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Product	Link One			Link Two			Link Three			Link Four		Link Five
Max LTV (%)	70	75	80	70	75	80	65	70	75	65	70	65
Employed Rate < £25,000	13.44	13.68	13.92	14.40	14.76	15.24	14.76	15.24	15.72	15.48	15.96	15.60
Employed Rate > £25,000	12.48	12.72	12.96	13.32	13.68	14.16	13.68	14.16	14.52	14.28	14.76	14.40
Self Emp Rate < £25,000	13.92	14.16		14.88			15.24			15.96		16.08
Self Emp Rate > £25,000	12.96	13.20		13.80			14.16			14.76		14.88
Min Loan	£7,500			£7,500			£7,500			£7,500		£7,500
Max Loan	£50,000			£50,000			£40,000			£30,000		£30,000
Term (yrs)	5 to 30			5 to 30			5 to 30			5 to 20		5 to 20
Min Risk Nav Score	400			350			325			300		200
Max Adverse Units	0			2			3			4		5

LTV reduction self-employed	5%			10%			10%			10%		10%
LTV reduction greater london	5%			10%			10%			10%		10%

Mortgage Arrears
The highest mortgage arrears (first or second charge) in last twelve months equals 1 point e.g. credit search 001001000 would count as 1 point.
Highest mortgage arrears in the last 12 months Plan 1 - nil Plan 2 - 1 Plan 3 - 2 Plan 4 - 3 (2 Current) Plan 5 - 3
Mortgage Reference
12 months mortgage history required in all instances where applicable.
Reference bypass allowed up to 70% LTV where 12 month payment history showing no payments missed and total outstanding balance showing on full credit search
BSQ required on all loans over 70% LTV or where mortgage is not shown on credit search
N.B. Bypass not available where Land Registry search indicates a flexible mortgage
Adverse Credit
Each CCJ / default over £300 in last 2 years whether satisfied or unsatisfied equals 1 point. An explanation of each CCJ / default is required.
CCJ's/defaults up to £300 are ignored, whether satisfied or unsatisfied. No explanations required for CCJ's / defaults which are ignored
Bankruptcy or individual Voluntary Arrangement (IVA) will only be considered when satisfied or completed for over 3 years and are restricted to Plans 3 - 5.

LTV Restrictions (Residency)	
Minimum period of 2 years current residence required on loans = >75% LTV	
Minimum period of 6 months current residence required on loans < 75% LTV	
LTV Restrictions (Self Employed)	
Self-Employed - 5% LTV reduction on Plan 1	
Self-Employed - 10% LTV reduction on Plans 2 - 5	
LTV Restrictions (Property Value)	
Up to £250k - 80%LTV £251k - £350k - 75%LTV £351k - £450k - 70%LTV £451k and over - 65%LTV	
Employment Status	
Employed	Income can be confirmed by latest 2 monthly or 3 weekly computerised payslips. P60 or employers reference if payslips are handwritten. Job contract if employed for 6 months or less at application stage. NB No sick pay to show on latest payslip.
Self Employed	Sole traders and those holding 25% or more of the issued shared capital of a company will be deemed to be self-employed
	A self-employed declaration will be required in all instances
	Proof of Self-Employment must be in the form of either: 2 months business bank statements; Recent Inland Revenue Statement of Account; or Certificate completed by a qualified accountant. An accountants certificate will be required for all applications with an LTV exceeding 55%

Max 55% LTV for Self Cert.

RATE FIXED FOR TERM
Will lend into retirement. - 2/3rd rule

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Borrower Eligibility Requirements	
Age	Minimum 21 years at the time of completion. Maximum age of 80 years at end of loan term.
Proof of Residency	2 most recent years voters roll history required. If this is not available we will require proof of residency for the relevant year(s).
	One of the following originals will suffice: utility bill; council tax bill; or bank statement
Proof of Identity	See customer identification sheet for current items required to prove identity.
Applicant Status	Owner Occupied Properties only

Income Definition
100% of net profit figure or basic salary and 100% of all bonuses, overtime, dividends, share of profits, unearned income, pensions and other declarable income for tax purposes
Debt to Income Ratio
To be used on total gross monthly earnings using the following method:
40% where income is £25,000 and less; 45% where income greater than £25,000
Credit card payment judged as 3% of outstanding balance
Unsecured credit not being cleared will be included in the DTIR

