



# NatWest Intermediary Solutions Buy-to-let guide



NatWest

# Buy-to-let affordability assessment

We will request details of the applicant's personal income, financial commitments and other committed expenditure (as with a residential application) in addition to their current and expected rental income. And, in response to the PRA requirements for assessing buy-to-let mortgage applications, there are a number of checks that we need to run on each application. To ensure customers can afford all existing mortgage commitments, we will require additional information on their other properties (residential and buy-to-let) to enable a full affordability assessment to be completed. The same stress rate will be applied to all other mortgages as well as the current application. A valuation service will assess rental demand and rental income for all other properties being let, with the results used to validate a customer's affordability. For portfolio landlord applications, additional information will be asked for in relation to their experience, use of letting agents and future plans to expand or reduce their portfolio.

Next we look to see if the rent they expect from the property meets our rental cover calculation of  $5.5\% \times 135\%$ , subject to a maximum loan to income of 4.99 times income and a maximum LTV of 75% and the income affordability assessment. If an applicant meets these criteria we can proceed with the application.

If the rent expected from the property does not meet the  $5.5\% \times 135\%$  rental cover calculation, we can take into account any free personal income the applicant may have to make up the shortfall, as long as the expected rent meets a minimum rental cover calculation of  $5.5\% \times 125\%$ . For those earning £75,000 pa or more, we can take into account any free personal income as long as the expected rent meets a minimum rental cover calculation of  $5.5\% \times 100\%$ .

Here's a ready reckoner showing you the minimum monthly rent that is required to cover specific loan amounts for a buy-to-let mortgage on a rental cover calculation of  $5.5\% \times 135\%$  and the required minimum joint income for applicants. It incorporates the 4.99 times income maximum.

