

**NEW**  
Launch of Product and Policy  
July 2017

**MAGELLAN**  
HOMELOANS

# Product Guide

New approach. For real life.

## Why choose Magellan Homeloans:

- LTV up to 85%
- Complex Prime & Credit Repair products with rates from 2.96%
- Variable rates with no ERCs
- 2 & 3 year Fixed rates
- Fees may be added above LTV limits
- Complex employment structures
- Contractors accepted
- Self-employed accepted with one year's trading history
- Share of Net Profit accepted for Company Directors
- CCJs, Defaults and Arrears considered
- Online DIP submission

# COMPLEX PRIME

Residential Mortgages for borrowers requiring a flexible approach not offered by high street lenders.

Range	Maximum adverse credit considered (see General Criteria page for more details)	Completion Fees*	Maximum LTV				ERCs	
			70%	75%	80%	85%		
New M1	CCJs/Defaults: (instalment debt): 0 registered in 36 months. CCJs/Defaults: (non-instalment debt): £500 registered in 36 months (0 in 3). Arrears (secured): Max 1 missed in 36 months (0 in 12). Arrears (unsecured): Max status 2 in 36 months (0 in 3). Bankruptcy/IVA/DRO: Discharged +72 months. DMP: Discharged +36 months.	LIBOR Tracker	£995	2.96%	3.11%	3.46%	3.76%	None
		2 year Fixed	£995	2.99%	3.14%	3.49%	3.79%	3%/2%
		3 year Fixed	£995	3.29%	3.44%	3.79%	4.09%	4%/3%/2%
		Reversionary rate		2.96%	3.11%	3.46%	3.76%	
New M2	CCJs/Defaults: (instalment debt): 0 registered in 24 months. CCJs/Defaults: (non-instalment debt): £500 registered in 24 months (0 in 3). Arrears (secured): Max 1 missed in 24 months (0 in 6). Arrears (unsecured): Max status 2 in 24 months (0 in 3). Bankruptcy/IVA/DRO: Discharged +72 months. DMP: Established +24 months and Discharged, or Sat. conducted.	LIBOR Tracker	£995	3.11%	3.26%	3.61%	3.91%	None
		2 year Fixed	£995	3.14%	3.29%	3.64%	3.94%	3%/2%
		3 year Fixed	£995	3.44%	3.59%	3.94%	4.24%	4%/3%/2%
		Reversionary rate		3.11%	3.26%	3.61%	3.91%	
New M3	CCJs: Max 2 totalling £1,500 registered in 24 months (0 in 3). Defaults: 2 totalling £1,500 registered in 24 months (0 in 3). Arrears (secured): Max 1 missed in 24 months (0 in 6). Arrears (unsecured): Max status 2 in 24 months (0 in 3). Bankruptcy/IVA/DRO: Discharged +72 months. DMP: Established +12 months and Discharged, or Sat. conducted.	LIBOR Tracker	£1,295	4.26%	4.41%	4.76%	5.06%	None
		2 year Fixed	£1,295	4.29%	4.44%	4.79%	5.09%	3%/2%
		3 year Fixed	£1,295	4.59%	4.74%	5.09%	5.39%	4%/3%/2%
		Reversionary rate		4.26%	4.41%	4.76%	5.06%	
New M4	CCJs: Max 2 totalling £3,000 registered in 24 months (0 in 3). Defaults: 2 totalling £3,000 registered in 24 months (0 in 3). Arrears (secured): Max 2 missed in 24 months (0 in 6). Arrears (unsecured): Max status 2 in 24 months (0 in 3). Bankruptcy/IVA/DRO: Discharged +72 months. DMP: Established +12 months and Discharged, or Sat. conducted.	LIBOR Tracker	£1,495	4.56%	4.71%	5.06%	5.36%	None
		2 year Fixed	£1,495	4.59%	4.74%	5.09%	5.39%	3%/2%
		3 year Fixed	£1,495	4.89%	5.04%	5.39%	5.69%	4%/3%/2%
		Reversionary rate		4.56%	4.71%	5.06%	5.36%	

\* Completion fees can be added to the advance up to a maximum LTV of 87%, unless borrowers are Consolidating Debt when the maximum LTV is 80% including fees added.

