Birmingham Bank

Unlocking opportunity

Criteria Guide

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Information correct as of 4 November 2025. Criteria and terms may change without prior notice. Please refer to the latest version available on the Birmingham Bank Intermediary Portal.

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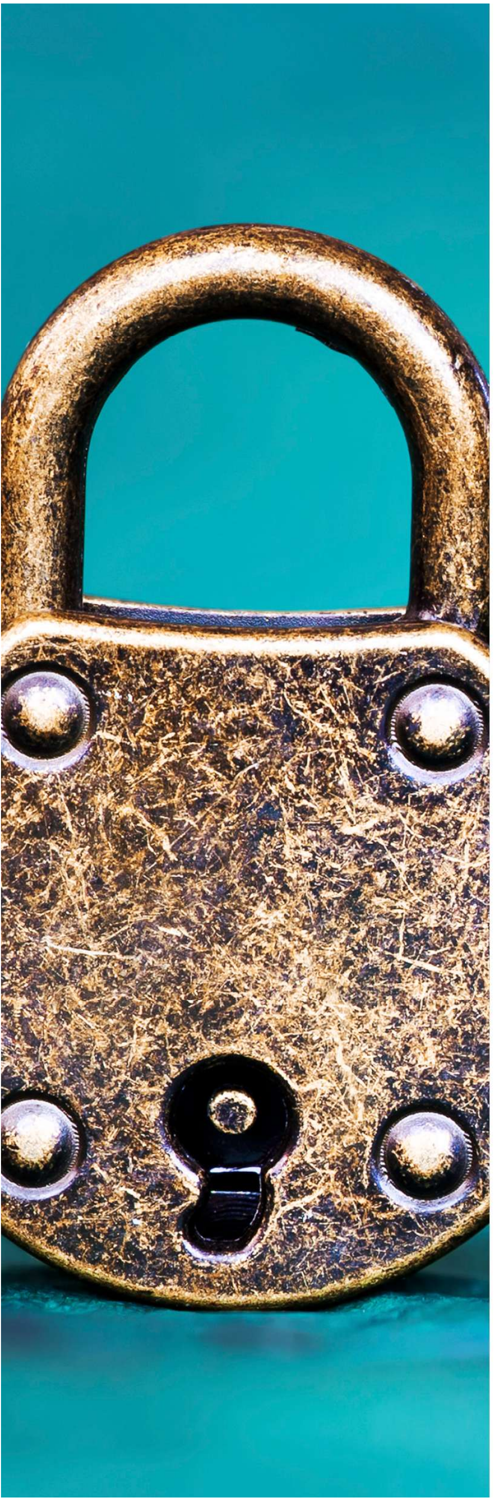


Portfolio on one Loan

At Birmingham Bank, we provide landlords with the opportunity to mortgage one, or multiple properties of the same type on a single loan.

This facility allows intermediaries to structure multiple properties under a single loan agreement.

Benefits

- Single mortgage agreement and Direct Debit
- Properties may be removed during the initial period subject to payment of the applicable Early Redemption Charge.

Qualifying property types

Standard buy to let houses and flats
Ex local authority houses and flats*
Studio Flats and Flats above commercial
Flats in blocks up to 10 storeys

HMOs up to 8 rooms
MUFBs up to 6 units

*subject to majority of flats in private ownership, no balcony access, underwriter discretion

How it works

- Add multiple properties to your DIP submission
- Each individual property must meet minimum criteria of:
- Min Value £135,000
- Min Loan £100,000
- Min Interest Coverage Ratio (ICR) stress test as per borrower type
- Maximum loan amount is £2m, subject to a 70% net LTV cap and a 73% gross LTV cap for net loan amounts exceeding £1m