## Rental cover calculation – $5.5\% \times 135\%$ and a 4.99 LTI maximum

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)	Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
25,000.00	1,856.25	154.69	25,000.00	71,000.00	5,271.75	439.31	25,000.00
26,000.00	1,930.50	160.88	25,000.00	72,000.00	5,346.00	445.50	25,000.00
27,000.00	2,004.75	167.06	25,000.00	73,000.00	5,420.25	451.69	25,000.00
28,000.00	2,079.00	173.25	25,000.00	74,000.00	5,494.50	457.88	25,000.00
29,000.00	2,153.25	179.44	25,000.00	75,000.00	5,568.75	464.06	25,000.00
30,000.00	2,227.50	185.63	25,000.00	76,000.00	5,643.00	470.25	25,000.00
31,000.00	2,301.75	191.81	25,000.00	77,000.00	5,717.25	476.44	25,000.00
32,000.00	2,376.00	198.00	25,000.00	78,000.00	5,791.50	482.63	25,000.00
33,000.00	2,450.25	204.19	25,000.00	79,000.00	5,865.75	488.81	25,000.00
34,000.00	2,524.50	210.38	25,000.00	80,000.00	5,940.00	495.00	25,000.00
35,000.00	2,598.75	216.56	25,000.00	81,000.00	6,014.25	501.19	25,000.00
36,000.00	2,673.00	222.75	25,000.00	82,000.00	6,088.50	507.38	25,000.00
37,000.00	2,747.25	228.94	25,000.00	83,000.00	6,162.75	513.56	25,000.00
38,000.00	2,821.50	235.13	25,000.00	84,000.00	6,237.00	519.75	25,000.00
39,000.00	2,895.75	241.31	25,000.00	85,000.00	6,311.25	525.94	25,000.00
40,000.00	2,970.00	247.50	25,000.00	86,000.00	6,385.50	532.13	25,000.00
41,000.00	3,044.25	253.69	25,000.00	87,000.00	6,459.75	538.31	25,000.00
42,000.00	3,118.50	259.88	25,000.00	88,000.00	6,534.00	544.50	25,000.00
43,000.00	3,192.75	266.06	25,000.00	89,000.00	6,608.25	550.69	25,000.00
44,000.00	3,267.00	272.25	25,000.00	90,000.00	6,682.50	556.88	25,000.00
45,000.00	3,341.25	278.44	25,000.00	91,000.00	6,756.75	563.06	25,000.00
46,000.00	3,415.50	284.63	25,000.00	92,000.00	6,831.00	569.25	25,000.00
47,000.00	3,489.75	290.81	25,000.00	93,000.00	6,905.25	575.44	25,000.00
48,000.00	3,564.00	297.00	25,000.00	94,000.00	6,979.50	581.63	25,000.00
49,000.00	3,638.25	303.19	25,000.00	95,000.00	7,053.75	587.81	25,000.00
50,000.00	3,712.50	309.38	25,000.00	96,000.00	7,128.00	594.00	25,000.00
51,000.00	3,786.75	315.56	25,000.00	97,000.00	7,202.25	600.19	25,000.00
52,000.00	3,861.00	321.75	25,000.00	98,000.00	7,276.50	606.38	25,000.00
53,000.00	3,935.25	327.94	25,000.00	99,000.00	7,350.75	612.56	25,000.00
54,000.00	4,009.50	334.13	25,000.00	100,000.00	7,425.00	618.75	25,000.00
55,000.00	4,083.75	340.31	25,000.00	101,000.00	7,499.25	624.94	25,000.00
56,000.00	4,158.00	346.50	25,000.00	102,000.00	7,573.50	631.13	25,000.00
57,000.00	4,232.25	352.69	25,000.00	103,000.00	7,647.75	637.31	25,000.00
58,000.00	4,306.50	358.88	25,000.00	104,000.00	7,722.00	643.50	25,000.00
59,000.00	4,380.75	365.06	25,000.00	105,000.00	7,796.25	649.69	25,000.00
60,000.00	4,455.00	371.25	25,000.00	106,000.00	7,870.50	655.88	25,000.00
61,000.00	4,529.25	377.44	25,000.00	107,000.00	7,944.75	662.06	25,000.00
62,000.00	4,603.50	383.63	25,000.00	108,000.00	8,019.00	668.25	25,000.00
63,000.00	4,677.75	389.81	25,000.00	109,000.00	8,093.25	674.44	25,000.00
64,000.00	4,752.00	396.00	25,000.00	110,000.00	8,167.50	680.63	25,000.00
65,000.00	4,826.25	402.19	25,000.00	111,000.00	8,241.75	686.81	25,000.00
66,000.00	4,900.50	408.38	25,000.00	112,000.00	8,316.00	693.00	25,000.00
67,000.00	4,974.75	414.56	25,000.00	113,000.00	8,390.25	699.19	25,000.00
68,000.00	5,049.00	420.75	25,000.00	114,000.00	8,464.50	705.38	25,000.00
69,000.00	5,123.25	426.94	25,000.00	115,000.00	8,538.75	711.56	25,000.00
70,000.00	5,197.50	433.13	25,000.00	116,000.00	8,613.00	717.75	25,000.00