# CREDIT REPAIR

Residential Mortgages for Prime borrowers who have experienced an unexpected credit impairing event

Range	Maximum adverse credit considered (see General Criteria page for more details)	Completion fees**	Maximum LTV				ERCs	
			60%	65%	70%	75%		
New M5	CCJs (instalment debts): 0 registered in last 12m. CCJs (non-instalment debts): £500 registered in 12m (0 in 3). Defaults: 0 registered in last 12 months. Arrears (secured): 0 missed in last 12 months. Arrears (unsecured): Max status 2 in last 12 months (0 in 3). BKO/DRO/IVA: Discharged/Satisfied +72 months DMP: Est. +36 months and Discharged, or Sat. conducted.	LIBOR Tracker	£2,495	4.91%	5.06%	5.21%	5.36%	None
		2 year Fixed	£2,495	4.94%	5.09%	5.24%	5.39%	3%/2%
		3 year Fixed	£2,495	5.24%	5.39%	5.54%	5.69%	4%/3%/2%
		Reversionary rate		4.91%	5.06%	5.21%	5.36%	
New M6	CCJs: 0 registered in last 12 months. Defaults: 0 registered in last 12 months. Arrears (secured): 0 missed in last 12 months. Arrears (unsecured): Max status 2 in last 12 months (0 in 3). BKO/DRO: Discharged +36 months IVA: Satisfied or Registered +36 months and Sat. conducted. DMP: Est. +12 months and Discharged, or Sat. conducted.	LIBOR Tracker	£2,495	5.21%	5.41%	5.61%	5.91%	None
		2 year Fixed	£2,495	5.95%	6.15%	6.35%	6.65%	3%/2%
		3 year Fixed	£2,495	6.20%	6.40%	6.60%	6.90%	4%/3%/2%
		Reversionary rate		5.21%	5.41%	5.61%	5.91%	
New M7	CCJs: 0 registered in last 12 months. Defaults: 0 registered in last 12 months. Arrears (secured): 0 missed in last 12 months. Arrears (unsecured): Max status 2 in last 12 months (0 in 3). BKO/DRO: Discharged +24 months. IVA: Satisfied or Registered +24 months and Sat. conducted. DMP: Est. +12 months and Discharged, or Sat. conducted.	LIBOR Tracker	£2,495	5.91%	6.26%	7.21%	-	None
		2 year Fixed	£2,495	6.65%	7.00%	7.95%	-	3%/2%
		3 year Fixed	£2,495	6.90%	7.25%	8.20%	-	4%/3%/2%
		Reversionary rate		5.91%	6.26%	7.21%	-	
New M8	CCJs: 0 registered in last 12 months. Defaults: 0 registered in last 12 months. Arrears (secured): 0 missed in last 12 months. Arrears (unsecured): Max status 2 in last 12 months (0 in 3). BKO/DRO: Discharged +12 months. IVA: Satisfied or Registered +12 months and Sat. conducted. DMP: Est. +12 months and Discharged, or Sat. conducted.	LIBOR Tracker	£2,495	6.21%	6.76%	-	-	None
		2 year Fixed	£2,495	6.95%	7.50%	-	-	3%/2%
		3 year Fixed	£2,495	7.20%	7.75%	-	-	4%/3%/2%
		Reversionary rate		6.21%	6.76%	-	-	

\*\* Completion fees can be added to the advance in excess of published product LTV.

## Adverse Credit Explanation

All Credit Repair borrowers are required to disclose, and provide evidence where requested, the nature of the event that caused their adverse credit record. The circumstances of the event should indicate that it was beyond the reasonable control of the applicant(s).

Examples of acceptable events include:

- Divorce/Separation
- Business failure or interruption
- Serious illness or accident
- Unemployment or redundancy
- Death/illness of family member