Lending limits

Maximum Loan Amount	**75%** £2,000,000 (portfolio of properties) £1,000,000 (for a single property) **70%** £1,000,001 - £2,000,000 for single property borrowers
Minimum Loan	£100,000
Maximum Exposure	£3,000,000 Subject to the maximum £3m exposure there is no limit to the number of properties mortgaged with Birmingham Bank and no limit with other lenders.
Maximum Loan/LTV	Max 75% up to £2m (portfolio of properties) Max 75% up to £1m for single property (standard or HMO/MUFB) Max 70% >£1m- £2m for single property (standard or HMO/MUFB)
Loan to Value	In all cases, the loan to value (LTV) is calculated by dividing the advance by the lower of the Purchase Price or Valuation.
Fees	The Product Fee can be added to the initial advance subject to the gross LTV not exceeding 78% for single property loans up to £1,000,000, and portfolio loans up to £2,000,000; and 73% for single property loans between £1,000,001 and £2,000,000, and the customer confirming that they require the fees added.
Affordability	• Fixed Rate Products of 5+ Years - The minimum amount of interest cover is determined by the type of borrower / property type but has an absolute minimum of 125% of the interest payment based on the higher of the initial pay rate or 3.50%. • Fixed Rate Products of less than 5 Years - The minimum amount of interest cover is determined by the type of borrower / property but has an absolute minimum of 125% of the interest payment, which will be based on the higher of: the pay rate plus 2.00% or 5.50%.
Loan Term	• Minimum Term: 5 years • Maximum Term: 25 years

All loans are subject to full underwriting, valuation, and credit assessment. Meeting published criteria does not guarantee loan approval.

Loan Requirements

The minimum interest cover requirements are as follows:

	Standard BTL	HMO/ MUFB
Individual* (Basic Rate Taxpayer)	125%	145%
Individual (Higher Rate Taxpayer)	140%	145%
Limited Company & Limited Liability Partnerships	125%	130%
Assessment Rate	For applications with more than one individual, the tax status of the highest income is to be used to determine the appropriate minimum Interest Coverage Ratio (ICR) requirement.	
Rental Valuation Method	Fixed rate products of 5 years and over = product pay rate. Fixed rate products of less than 5 years = higher of: product pay rate + 2.00% or 5.50%. Lower of market rental valuation or passing rent. For HMOs the valuation will be required on a rental valuation basis assuming the property is multi-occupancy let.	

Adverse Credit	Allowable Credit
CCJs	Zero in the last 36 months >£250 Zero in the last 12 months One satisfied CCJ ≤250 in last 13 to 36 months at underwriter discretion
Defaults	Zero in the last 36 months >£250 Zero in the last 12 months Two satisfied defaults ≤£250 in last 13 to 36 months at underwriter discretion
Secured Arrears (including Residential & Commercial Mortgages, BTL, Asset Finance)	Zero in the last 36 months
Unsecured Arrears (Loans, Credit Cards, Insurance Premia, Utilities)	One worst status 2 in last 12 months Two worst status 2 in last 36 months (Communications & Mail Orders excluded)
Debt Management Plan	Nil (6-year history)
Bankruptcy	Nil (6-year history)
IVA	Nil (6-year history)
Repossession	Nil (6-year history)
Debt Relief Order	Nil (6-year history)

Applicant Profile

Applicant Profile	Minimum: 1 Maximum: 4
Age Limits	Minimum age: 21 Maximum age: 85 years at end of mortgage term for individual landlords. For limited companies, limited liability partnerships and established partnerships at least one of the partners or directors must meet the minimum age requirements and be sufficiently experienced in running the business.
Business Applicants	BTL lending is permitted to business applicants. This is limited to the following: • Registered Limited Companies and Limited Liability Partnerships (LLPs). These can include entities specifically those set up with the sole purpose of buying/holding property (SPVs) or entities with wider interests provided they comply with one of the SIC codes noted below. • Partnerships and Sole Traders. A partnership also encompasses a joint loan between two or more individuals in personal names. • Businesses must have a UK registered address and must operate entirely within the UK. • Each business must have a maximum of 4 Directors/Shareholders/Members. Acceptable SIC codes correct for buy to let lending should be one of the following: • 68100 - buying and selling of own real estate. • 68209 - other letting and operating of own or leased real estate. • 68320 - management of real estate on a fee or contract basis. • 68201 - renting and operation of Housing Association real estate There is no restriction on the length of time that a business has been established. The following will not be considered: • Non-UK businesses. • Associations and charities. • First time landlords. • Incorporated businesses that have any restrictions on the purchase, management and sale of investment property.