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
117,000.00	8,687.25	723.94	25,000.00
118,000.00	8,761.50	730.13	25,000.00
119,000.00	8,835.75	736.31	25,000.00
120,000.00	8,910.00	742.50	25,000.00
121,000.00	8,984.25	748.69	25,000.00
122,000.00	9,058.50	754.88	25,000.00
123,000.00	9,132.75	761.06	25,000.00
124,000.00	9,207.00	767.25	25,000.00
125,000.00	9,281.25	773.44	25,050.10
126,000.00	9,355.50	779.63	25,250.50
127,000.00	9,429.75	785.81	25,450.90
128,000.00	9,504.00	792.00	25,651.30
129,000.00	9,578.25	798.19	25,851.70
130,000.00	9,652.50	804.38	26,052.10
131,000.00	9,726.75	810.56	26,252.51
132,000.00	9,801.00	816.75	26,452.91
133,000.00	9,875.25	822.94	26,653.31
134,000.00	9,949.50	829.13	26,853.71
135,000.00	10,023.75	835.31	27,054.11
136,000.00	10,098.00	841.50	27,254.51
137,000.00	10,172.25	847.69	27,454.91
138,000.00	10,246.50	853.88	27,655.31
139,000.00	10,320.75	860.06	27,855.71
140,000.00	10,395.00	866.25	28,056.11
141,000.00	10,469.25	872.44	28,256.51
142,000.00	10,543.50	878.63	28,456.91
143,000.00	10,617.75	884.81	28,657.31
144,000.00	10,692.00	891.00	28,857.72
145,000.00	10,766.25	897.19	29,058.12
146,000.00	10,840.50	903.38	29,258.52
147,000.00	10,914.75	909.56	29,458.92
148,000.00	10,989.00	915.75	29,659.32
149,000.00	11,063.25	921.94	29,859.72
150,000.00	11,137.50	928.13	30,060.12
151,000.00	11,211.75	934.31	30,260.52
152,000.00	11,286.00	940.50	30,460.92
153,000.00	11,360.25	946.69	30,661.32
154,000.00	11,434.50	952.88	30,861.72
155,000.00	11,508.75	959.06	31,062.12
156,000.00	11,583.00	965.25	31,262.53
157,000.00	11,657.25	971.44	31,462.93
158,000.00	11,731.50	977.63	31,663.33
159,000.00	11,805.75	983.81	31,863.73
160,000.00	11,880.00	990.00	32,064.13
161,000.00	11,954.25	996.19	32,264.53
162,000.00	12,028.50	1,002.38	32,464.93
163,000.00	12,102.75	1,008.56	32,665.33
164,000.00	12,177.00	1,014.75	32,865.73
165,000.00	12,251.25	1,020.94	33,066.13
166,000.00	12,325.50	1,027.13	33,266.53
167,000.00	12,399.75	1,033.31	33,466.93
168,000.00	12,474.00	1,039.50	33,667.33
169,000.00	12,548.25	1,045.69	33,867.74
170,000.00	12,622.50	1,051.88	34,068.14
171,000.00	12,696.75	1,058.06	34,268.54
172,000.00	12,771.00	1,064.25	34,468.94
173,000.00	12,845.25	1,070.44	34,669.34
174,000.00	12,919.50	1,076.63	34,869.74
175,000.00	12,993.75	1,082.81	35,070.14
176,000.00	13,068.00	1,089.00	35,270.54
177,000.00	13,142.25	1,095.19	35,470.94
178,000.00	13,216.50	1,101.38	35,671.34
179,000.00	13,290.75	1,107.56	35,871.74
180,000.00	13,365.00	1,113.75	36,072.14

