%
5 Year Fix	16	5.1%	198	4.6%
Total	122	5.4%	945	4.6%

Source: Mortgage Flow

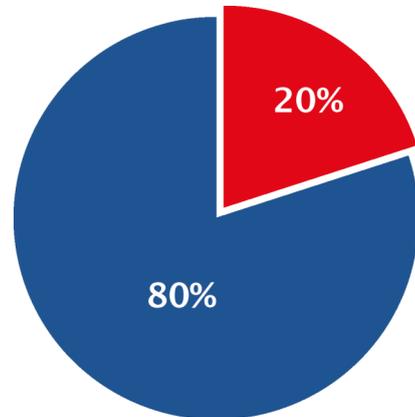
Transactions

H1 2015 by Case Count



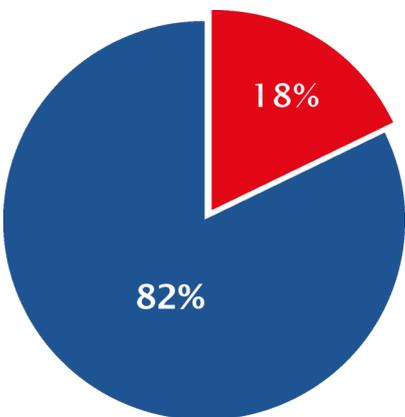
- Ltd Co BTL transactions
- Individual BTL transactions

H1 2015 by Volume £m



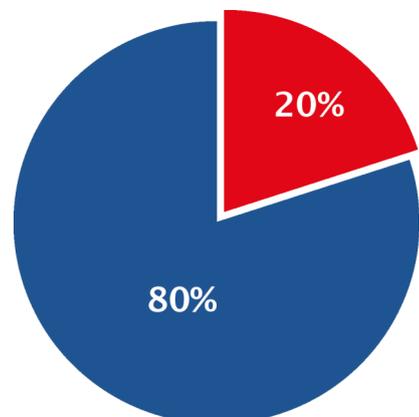
- Ltd Co BTL transactions
- Individual BTL transactions

H2 2014 by Case Count



- Ltd Co BTL transactions
- Individual BTL transactions

H2 2014 by Volume £m



- Ltd Co BTL transactions
- Individual BTL transactions

According to our transactional data, over the last 12 months, the number of buy to let mortgage applications made by limited companies accounted for c.18% of all buy to let cases. When looked at by volume (£m loan amount), limited company applications made up c.20% of transactions. At face value this might suggest that the limited company market is underserved by products; however, Mortgages for Business specialises in broking complex buy to let scenarios including limited company transactions, which may skew our data slightly. It will be interesting to see how this develops over time.

Loan sizes for applications made by limited companies were typically 10% higher than those made by individual applicants. According to our data this is because full-time landlords are more likely to own property in corporate vehicles. Furthermore, the types of property they own tend to be more expensive and complex in nature, e.g. HMOs and multi-unit freehold blocks which typically cost more yet return greater yields.