Portfolio Landlord Requirements

Portfolio Size	No background portfolio limits. Maximum aggregated lending exposure of £3m per Ultimate Borrower.
Definition	A Portfolio Landlord is defined as any borrower with four or more distinct mortgaged Buy-to-Let properties, including any new property applied for.
Experience	No minimum landlord experience.
Detail Required	Full Portfolio Details - to include addresses / outstanding mortgage balances / mortgage payments / rental income / management / occupancy. Three months' rental bank statements to support the declared cash flow, a Business Plan may be requested at underwriter discretion.
Portfolio Assessment	The overall portfolio should achieve a minimum 125% Interest Cover Ratio (ICR) @ 5% and have a maximum 75% LTV (Portfolio Landlords Only). The underwriter will consider the following and be satisfied with the suitability of the Landlord for lending purposes: • The borrower's experience in the Buy-to-Let market and their full portfolio of properties and outstanding mortgages • The assets and liabilities of the borrower, including any tax liability. • The merits of any new lending in the context of the borrower's existing Buy-to-Let portfolio together with their Business Plan. • Historical and future expected cash flows associated with the borrower's properties. Where subsequent applications are received further verification may be obtained at underwriter discretion.

Lending Criteria – Applicants

Deposit	The deposit should usually come from the applicant(s) own resources, originated within the EEA and without recourse to additional borrowing. The exceptions are: 1. Capital Raising Remortgage / Secured Loan – It is acceptable for deposit funds to be raised by way of a remortgage or 2nd Charge of existing property holdings. 2. Family Gift – Acceptable unless the property is being purchased from the family member from which the gift originates. The gift must not be repayable, and the person providing the gift cannot have a financial or legal interest in the security. 3. Inter-Company Loan – This is acceptable for Limited Company lending but must be deferred consideration. 4. Directors Loan – Accepted but must be deferred consideration.
Residency	For applicants with a single beneficial owner the applicant must have been a resident in the UK for a minimum of 3 years. Where there are two or more beneficial owners, at least one must have been a resident in the UK for a minimum of 3 years.
Nationality	UK and EEA Nationals are acceptable for lending purposes. EEA members are: Austria, Belgium, Bulgaria, Croatia, Cyprus (Greek Cypriots only), Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden. While not a full EEA member, Switzerland is also acceptable subject to meeting all other criteria. EEA Nationals (excluding Ireland) are required to have an ongoing right to reside in the UK which must be evidenced by either a valid permanent residence document or evidence that “settled” or “pre-settled” status has been granted under the EU Settlement Scheme. Non-EEA Nationals are acceptable provided they have indefinite leave to remain, and it can be evidenced. permanent residence document or evidence that “settled” or “pre-settled” status has been granted under the EU Settlement Scheme. Non-EEA Nationals are acceptable provided they have indefinite leave to remain, and it can be evidenced.
Consumer Buy to Let	Applications that are Consumer BTLs are not acceptable.
Income and Employment	There are no set minimum income thresholds; however, income may be requested by the underwriter where financial standing has not been fully verified. Employed applicants should be in a probationary period and self-employed applicants are required to have been trading for a minimum of 2 years.
Portfolio Landlord	A Portfolio Landlord is defined as any borrower who owns four or more mortgaged Buy-to-Let properties, including any new property applied for.
Non-Portfolio Landlord	A Non-Portfolio Landlord is defined as any borrower who owns three or less mortgaged Buy-to-Let properties, including any new property applied for.
First-Time Buyers/ Landlords	First-Time Buyers / Landlords are not acceptable.

Lending Criteria – Properties

Repayment Types	Interest Only repayment type-is acceptable.
Loan Purpose	Cases can be accepted for Purchase or Remortgage of the applicant's investment property(ies). Capital raising as part of a remortgage proposal or with an unencumbered property is also acceptable. The capital raise cannot be done to clear outstanding tax liabilities or gambling debts. Remortgages are not acceptable where the security property has been owned, or the existing mortgage has been in place, for less than six months. It may be acceptable to proceed under six months, if the application is to exit a Bridging Facility. Other scenarios may also be accepted, subject to increased underwriting due diligence.
Standard Offer/ Valuation Validity	A valuation is valid for 6 months unless there is volatility in market conditions. An offer is valid for 3 months from the date of issue. An offer for a new build property is valid for 6 months, subject to this not exceeding the valuation validity period.
Property Criteria	Location should be England and Wales mainland only. Ex-local authority houses are acceptable where the house is currently in private ownership. Houses in Multiple Occupation (HMOs) are acceptable – up to 8 rooms. Multi-Unit Freehold Blocks (MUFB) are acceptable up to a maximum of 6 flats on one freehold title and each flat must have a minimum floor area of 30sqm.
Property Value	Minimum Value: £135,000 Maximum Value: No limit
Tenure	Freehold: Acceptable for houses only. Leasehold: Acceptable subject to a minimum 65 years unexpired at expiry of mortgage term. Commonhold: Not acceptable.
Ground Rent and Service Charge	The maximum ground rent is £1,000 P.A. (London) and £250 (outside London). Service charge should not be more than 1% of the property value. Properties outside of these thresholds can be considered at discretion and subject to valuer's comments.