+3% on Default balances

Loan Type / Eligibility	
Rate Type	Fixed for term
Interest Calculation	Interest is calculated daily, compounded monthly. Interest is charged monthly in arrears
Purpose of Advance	Most requirements, including capital raising. Purpose(s) must be stated on application

Valuations Acceptable	
Automated	Available on plans 1-5 on any LTV
	Maximum loan of £50,000
	Minimum confidence level = 4
	Property is not an ex-council or a named property (i.e. where no house number)
Drive By	May be used up to 80% LTV as long as confirmed by Automated Valuation with confidence level of 3
Full	Must be used for ex council properties

Property Eligibility	
Location	Mainland England, Scotland and Wales
Insurances	Adequate buildings insurance is mandatory
Letting	Loans where the intention is to let the property after completion are not considered
Properties in Pre-Emption	Will consider properties in pre-emption subject to the outstanding years being factored into the LTV calculation
Property Exclusions	Loans will not be considered on: Commercial Properties; Freehold flats/maisonettes; Some properties of concrete construction; Properties of 100% timber construction; Park Homes; Properties deemed defective under the Housing Defects Act 1984 and Housing Act 1985; Properties agricultural restrictions; Leasehold properties with less than 40 years remaining at the end of the mortgage term (5 floors)
	Non standard construction properties to be referred e.g. Wimpey No Fines, Laing Easiform, etc.

Regulated Loans
All loans will be regulated by the Consumer Credit Act
Early repayment charge - one month interest + one month deferred

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Underwriting Policy

- Due to their individual nature, all applications are subjectively underwritten and therefore this policy will not cover every possible scenario.
- On occasion and at their discretion, a risk underwriter may request further information to support an underwriting decision.
- This policy should be read in conjunction with the current product guide and rate card.

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1 - The Loan

1.1 Loan Size

Minimum Loan - £7,500
Maximum Loan - £50,000

The loan size is dependant on the plan as outlined in the current product matrix.

1.2 Loan Term

Minimum term – 5 years
Maximum term - 30 years

The term is dependant on the plan as outlined in the current product matrix.

1.3 Method of Repayment

All loans are written on a capital and interest repayment basis.

Repayments must be made by Direct Debit.

1.4 Loan Purpose

The loan purpose must be clearly stated on the borrowers application form.

If the customer is clearing arrears with their current mortgagee, the application form must state this.

If the loan is for business purposes all parties must seek independent legal advice using a Link Independent Legal Advice Certificate.

1.5 Fees

The fee negotiated between broker and borrower, and forms part of the gross loan. This fee can represent up to 12.5% of the borrowers cash advance.
MAX £3,000
A lender completion fee of £595 is added to each loan.

All fees are included in the LTV calculation.

2 - The Applicant

2.1 Age at Application

Minimum age – 21 years
Maximum age – 80 years

All applicants 70 years old or over must complete a Link Independent Legal Advice Certificate.

When lending into retirement, we will require details of how the applicants intends to service their repayments.

2.2 Waiver/Consent

Married applicants must apply in both names and jointly charge their interest regardless of the property being registered in a sole name.

A Waiver/Consent form will be required to be signed by any other person residing at the property aged 17 and over.

Where the occupier is aged 70 years old or more, the Waiver/Consent form must be witnessed by a solicitor.

2.3 Period of Residency

The applicants must have been in occupation of the property being offered as security for at least 6 months.

Refer to the current product matrix for possible LTV restrictions.

2.4 Proof of Residency and ID

24 months proof of residency is required for all applicants and is usually proven by the voters roll.

Proof of residency by way of utility bills will be required for each year that voters roll confirmation is unavailable.

All applications must include proof of ID for each applicant in accordance with Money Laundering regulations.

The following are acceptable as proof of ID:

i) Valid Passport
ii) Valid Driving License

Where the applicant(s) are unable to provide the above as proof of ID, the case should be referred to Link Lending for alternative options.

2.5 Foreign Nationals

Applications from Foreign Nationals are accepted in the following circumstances:

i) If the applicant(s) are from the EU they will have to prove their status as a UK tax payer and prove residency for 24 months.
ii) If the applicant(s) are not from the EU we will require sight of their passport confirming their indefinite right to reside in the UK and prove residency for 24 months.