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
181,000.00	13,439.25	1,119.94	36,272.55
182,000.00	13,513.50	1,126.13	36,472.95
183,000.00	13,587.75	1,132.31	36,673.35
184,000.00	13,662.00	1,138.50	36,873.75
185,000.00	13,736.25	1,144.69	37,074.15
186,000.00	13,810.50	1,150.88	37,274.55
187,000.00	13,884.75	1,157.06	37,474.95
188,000.00	13,959.00	1,163.25	37,675.35
189,000.00	14,033.25	1,169.44	37,875.75
190,000.00	14,107.50	1,175.63	38,076.15
191,000.00	14,181.75	1,181.81	38,276.55
192,000.00	14,256.00	1,188.00	38,476.95
193,000.00	14,330.25	1,194.19	38,677.35
194,000.00	14,404.50	1,200.38	38,877.76
195,000.00	14,478.75	1,206.56	39,078.16
196,000.00	14,553.00	1,212.75	39,278.56
197,000.00	14,627.25	1,218.94	39,478.96
198,000.00	14,701.50	1,225.13	39,679.36
199,000.00	14,775.75	1,231.31	39,879.76
200,000.00	14,850.00	1,237.50	40,080.16
201,000.00	14,924.25	1,243.69	40,280.56
202,000.00	14,998.50	1,249.88	40,480.96
203,000.00	15,072.75	1,256.06	40,681.36
204,000.00	15,147.00	1,262.25	40,881.76
205,000.00	15,221.25	1,268.44	41,082.16
206,000.00	15,295.50	1,274.63	41,282.57
207,000.00	15,369.75	1,280.81	41,482.97
208,000.00	15,444.00	1,287.00	41,683.37
209,000.00	15,518.25	1,293.19	41,883.77
210,000.00	15,592.50	1,299.38	42,084.17
211,000.00	15,666.75	1,305.56	42,284.57
212,000.00	15,741.00	1,311.75	42,484.97
213,000.00	15,815.25	1,317.94	42,685.37
214,000.00	15,889.50	1,324.13	42,885.77
215,000.00	15,963.75	1,330.31	43,086.17
216,000.00	16,038.00	1,336.50	43,286.57
217,000.00	16,112.25	1,342.69	43,486.97
218,000.00	16,186.50	1,348.88	43,687.37
219,000.00	16,260.75	1,355.06	43,887.78
220,000.00	16,335.00	1,361.25	44,088.18
221,000.00	16,409.25	1,367.44	44,288.58
222,000.00	16,483.50	1,373.63	44,488.98
223,000.00	16,557.75	1,379.81	44,689.38
224,000.00	16,632.00	1,386.00	44,889.78
225,000.00	16,706.25	1,392.19	45,090.18
226,000.00	16,780.50	1,398.38	45,290.58
227,000.00	16,854.75	1,404.56	45,490.98
228,000.00	16,929.00	1,410.75	45,691.38
229,000.00	17,003.25	1,416.94	45,891.78
230,000.00	17,077.50	1,423.13	46,092.18
231,000.00	17,151.75	1,429.31	46,292.59
232,000.00	17,226.00	1,435.50	46,492.99
233,000.00	17,300.25	1,441.69	46,693.39
234,000.00	17,374.50	1,447.88	46,893.79
235,000.00	17,448.75	1,454.06	47,094.19
236,000.00	17,523.00	1,460.25	47,294.59
237,000.00	17,597.25	1,466.44	47,494.99
238,000.00	17,671.50	1,472.63	47,695.39
239,000.00	17,745.75	1,478.81	47,895.79
240,000.00	17,820.00	1,485.00	48,096.19
241,000.00	17,894.25	1,491.19	48,296.59
242,000.00	17,968.50	1,497.38	48,496.99
243,000.00	18,042.75	1,503.56	48,697.39
244,000.00	18,117.00	1,509.75	48,897.80

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
245,000.00	18,191.25	1,515.94	49,098.20
246,000.00	18,265.50	1,522.13	49,298.60
247,000.00	18,339.75	1,528.31	49,499.00
248,000.00	18,414.00	1,534.50	49,699.40
249,000.00	18,488.25	1,540.69	49,899.80
250,000.00	18,562.50	1,546.88	50,100.20
251,000.00	18,636.75	1,553.06	50,300.60
252,000.00	18,711.00	1,559.25	50,501.00
253,000.00	18,785.25	1,565.44	50,701.40
254,000.00	18,859.50	1,571.63	50,901.80
255,000.00	18,933.75	1,577.81	51,102.20
256,000.00	19,008.00	1,584.00	51,302.61
257,000.00	19,082.25	1,590.19	51,503.01
258,000.00	19,156.50	1,596.38	51,703.41
259,000.00	19,230.75	1,602.56	51,903.81
260,000.00	19,305.00	1,608.75	52,104.21
261,000.00	19,379.25	1,614.94	52,304.61
262,000.00	19,453.50	1,621.13	52,505.01
263,000.00	19,527.75	1,627.31	52,705.41
264,000.00	19,602.00	1,633.50	52,905.81
265,000.00	19,676.25	1,639.69	53,106.21
266,000.00	19,750.50	1,645.88	53,306.61
267,000.00	19,824.75	1,652.06	53,507.01
268,000.00	19,899.00	1,658.25	53,707.41
269,000.00	19,973.25	1,664.44	53,907.82
270,000.00	20,047.50	1,670.63	54,108.22
271,000.00	20,121.75	1,676.81	54,308.62
272,000.00	20,196.00	1,683.00	54,509.02
273,000.00	20,270.25	1,689.19	54,709.42
274,000.00	20,344.50	1,695.38	54,909.82
275,000.00	20,418.75	1,701.56	55,110.22
276,000.00	20,493.00	1,707.75	55,310.62
277,000.00	20,567.25	1,713.94	55,511.02
278,000.00	20,641.50	1,720.13	55,711.42
279,000.00	20,715.75	1,726.31	55,911.82
280,000.00	20,790.00	1,732.50	56,112.22
281,000.00	20,864.25	1,738.69	56,312.63
282,000.00	20,938.50	1,744.88	56,513.03
283,000.00	21,012.75	1,751.06	56,713.43
284,000.00	21,087.00	1,757.25	56,913.83
285,000.00	21,161.25	1,763.44	57,114.23
286,000.00	21,235.50	1,769.63	57,314.63
287,000.00	21,309.75	1,775.81	57,515.03
288,000.00	21,384.00	1,782.00	57,715.43
289,000.00	21,458.25	1,788.19	57,915.83
290,000.00	21,532.50	1,794.38	58,116.23
291,000.00	21,606.75	1,800.56	58,316.63
292,000.00	21,681.00	1,806.75	58,517.03
293,000.00	21,755.25	1,812.94	58,717.43
294,000.00	21,829.50	1,819.13	58,917.84
295,000.00	21,903.75	1,825.31	59,118.24
296,000.00	21,978.00	1,831.50	59,318.64
297,000.00	22,052.25	1,837.69	59,519.04
298,000.00	22,126.50	1,843.88	59,719.44
299,000.00	22,200.75	1,850.06	59,919.84
300,000.00	22,275.00	1,856.25	60,120.24
301,000.00	22,349.25	1,862.44	60,320.64
302,000.00	22,423.50	1,868.63	60,521.04
303,000.00	22,497.75	1,874.81	60,721.44
304,000.00	22,572.00	1,881.00	60,921.84
305,000.00	22,646.25	1,887.19	61,122.24
306,000.00	22,720.50	1,893.38	61,322.65
307,000.00	22,794.75	1,899.56	61,523.05
308,000.00	22,869.00	1,905.75	61,723.45