Lending Criteria – Properties [continued]

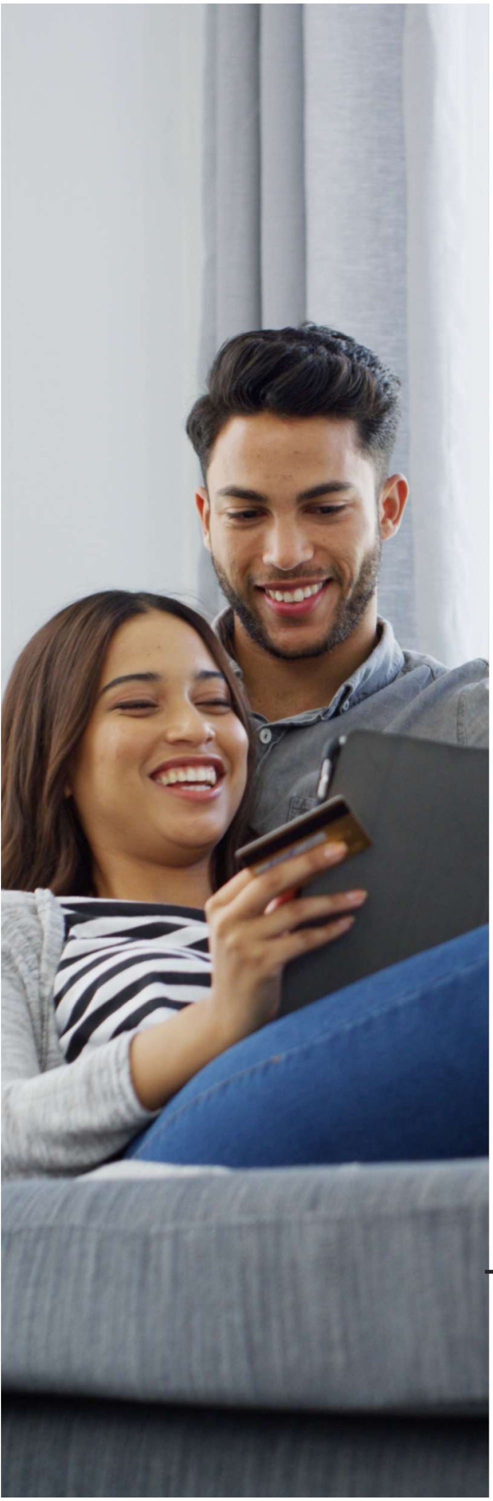
Flying Freehold	Flying freeholds are acceptable up to a maximum of 15% of the total security.
Flats/Maisonettes	Flats / Maisonettes / Apartments must be self-contained with private facilities and direct access to the highway via common parts. Above commercial accepted subject to underwriter approval. Maximum 10 storeys, deck of balcony access is permitted for non-ex Local Authority, lift required if more than 5 storeys. Studio flats accepted subject to minimum 30sqm.
Ex local authority flats and maisonettes	These are only acceptable where: • Maximum 10 storeys • Deck of balcony access is not present • Block must have more than 50% in private ownership
New Builds/Conversions	New builds, conversions, and converted properties are acceptable for lending purposes across all standard property types. New builds are considered to be anything up to two years old that have not been occupied. New property must be covered by an NHBC or a similarly acceptable 10-year insured warranty. If a suitable warranty is not available in respect to a newly/recently converted property, a PCC (Professional Consultants Certificate) will be required. Retrospective warranties are not acceptable, and other warranties are not acceptable.
Modern Method of Construction	Applications can be considered. The property/site must be registered on the Build Offsite Property Assurance Scheme (BOPAS). If less than 10 years old an acceptable warranty must be available. The surveyor must be satisfied that the property represents suitable security.
Energy Performance Certificates	All properties are required to have a valid Energy Performance Certificate (EPC) with a rating of E or higher.
Letting Criteria	The property should be let under a single Assured Shorthold Tenancy / Occupation Contract (Standard Contract) or a contractual / common law tenancy (i.e. company let or where annual rent is greater than £100,000). For HMOs multiple tenancies may be in place. The fixed term must be no more than 36 months. Applications where the tenants are family members of the customer will not be considered. Applications where the tenants have or may acquire an overriding interest in the property will not be considered. It is not allowable for an applicant to lease the property back to the developer for use as a show home. Tenancy agreements for tenants in the following categories are not acceptable: • Asylum seekers • Tenants who have the benefit of diplomatic immunity • Tenants who defined as vulnerable and/or properties that have staff live on-site

