

Buy to Let: Practical Broker Guide

Criteria	Progressive position
Maximum LTV	75%
Minimum loan	£30,000
Maximum loan	£500,000
Minimum property value	£100,000
Minimum / Maximum term	6 years / 25 years
Minimum applicant income	£30,000 basic annual income. On joint applications, at least one applicant must meet this requirement
ICR	125% of the actual mortgage payment for basic-rate taxpayer / 145% for higher-rate taxpayer
Top slicing	Yes, may be considered
Interest only	Yes
Sale of BTL property as repayment strategy	Yes
Location	Northern Ireland only
Minimum EPC	D
Maximum tenancy term	12 months
Portfolio landlords*	Not accepted
Consumer BTL	Not accepted
HMO	Not accepted

1. Who can we help?

Progressive considers **business Buy to Let** applications where the borrowing is entered into wholly or predominantly for business purposes. The product is available to customers purchasing a property with the intention of letting it, or remortgaging a property that was originally purchased to let

BTL properties must be located in **Northern Ireland**.

Minimum income

The applicant must have at least **£30,000 basic annual income**. On a joint application, at least one applicant must meet the £30,000 requirement. Standard income multiples also apply.

2. How much can my client borrow?

The maximum BTL LTV is **75%**, with a minimum loan of **£30,000** and maximum loan of **£500,000**. The property itself must have a minimum valuation of **£100,000**.

The minimum mortgage term is 6 years and the maximum mortgage term is **25 years**.

3. How do we assess rental cover and affordability?

Our ICR requirements

The monthly rent should cover at least:

125% of the actual mortgage payment for a **basic-rate taxpayer**

145% of the actual mortgage payment for a **higher-rate taxpayer**.

For affordability, up to 75% of verified or expected rental income can be taken into account alongside the applicant's eligible personal income and financial commitments. The remaining 25% allows for void periods, maintenance, letting costs and other property-related expenses.

Purchase

A BTL purchase must satisfy both our ICR requirement and our full affordability assessment. Where the rental income does not meet the standard ICR requirement, top slicing may be considered, subject to the overall application being affordable.

If the property is already let, please provide the existing tenancy agreement.

Remortgage

For an existing BTL remortgage, where the ICR is at least 125% for a basic-rate taxpayer or 145% for a higher-rate taxpayer, no additional income verification is required other than verification of rental income where this is established and evidenced. Please note that our £30,000 minimum income requirement will still apply.

If the required ICR isn't achieved, a full affordability assessment is required, including verification of the customer's personal and rental income.

4. What if the rent doesn't quite meet ICR?

Talk to us about Top Slicing

Progressive may consider **top slicing** on BTL purchases and remortgages where the rental income alone does not satisfy the normal rental-cover requirement. Surplus personal income may be used to support the rental shortfall.

The applicant must have a clearly evidenced and sustainable source of personal income, the property must demonstrate a reasonable level of rental demand and income, and the overall application must be affordable when rental and personal income are assessed together.

5. Interest only

Progressive accepts BTL applications on an interest-only basis, and **sale of the mortgaged Buy to Let property is an acceptable repayment strategy.**

Standard interest-only repayment vehicles are also accepted.

6. Existing landlords and portfolio size

For individual BTL lending, Progressive does not consider portfolio landlords (borrowers with **more than three mortgaged BTL properties**).

Please note that we will not lend where the borrower / borrowers would have **four or more mortgaged BTL properties, including the proposed property.**

7. What property can we consider?

For standard BTL:

- Property must be in **Northern Ireland**.
- Minimum property value is **£100,000**.
- Minimum EPC rating is **D**.
- HMOs are not accepted.

8. Tenancies

Lettings cannot be on a **protected or statutory tenancy**, and the maximum tenancy term is **12 months**. Please provide a copy of the tenancy agreement where available.

Where existing rental income is being evidenced, please provide either the latest three consecutive bank statements showing rental income, or a current signed tenancy agreement together with a bank statement showing at least one rental payment.

9. Capital raising

Capital raising against an existing BTL property is restricted to a maximum **50% LTV** subject to meeting existing capital raising criteria.

Debt consolidation is not permitted.

10. What we don't accept

We currently don't accept:

- ✗ Consumer Buy to Let
- ✗ HMO lending
- ✗ Portfolio landlords*
- ✗ BTL properties outside Northern Ireland
- ✗ Debt consolidation on BTL applications

**Please note that an application will be classified as a Portfolio Landlord case where the borrower(s) will own four or more mortgaged Buy-to-Let properties on completion of the mortgage, including the proposed property. For joint applications, properties owned by either or both applicants will be taken into account when determining Portfolio Landlord status.*

11. Can I get a DIP for a BTL application?

A DIP facility is available through our Intermediary Portal. Please note that affordability at DIP stage is calculated on a full capital-and-interest basis. For an interest-only BTL application, the broker may proceed directly to full application, where affordability will be assessed on an interest-only basis.

If you would like to check affordability, we have created a BTL affordability calculator which you can access in the literature section on progressiveforintermediaries.com