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
309,000.00	22,943.25	1,911.94	61,923.85
310,000.00	23,017.50	1,918.13	62,124.25
311,000.00	23,091.75	1,924.31	62,324.65
312,000.00	23,166.00	1,930.50	62,525.05
313,000.00	23,240.25	1,936.69	62,725.45
314,000.00	23,314.50	1,942.88	62,925.85
315,000.00	23,388.75	1,949.06	63,126.25
316,000.00	23,463.00	1,955.25	63,326.65
317,000.00	23,537.25	1,961.44	63,527.05
318,000.00	23,611.50	1,967.63	63,727.45
319,000.00	23,685.75	1,973.81	63,927.86
320,000.00	23,760.00	1,980.00	64,128.26
321,000.00	23,834.25	1,986.19	64,328.66
322,000.00	23,908.50	1,992.38	64,529.06
323,000.00	23,982.75	1,998.56	64,729.46
324,000.00	24,057.00	2,004.75	64,929.86
325,000.00	24,131.25	2,010.94	65,130.26
326,000.00	24,205.50	2,017.13	65,330.66
327,000.00	24,279.75	2,023.31	65,531.06
328,000.00	24,354.00	2,029.50	65,731.46
329,000.00	24,428.25	2,035.69	65,931.86
330,000.00	24,502.50	2,041.88	66,132.26
331,000.00	24,576.75	2,048.06	66,332.67
332,000.00	24,651.00	2,054.25	66,533.07
333,000.00	24,725.25	2,060.44	66,733.47
334,000.00	24,799.50	2,066.63	66,933.87
335,000.00	24,873.75	2,072.81	67,134.27
336,000.00	24,948.00	2,079.00	67,334.67
337,000.00	25,022.25	2,085.19	67,535.07
338,000.00	25,096.50	2,091.38	67,735.47
339,000.00	25,170.75	2,097.56	67,935.87
340,000.00	25,245.00	2,103.75	68,136.27
341,000.00	25,319.25	2,109.94	68,336.67
342,000.00	25,393.50	2,116.13	68,537.07
343,000.00	25,467.75	2,122.31	68,737.47
344,000.00	25,542.00	2,128.50	68,937.88
345,000.00	25,616.25	2,134.69	69,138.28
346,000.00	25,690.50	2,140.88	69,338.68
347,000.00	25,764.75	2,147.06	69,539.08
348,000.00	25,839.00	2,153.25	69,739.48
349,000.00	25,913.25	2,159.44	69,939.88
350,000.00	25,987.50	2,165.63	70,140.28
351,000.00	26,061.75	2,171.81	70,340.68
352,000.00	26,136.00	2,178.00	70,541.08
353,000.00	26,210.25	2,184.19	70,741.48
354,000.00	26,284.50	2,190.38	70,941.88
355,000.00	26,358.75	2,196.56	71,142.28
356,000.00	26,433.00	2,202.75	71,342.69
357,000.00	26,507.25	2,208.94	71,543.09
358,000.00	26,581.50	2,215.13	71,743.49
359,000.00	26,655.75	2,221.31	71,943.89
360,000.00	26,730.00	2,227.50	72,144.29
361,000.00	26,804.25	2,233.69	72,344.69
362,000.00	26,878.50	2,239.88	72,545.09
363,000.00	26,952.75	2,246.06	72,745.49
364,000.00	27,027.00	2,252.25	72,945.89
365,000.00	27,101.25	2,258.44	73,146.29
366,000.00	27,175.50	2,264.63	73,346.69
367,000.00	27,249.75	2,270.81	73,547.09
368,000.00	27,324.00	2,277.00	73,747.49
369,000.00	27,398.25	2,283.19	73,947.90
370,000.00	27,472.50	2,289.38	74,148.30
371,000.00	27,546.75	2,295.56	74,348.70
372,000.00	27,621.00	2,301.75	74,549.10

