

Lending Criteria

Common reasons **lifetime mortgages** are declined



There are many reasons lifetime mortgages are declined. We have listed below the most common reasons, outlining the lending criteria of our products to help you choose the best fit for your customer.

A 'no' can easily be turned into a 'yes', so it's always worth contacting a member of our sales team to discuss your case further. We treat each application on a case-by-case basis, reviewing surveyor comments and with our underwriting promise you receive a dedicated underwriter for each application. They will always investigate alternative funding lines across our lifetime mortgages should your initial chosen plan be unsuitable.

Adverse Credit – CCJ's

Classic Range

- Satisfied CCJs – Acceptable
- Unsatisfied CCJs – No more than 3 unsatisfied CCJs with a combined total of £3,000. The customer must be willing to settle the CCJs by or upon completion of the loan.

The financial adviser and lender must be satisfied that the CCJs are not indicative of habitual financial mismanagement and the product is suitable for the customer.

- Charging order up to 3 total and £3,000 now considered.*

Emerald Range

- No more than 3 satisfied CCJs totalling no more than £3,000 in the last 4 years.
- Will not allow any unsatisfied CCJs.
- No CCJs in the last 4 years will be accepted if the applicant also has a debt management plan.

Heritage Range

- Charging order up to 3 total and £3,000 now considered.*
- CCJs above £10,000 are unacceptable.
- Max of 5 satisfied CCJs.
- No unsatisfied CCJs, however can refer these to the funder for consideration on a case by case basis.

Sovereign Range

- CCJs are accepted, however the customer must be willing to settle the CCJs by or upon completion of the loan.

Acreage

Classic Range

- Properties with a maximum of five acres of land. We can consider above but the property value will be based on five acres.
- There can be no commercial use or agricultural restrictions.

Emerald Range

- A maximum of 7 acres.
- There can be no commercial use or agricultural restrictions.

Acreage Cont.

Heritage Range

- A maximum of 10 acres.
 - There can be no commercial use or agricultural restrictions.
- Valuation to be based on maximum 5 acres.

Sovereign Range

- A maximum of 20 acres.
- There can be no commercial use or agricultural restrictions. Must be appropriate for the accommodation.

Proximity to Commercial Property

It is always worth investigating your customers' proximity to a commercial property, whether visiting the property or looking on Google Maps. Providing the correct information will ensure a smoother and quicker process for the lending decision.

Commercial property decisions will be decided on a case-by-case basis, subject to surveyor comments and full underwriting checks.

Classic Range

- Those situated above commercial properties are considered on a case-by-case basis subject to referral. This will be considered if located in a high value area and the commercial activity is unlikely to affect the desirability of the property.
- If there is a commercial property visible or within potential influencing distance we will rely on surveyor's comments.

Emerald Range

- The property cannot be attached, adjacent, above or opposite a commercial property.

Heritage Range

- The property cannot be attached, adjacent or opposite the commercial property.
- The property also cannot be in a predominantly commercial location.

Sovereign Range

- The property cannot be above, or directly attached. to a commercial property.

Ex-Local Authority Houses – Minimum Values

Classic Range

- £150,000 - we can proceed subject to surveyors' comments.
- Also subject to an acceptable percentage of other ex-council houses in the area, being owned outright or with a mortgage. We will check these as part of our street check process.

Emerald Range

- £150,000 - we can proceed subject to surveyors' comments.

Heritage Range

- £100,000 - we can proceed subject to surveyors' comments.

Sovereign Range

- £70,000 - we can proceed subject to surveyors' comments.

Flood Risk

It is always worth doing your own initial checks on the customer property's risk of flooding. To quickly gain an insight into the suitability of your client's property, simply visit <https://flood-map-for-planning.service.gov.uk/> (for English properties only)

The property must not have flooded in the last five years and there must be no additional premiums or 'loading' on the clients' buildings insurance for flooding.

Properties in a flood zone 1 are unlikely to flood, whereas those located in a flood zone 3 pose a greater risk.

Classic Range

- Properties that pass a bespoke Ambiental flood risk assessment check. Please note that all Classic cases undergo an independent flood search. Contact your local TBDM to obtain a bespoke flood check prior to application [here](#).
Alternatively you can email: info@pureretirement.co.uk

Emerald Range

- Properties classed as being in flood zone 1 - or which are on a border between zones 1 and 2 - can be accepted subject to satisfactory comments by the valuer, and insurance being obtained under standard terms as well as no flooding in the last 5 years.
- Unable to consider properties in flood zones 2 or 3.
- Can consider flood zone 3 with defences subject to surveyor comments.

Heritage Range

- Considered: flood zone 1 & flood zone 2 subject to no flooding in last 5 years and no loadings in insurance.
- Unable to consider flood zone 3 without defences.
- Can consider flood zone 3 with defences subject to no loadings in insurance and no flooding in last 5 years.

Sovereign Range

- Sovereign range is the only range where we can consider flood zone 3 properties, subject to there being no floods in the last 5 years and the insurance being obtained under standard terms with no added premiums.

Pylons

Classic Range

- Over 100 metres away from property.

Emerald Range

- Over 75 metres away from property.

Heritage Range

- Over 75 metres away from property.

Sovereign Range

- Over 75 metres away from property.

Railway lines nearby

These are subject to surveyors' comments and full underwriting checks. It would be ideal to call us before placing an application so we can judge it across all products.

Septic Tanks

Classic Range

- If the septic tank is not located within the curtilage of the site this must be reported and relevant checks undertaken to ensure appropriate rights of access.
- Shared septic tanks are also acceptable provided it is shared between no more than 4 properties, and there is a formal agreement in place with regards to access and maintenance which is deemed satisfactory by solicitors.

Emerald Range

- Septic tank must be for the sole use of the subject property and must be within the property curtilage.
- Septic tank must also meet the most recent regulatory requirements.

Heritage Range

- Septic tank can be shared by no more than 2 properties, and there must be a formal agreement in place for the maintenance and access.
- Can be outside of curtilage, but formal agreements need to be in place for maintenance and access.
- If shared/outside curtilage funder approval will be required once agreements are received.

Sovereign Range

- Private use only acceptable.
- Shared septic tanks not considered.
- Can be inside or outside curtilage subject to necessary rights being in place.

Married Couple, Single Application.

Sovereign range is the only lifetime mortgage where we can consider a single application when married. This would be subject to;

- The spouse receiving independent legal advice
- The spouse signing an occupier waiver form
- The client is the only person on the title deeds.

Please visit the criteria search facility on the Pure Retirement professionals website for further information.

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The logo for Pure Retirement features the word "Pure" in a large, white, sans-serif font, with "Retirement" in a smaller font below it. To the right of the text is a stylized graphic of three white curved lines, resembling a signal or a Wi-Fi symbol, set against a dark blue background with a light blue curved line on the left.