2.6 Security Phone Call

In addition to the documentary KYC requirements, we will make contact with each applicant upon receipt of the fully packaged loan application.

Home, work and mobile telephone numbers will be required for each applicant.

2.7 Guarantors

We do not accept guarantors.

3 - Employment

3.1 Income Calculation

The applicant(s) affordability is based on their gross monthly salary.

Total monthly repayments of the existing first mortgage, our secured loan and any unsecured credit which is not being repaid from the loan advance must not exceed:

i) 40% if the applicant(s) income is less than £25,000.
ii) 45% if the applicant(s) income is greater than £25,000.

3.2 Employed Applicants

The minimum annual income for the main applicant is £12,500, with no minimum income for a joint borrower.

Applicants must have been employed for a minimum 3 months, and provide a contract of employment if they have been employed for under 6 months.

Where the principle applicants income is pension(s), the total must equal the minimum income requirement.

The following incomes are accepted:

i) Pensions – both private and state
ii) Part time income, including regular overtime and bonus payments.
iii) Long term disability living allowance
iv) Working families and child tax credit(s) backed up by the latest annual entitlement booklet.

Maintenance, DSS and child benefit payments are not acceptable.
NOT FOSTER CHILD INCOME -
Income can be verified with the latest 2 monthly or three weekly computerised payslips. P60's or an employers reference will be required if payslips are hand written.

3.3 Self Employed Applicants

A self-declaration of income is required in all cases.

Proof of self employment must be in the form of either:

i) 2 months business bank statements.

ii) Recent Inland Revenue statement of account.
iii) A certificate completed by a qualified accountant – IN Yellow Pages

An accountants certificate will be required on all loans with an LTV exceeding 55%.

3.4 Mixed Employment

Where applicant(s) derive income from both employed and self-employed sources, the application will be subject to self-employed plan restrictions.

4 - Credit Profile

4.1 Credit Search

All applicants will be subject to a credit search, carried out on their current and previous addresses. This search will contain the payment profile of any existing credit transaction, together with any adverse information.

The search must be current, defined as within a calendar month of our receiving the packaged loan application.

Where the ability to repay our loan facility is dependent on credit transactions being cleared, we may require their repayment from the loan advance.

When this is the case, current settlement figures must be detailed on our debt consolidation form.

4.2 Adverse Credit

Explanations will be required for all county court judgments and registered defaults with a value of £300 or more which will individually be assessed as 1 unit when determining the appropriate plan.

Applicants with registered bankruptcies or individual voluntary arrangements will only be considered when satisfied or completed for over 3 years. Plan restrictions will apply.

5 - Existing Mortgagees

5.1 First Mortgage

12 months mortgage history from a CML lender will be required in all instances. This will also be required for another other secured borrowing.

Applicants must have maintained a mortgage with their current lender for a minimum of 6 months.

Where mortgage information is not available from the credit search, reference bypass will be permitted up to a maximum LTV of 70%.

Reference bypass must include a current mortgage statement confirming the balance outstanding, and be accompanied by proof of all subsequent payments to date.

Alternatively a building society questionnaire must be obtained.

If the land registry search indicates that the first charge may be a flexible mortgage, a building society questionnaire will be required in all cases confirming the total liability and a Limit of Lending obtained in favour of Link Lending Ltd.

5.2 Mortgage Arrears

Mortgage arrears are defined as the highest level of whole missed payments in the previous 12 months for all exiting mortgages.

For example. 001001000100 = 1 month

Mortgage arrears must be detailed on the application and debt consolidation forms, and will be cleared from the proceeds of the loan. An explanation of the arrears will be required.

If one of the last two repayments have been missed, the application would normally be declined but is subject to referral.

5.3 Consent

Where the first mortgage has an all monies charge or has registered a restriction at the Land Registry we will require unconditional consent in the name of Link Lending Limited.

Where the first mortgagee requires us to enter into a deed of priority prior to their granting consent, this should be submitted to us for approval.

6 - The Property

6.1 Security

Applications are considered for most types of owner occupied residential property in the UK.

We may choose to decline properties of unusual construction of usage, and restrict the maximum LTV on the advice of additional specialist reports.

6.2 Tenure

Property must be freehold or leasehold with at least 40 years remaining at the end of the term of the proposed loan.