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
373,000.00	27,695.25	2,307.94	74,749.50
374,000.00	27,769.50	2,314.13	74,949.90
375,000.00	27,843.75	2,320.31	75,150.30
376,000.00	27,918.00	2,326.50	75,350.70
377,000.00	27,992.25	2,332.69	75,551.10
378,000.00	28,066.50	2,338.88	75,751.50
379,000.00	28,140.75	2,345.06	75,951.90
380,000.00	28,215.00	2,351.25	76,152.30
381,000.00	28,289.25	2,357.44	76,352.71
382,000.00	28,363.50	2,363.63	76,553.11
383,000.00	28,437.75	2,369.81	76,753.51
384,000.00	28,512.00	2,376.00	76,953.91
385,000.00	28,586.25	2,382.19	77,154.31
386,000.00	28,660.50	2,388.38	77,354.71
387,000.00	28,734.75	2,394.56	77,555.11
388,000.00	28,809.00	2,400.75	77,755.51
389,000.00	28,883.25	2,406.94	77,955.91
390,000.00	28,957.50	2,413.13	78,156.31
391,000.00	29,031.75	2,419.31	78,356.71
392,000.00	29,106.00	2,425.50	78,557.11
393,000.00	29,180.25	2,431.69	78,757.52
394,000.00	29,254.50	2,437.88	78,957.92
395,000.00	29,328.75	2,444.06	79,158.32
396,000.00	29,403.00	2,450.25	79,358.72
397,000.00	29,477.25	2,456.44	79,559.12
398,000.00	29,551.50	2,462.63	79,759.52
399,000.00	29,625.75	2,468.81	79,959.92
400,000.00	29,700.00	2,475.00	80,160.32
401,000.00	29,774.25	2,481.19	80,360.72
402,000.00	29,848.50	2,487.38	80,561.12
403,000.00	29,922.75	2,493.56	80,761.52
404,000.00	29,997.00	2,499.75	80,961.92
405,000.00	30,071.25	2,505.94	81,162.32
406,000.00	30,145.50	2,512.13	81,362.73
407,000.00	30,219.75	2,518.31	81,563.13
408,000.00	30,294.00	2,524.50	81,763.53
409,000.00	30,368.25	2,530.69	81,963.93
410,000.00	30,442.50	2,536.88	82,164.33
411,000.00	30,516.75	2,543.06	82,364.73
412,000.00	30,591.00	2,549.25	82,565.13
413,000.00	30,665.25	2,555.44	82,765.53
414,000.00	30,739.50	2,561.63	82,965.93
415,000.00	30,813.75	2,567.81	83,166.33
416,000.00	30,888.00	2,574.00	83,366.73
417,000.00	30,962.25	2,580.19	83,567.13
418,000.00	31,036.50	2,586.38	83,767.54
419,000.00	31,110.75	2,592.56	83,967.94
420,000.00	31,185.00	2,598.75	84,168.34
421,000.00	31,259.25	2,604.94	84,368.74
422,000.00	31,333.50	2,611.13	84,569.14
423,000.00	31,407.75	2,617.31	84,769.54
424,000.00	31,482.00	2,623.50	84,969.94
425,000.00	31,556.25	2,629.69	85,170.34
426,000.00	31,630.50	2,635.88	85,370.74
427,000.00	31,704.75	2,642.06	85,571.14
428,000.00	31,779.00	2,648.25	85,771.54
429,000.00	31,853.25	2,654.44	85,971.94
430,000.00	31,927.50	2,660.63	86,172.34
431,000.00	32,001.75	2,666.81	86,372.75
432,000.00	32,076.00	2,673.00	86,573.15
433,000.00	32,150.25	2,679.19	86,773.55
434,000.00	32,224.50	2,685.38	86,973.95
435,000.00	32,298.75	2,691.56	87,174.35
436,000.00	32,373.00	2,697.75	87,374.75

