



Mortgages  
for Business

# Portfolio landlords: Are you ready?

**THIS WEBINAR WILL START PROMPTLY AT 6PM**

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Steve Olejnik  
COO

Mortgages for Business & Keystone Property Finance

# What's happening?

- **New rules:** From 30<sup>th</sup> September
- **New category of landlord:** “Portfolio landlord”
- **New underwriting for BTL mortgages:** For portfolio landlords!

According to the PRA, portfolio landlords are defined as:

*“Borrowers with four or more distinct mortgaged buy-to-let properties, either together or separately, in aggregate.”*

Includes properties owned in Ltd Companies

# Why are these changes happening?

- PRA wants lenders to be more diligent
- PRA wants to ensure that landlords aren't over-exposed!
- PRA perception that portfolio landlords' are a riskier proposition

## Portfolio landlords = complex circumstances

- Larger amounts of aggregated debt
- Cash flows and costs associated with multiple tenancies
- Potential risks of property and/or geographical concentrations

# What does this mean for lenders?

- Increase in turnaround times  
Cases will take longer to assess
- More resources needed  
Implementing new systems, technologies & processes; staff training
- Potential increase in pricing  
Fees & rates
- Review lending policy  
To lend or not to lend to portfolio landlords



# What does this mean for brokers?

- **Longer list of requirements to support applications**  
Brokers will need to request more information from clients upfront
- **Decisions will need to be made**  
How will brokers handle portfolio landlord applications?
- **Education is key**  
Brokers must educate their portfolio landlord clients about the changes
- **Managing expectations will become more important**  
Cases will take longer to process
- **Specialist lenders will be needed**  
Brokers will need to access to the specialist lenders

## What does this mean for landlords?

- Tougher affordability requirements
- More paperwork
- Longer turnaround times
- Don't wait, prepare or apply now!

# Portfolio landlords' checklist

The extra information you might have to provide when applying for a BTL mortgage:

- ✓ Latest 2-3 years' tax returns
- ✓ Up to 6 months' bank statements
- ✓ Details of your entire property portfolio
- ✓ Evidence of other income
- ✓ Business plan
- ✓ Cash flow forecasts

# Next steps for landlords

- Review your portfolio – we can do this for you for FREE – just ask us!
- Use our portfolio landlords' checklist to help you get your paperwork in order NOW
- Consider bringing forward loan applications to avoid delays & the new rules
- Ask me questions you may have NOW...



# Thank you

If you have any questions relating to this presentation or a business enquiry, in the first instance, please get in touch:

Email [enquiry@mortgagesforbusiness.co.uk](mailto:enquiry@mortgagesforbusiness.co.uk)

Call **0345 345 6788**

Visit [www.mortgagesforbusiness.co.uk](http://www.mortgagesforbusiness.co.uk)

THANK YOU FOR YOUR TIME