Where the title is unregistered a copy of the last conveyance must be submitted.

6.3 Unacceptable Security

i) Shared ownership
ii) Freehold flats or 'flying freehold'
ii) High rise flats (over 5 floors)
iv) Possessory title
v) Agricultural restrictions
vi) Commercial and Semi-commercial property

6.4 Property Insurance

Proof that the security has current buildings insurances is required in all cases.

A copy of the current policy must be submitted with the packaged application, and be accompanied by a Link Authority to Buildings Insurance Form.

7- Valuations

7.1 Automated Valuation Models

A Hometrack Realtime valuation report will be acceptable at any LTV providing the confidence score is 4 or more.

AVM's are not acceptable where the security is ex-local authority or does not have a house number.

7.2 Drive By Valuations

Drive by Valuations are acceptable when confirmed by an AVM with a confidence score of 3.

7.3 Full Internal Valuations

Acceptable on all plans, and mandatory on ex-local authority property.

For details of our current panel please refer to our website. FISA Panel currently.

7.4 Local Authority Discount

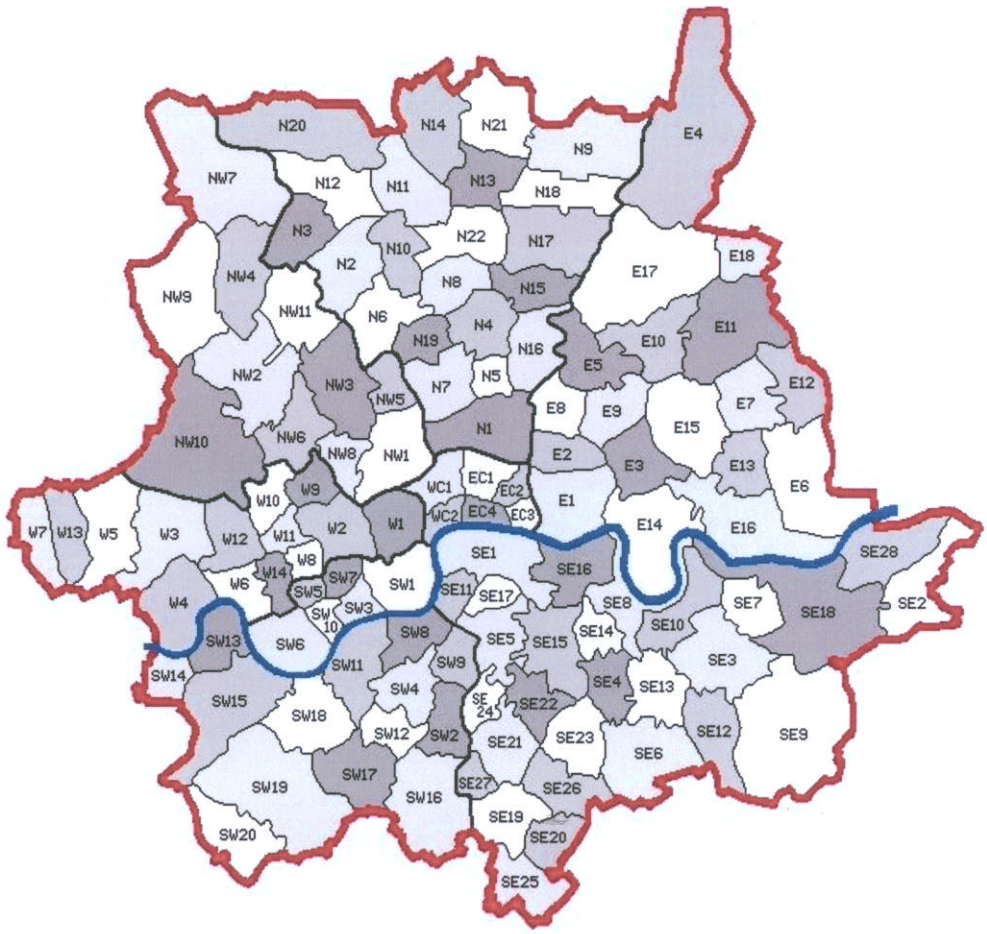
Properties purchased under a right to buy scheme are considered. The outstanding pre-emption element will be factored in to the LTV calculation.

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