Loan amount (£)	Minimum annual rent required (£)	Minimum monthly rent required (£)	Minimum income – one applicant (£)
437,000.00	32,447.25	2,703.94	87,575.15
438,000.00	32,521.50	2,710.13	87,775.55
439,000.00	32,595.75	2,716.31	87,975.95
440,000.00	32,670.00	2,722.50	88,176.35
441,000.00	32,744.25	2,728.69	88,376.75
442,000.00	32,818.50	2,734.88	88,577.15
443,000.00	32,892.75	2,741.06	88,777.56
444,000.00	32,967.00	2,747.25	88,977.96
445,000.00	33,041.25	2,753.44	89,178.36
446,000.00	33,115.50	2,759.63	89,378.76
447,000.00	33,189.75	2,765.81	89,579.16
448,000.00	33,264.00	2,772.00	89,779.56
449,000.00	33,338.25	2,778.19	89,979.96
450,000.00	33,412.50	2,784.38	90,180.36
451,000.00	33,486.75	2,790.56	90,380.76
452,000.00	33,561.00	2,796.75	90,581.16
453,000.00	33,635.25	2,802.94	90,781.56
454,000.00	33,709.50	2,809.13	90,981.96
455,000.00	33,783.75	2,815.31	91,182.36
456,000.00	33,858.00	2,821.50	91,382.77
457,000.00	33,932.25	2,827.69	91,583.17
458,000.00	34,006.50	2,833.88	91,783.57
459,000.00	34,080.75	2,840.06	91,983.97
460,000.00	34,155.00	2,846.25	92,184.37
461,000.00	34,229.25	2,852.44	92,384.77
462,000.00	34,303.50	2,858.63	92,585.17
463,000.00	34,377.75	2,864.81	92,785.57
464,000.00	34,452.00	2,871.00	92,985.97
465,000.00	34,526.25	2,877.19	93,186.37
466,000.00	34,600.50	2,883.38	93,386.77
467,000.00	34,674.75	2,889.56	93,587.17
468,000.00	34,749.00	2,895.75	93,787.58
469,000.00	34,823.25	2,901.94	93,987.98
470,000.00	34,897.50	2,908.13	94,188.38
471,000.00	34,971.75	2,914.31	94,388.78
472,000.00	35,046.00	2,920.50	94,589.18
473,000.00	35,120.25	2,926.69	94,789.58
474,000.00	35,194.50	2,932.88	94,989.98
475,000.00	35,268.75	2,939.06	95,190.38
476,000.00	35,343.00	2,945.25	95,390.78
477,000.00	35,417.25	2,951.44	95,591.18
478,000.00	35,491.50	2,957.63	95,791.58
479,000.00	35,565.75	2,963.81	95,991.98
480,000.00	35,640.00	2,970.00	96,192.38
481,000.00	35,714.25	2,976.19	96,392.79
482,000.00	35,788.50	2,982.38	96,593.19
483,000.00	35,862.75	2,988.56	96,793.59
484,000.00	35,937.00	2,994.75	96,993.99
485,000.00	36,011.25	3,000.94	97,194.39
486,000.00	36,085.50	3,007.13	97,394.79
487,000.00	36,159.75	3,013.31	97,595.19
488,000.00	36,234.00	3,019.50	97,795.59
489,000.00	36,308.25	3,025.69	97,995.99
490,000.00	36,382.50	3,031.88	98,196.39
491,000.00	36,456.75	3,038.06	98,396.79
492,000.00	36,531.00	3,044.25	98,597.19
493,000.00	36,605.25	3,050.44	98,797.60
494,000.00	36,679.50	3,056.63	98,998.00
495,000.00	36,753.75	3,062.81	99,198.40
496,000.00	36,828.00	3,069.00	99,398.80
497,000.00	36,902.25	3,075.19	99,599.20
498,000.00	36,976.50	3,081.38	99,799.60
499,000.00	37,050.75	3,087.56	100,000.00
500,000.00	37,125.00	3,093.75	100,200.40