Lending Criteria – Properties [continued]

Assigned Contracts	Assigned contracts are not acceptable Social Housing Birmingham Bank will not consider BTL lending for any property being purchased under any social housing schemes. However, tenants in receipt of benefits (DSS) are acceptable. In addition, the Bank cannot consider remortgaging any property purchased under any such scheme where the original vendor retains any interest or where any pre-emption clause remains.
Planning/Occupancy	Properties that are subject to any planning or occupancy restrictions are not acceptable.
Site Exposure	Exposure on any one development (defined as any site containing more than 4 units) should not exceed 5 units or 50% of the development, whichever is the lower.
Rent	The valuer will be instructed to assess the rental value of the property on an unfurnished basis. When validating the rental income for ICR purposes, the lower of the passing rent or the market rent provided by the valuer should be used.
Site Exposure	Exposure on any one development (defined as any site containing more than 4 units) should not exceed 5 units or 50% of the total development, whichever is the lower.
Multiple Kitchens	Standard Properties – Acceptable subject to: A minimal value of £1,000,000 and valuer comments Houses of Multiple Occupation – Acceptable subject to valuer comments.
Let to Buy	Acceptable where the following criteria applies, which includes incorporating their residential into a limited company: Existing landlord moving away from the subject property and has not resided in any/all of their other rental properties plus evidence of onward residential purchase.
Unacceptable Transactions	• Concessionary Purchase • Property Clubs • Property Finder • Contract Re-assignments • Back-to-Back Sale • Share Purchase • Sale and Rent Back • Purchase under Social Housing Schemes

Unacceptable Property Types

Unacceptable Property Types	• Properties designated defective under any housing legislation. • Pre-Cast Reinforced Concrete (PRC) properties (irrespective of whether repaired under a licensed repair scheme). • Properties with crosswall construction. • Properties constructed with high-alumina cement. • Timber frame with brick/rendered block external facing (post-1970 only). • Properties where material environmental hazards are present. • Any property containing Mundic concrete. • Wimpey No-Fines. • Laing Easiform. • Property where there is mixed commercial/residential use on a single title property. This includes properties with ground floor shops/offices/workshops/surgeries etc. with flat above, and properties with agricultural ties or restrictions. • Live / work units. • Any property deemed unsuitable security by the valuer. • Any property where there is on-going movement / monitoring is required, including where wall ties need replacing. • Freehold flats / maisonettes. • Flats / maisonettes in blocks exceeding 10 storeys. • Tyneside flats. • Properties that rely on unmade and unadopted thoroughfares for access. This is because market values may be unstable in the future due to restricted demand and unpredictable upkeep and public liability costs. Properties on unadopted roads on new developments are acceptable subject to solicitors confirming arrangements are in place to transfer responsibility to the local authority on completion of the development. • Mobile homes & houseboats. • Grade I Listed buildings Listed buildings. • Holiday Lets / AirBnB. • Property whose saleability may be adversely affected by local planning or by an unsatisfactory mining search. • Ex-Local authority flats that do not meet the criteria. • Balcony / Deck access. • Non habitable condition. • Properties with shared ownership arrangements. • Properties with confirmed existence of Japanese Knotweed or other invasive species (irrespective of whether a treatment plan is in place). • Resident Landlord - converted block where the applicant resides in one of the units.



Our range of products are exclusively accessible through our approved Intermediary panel, and the information provided here should not be relied upon by individuals lacking professional expertise in investment matters. The information provided here is correct as of 4th November 2025.

Please note – we reserve the right to modify or withdraw our product offerings at any time, without prior notification. This serves as an overview of our eligibility criteria, and in specific cases, our underwriters may exercise discretion to assess deviations from our lending policies. Each application is evaluated on an individual basis. All loans are subject to full underwriting, valuation, and credit assessment. Meeting published criteria does not guarantee loan approval. To discuss the specific details of your case, please contact us.

THIS INFORMATION IS FOR MORTGAGE INTERMEDIARIES EXCLUSIVELY.

Submitting Applications

Applications will only be accepted from our Registered and Approved Intermediary Panel.
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Contact us

New BTL Enquiries – btlenquiries@birminghambank.com
Application Support – mortgages@birminghambank.com
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