		General Criteria
New	Loan type/purpose	Capital and interest repayment method only. Purchase and remortgage.
	Income	Verifiable employed and self-employed income on a full-status basis only. Minimum household income per application is £20,000. Income and expenditure may be discussed with the applicant(s). Loans subject to an affordability test using a stressed mortgage rate and a <b>maximum DTIR of 40% (35% for applicants with &lt;£35k household income and all Credit Repair borrowers)</b> at the reversionary rate.
	Loan size & term	Minimum £25,001, <b>maximum £750,000</b> . Minimum term 5 years, <b>maximum term 35 years</b> .
	Adverse credit history	<b>Maximum 5 CCJs per application. Arrears, defaults and CCJs should be up-to-date/satisfied at least 3 months before application on M1 &amp; M2 products. Arrears made up-to-date the following month not included in product limits.</b> Arrears considered up to product limits per individual loan/mortgage/agreement as long as arrears do not exceed status 2 in the last 24 months. Prior repossessions +12 months old acceptable on Credit Repair products if no shortfall debt outstanding or repayment agreement in place. We will not accept borrowers showing a lack of financial stability, <b>habitual overindebtedness</b> , a dependence on short term credit (e.g. payday loans) in the last 12 months or excessive increases in credit/store card balances in the last 12 months. <b>Any adverse in the last 3 months is unacceptable. Non-installment debts are defined as non-fixed instalment agreements and include parking/speeding fines, utility/communication bills, mail order/store cards, and credit cards.</b>
	Proof of ID	Applicants need to provide proof of ID in all cases in the form of a certified copy of an appropriate document (please refer to application form).
	Proof of residency	Applicants should appear on the voters roll at the current address. If not, proof of current residency covering the last three months needs to be provided (please refer to application form).
New	Applicants	Maximum two applicants. Minimum age 21 at application (25 for primary applicant on Credit Repair products). Maximum age 75 at term.
	Employment status	Employed applicants accepted with minimum 3 months in current employment. <b>Self-employed applicants (incl. those owning 25%+ of their employer) considered with proof of at least 12 months trading history.</b> Contract workers accepted with at least three months remaining on current contract.
	Property	England and Wales only. Minimum value £50,000 (max. LTV 65% <b>if value &lt;£70,000</b> ). Traditionally built properties. No flats over five floors unless built after 1990. Leasehold flats with at least 55 years remaining on lease at application and 35 years remaining at end of term. No ex-local authority flats with value less than £200,000. New build flats maximum 80% LTV. Valuer must represent the property to be both mortgageable and saleable. No Buy-to-lets, Right-to-buys or Shared Ownership/Equity accepted.
	Debt consolidation	Max 80% LTV (incl fees). Where funds raised from the Magellan Homeloans mortgage are to be used for consolidating existing debts, Magellan Homeloans will settle amounts directly with the finance company(ies).
	LIBOR Rates	Magellan Homeloans resets its LIBOR every three months in accordance with published levels. Magellan Homeloans has a LIBOR Floor of 0.25%. Should 3 month LIBOR drop below this level then variable and reversionary rates will be charged at a minimum of the product margin plus 0.25%.
	Fixed rates	Fixed rates are fixed from the date of completion. After the fixed rate mortgage period ends it will revert to the LIBOR variable reversionary rate. Please note that fixed rates have limited availability and may be withdrawn at any time. After a product is withdrawn no further applications can be accepted.
	Gifted Deposits	Close family gifted deposits are accepted. Builder gifted deposits accepted to a maximum of 5%. Vendor gifted deposits will not be accepted. Gifted equity from close family accepted with loans limited to 90% of the discounted purchase price (within overall maximum product LTVs).
	ERC's	During any Early Repayment Charge (ERC) period, overpayments of up to 10% of the mortgage balance each calendar year can be made without incurring an ERC. If a product does not have ERCs then overpayments are allowed without restriction. Any overpayments may not be subsequently redrawn once they have been made to reduce the mortgage balance.

Application Fees <sup>^</sup>	
Valuation	Fee <sup>^</sup>
Up to £100,000	£382
Up to £200,000	£435
Up to £300,000	£485
Up to £400,000	£535
Up to £500,000	£592
Up to £600,000	£710
Up to £700,000	£810
Up to £800,000	£900
Up to £900,000	£960
Up to £1,000,000	£1,067
Over £1,000,000	Refer
Re-inspection fee	£75

<sup>^</sup> Non-refundable. Payable on application and includes a standard mortgage valuation and an assessment fee of £250. Fees include VAT (where applicable). Applications for incomplete new build properties will require a property re-inspection before completion can occur that is paid for by the applicant(s).

For further details, refer to our Submission Guide at:  
[www.magellanhomeloans.co.uk](http://www.magellanhomeloans.co.uk)  
or call our Sales Support team:  
**0330 335 5777**

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