# Our lending criteria

Here's a summary of some of the key elements of our lending criteria for buy-to-let and let-to-buy:

## Buy-to-Let

- Rental cover calculation:  $135\% \times 5.5\%$
- We request details of the applicant's personal income, financial commitments, other committed expenditure, in addition to their current and expected rental income
- To ensure customers can afford all existing mortgage commitments, we will require additional information on their other properties (residential and buy-to-let) to enable a full affordability assessment to be completed. The same stress rate will be applied to all other mortgages as well as the current application
- A new valuation service has been introduced to assess rental demand and rental income for all other properties being let, with the results used to validate a customer's affordability
- For portfolio landlord applications, additional information will be asked for in relation to their experience, use of letting agents and future plans to expand or reduce their portfolio
- If there is a rent shortfall, we can take into account any free personal income the applicant may have as long as the expected rent meets a minimum rental cover calculation of  $5.5\% \times 125\%$
- For those earning £75,000 pa or more, we can take into account any free personal income as long as the expected rent meets a minimum rental cover calculation of  $5.5\% \times 100\%$
- Minimum annual income: £25,000 from one applicant
- Maximum number of rented properties permitted for an application: 10 (including new application) with any lender, up to a maximum of £3.5m lending on all buy-to-let properties
- Loan to income maximum: 4.99 times income
- Minimum loan: £25,000
- Minimum property value: £50,000
- Maximum LTV: 75% or 65% for New Build properties
- £0 product fee mortgages available
- First-time buyers (subject to rental coverage and affordability – proof of income will be required) and non-residential mortgage holders accepted
- Interest-only available on all buy-to-let purchases and remortgages
- Repayment vehicle of sale of property accepted

- Consumer buy-to-let will not apply to purchase transactions, customers with existing buy-to-let properties or any properties with current or future family occupancy
- We will continue to apply a consent-to-let for existing NatWest mortgage customers looking to let out a property on a residential mortgage
- We cannot accept applications from business partnerships or limited companies

## Let-to-Buy - where both properties with NatWest

- The maximum LTV allowed on the total value of the two loans on both properties is 90%. If the LTV on the total value of the two loans exceeds 90%, the original property is treated as a 2nd residential property. Applicant must be able to pay both mortgages without taking into account the rental income
- Applicant should provide an indication of likely rental income to be received on the existing property, such as a letter from a local letting/estate agent that is ARLA-registered
- If rental income from the let property covers 100% of the mortgage payments, we can consider ring-fencing it and it can generally be disregarded from the affordability calculation
- Any difference between the expected rental income and the existing mortgage payment will be factored into the affordability calculation for the new property
- If raising capital for an onward purchase and either of the mortgages is with another lender, the LTV of the mortgage with NatWest cannot be higher than the one with the other lender

## Proc fees for buy-to-let

DA firms	AR firms
45bps gross	45bps gross

Max £10,000, min £250.

Information correct as at 1 January 2019.



For more information go to  
[intermediary.natwest.com](https://intermediary.natwest.com)