



Commercial Mortgage Criteria Guide

May 2025

For Intermediaries Only

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The Borrower

Maximum Applicants	Up to 4 applicants are acceptable for both Company and Individual applications
Minimum Age	21 years old (18 years old is acceptable as a secondary applicant) ILA will be required for all applicants under 21 years old
Maximum Age	85 years old (95 years old is acceptable as a secondary applicant) ILA will be required for all applicants over the age of 70 years old
Owner Occupier	No
First Time Investor	Yes
Minimum Income	£15,000 p.a.

Credit Score:	MT Finance will consider the credit score as part of the manual underwriting process, generally requiring applicants to have a score of Average or above
CCJs/Defaults:	No CCJs or Defaults (unsatisfied or satisfied) to exceed £5,000 in the last 36 months
Secured Arrears:	No more than a status 2 in the last 24 months, and a status 3 in the last 36 months
Unsecured Arrears:	Not counted
Debt Management Plans:	None registered in the last 36 months
Bankruptcy, Repossession, IVAs and Administration Orders:	None registered in the last 72 months



Limited Company/LLP:

The Limited Company or LLP must be registered in England and Wales before Offer and can be set up as a Special Purpose Vehicle (“SPV”), or a Trading Company.

- Where the loan is to a company and has a LTV greater than 50%, an interest only term of greater than 10 years, is to first time investors or the underlying asset is in leisure/ lodging/hospitality, MTF will require guarantees from all directors on a joint and several liability’ basis.
- Limited Company guarantors must include all Directors, and all Shareholders with > 25% controlling interest. Limited Company guarantors must hold an aggregate of at least 60% of the controlling interest. Guarantors to provide personal guarantees on a ‘joint and several liability’ basis
- LLP guarantors must include all designated members/general partners and those members with management rights as detailed in the LLP Agreement. LLP guarantors must own 100% of the Company

MT Finance’s adverse credit rules apply to the Company applicant and all Guarantors.

Residential Status:

All applicants must be a resident in the UK for the last 3 years (excludes expats). All applicants must have permanent rights to remain in the UK.

Portfolio Landlords:

- A Portfolio Schedule must be provided in all cases

MT Finance has no limit on the number of loans property investors hold with other lenders.

Expatriate:

- Maximum 75% LTV
- UK citizens only
- Residency in EEA or FATF member countries
- Holding a UK bank account
- Having an active credit footprint in the UK
- Minimum income requirement £15,000 sterling p.a. or equivalent



The Loan

Legal Charge	MT Finance require a First Legal Charge over the security property
Minimum Term	5 Years
Maximum Term	30 Years
Minimum Loan Amount	£100,000
Maximum Loan Amount	£2,500,000
Purchases	The loan amount will be based upon the lower of purchase price or current valuation

Re-Mortgages:

We will consider £ for £ re-mortgages and capital raising for any legal purpose other than:

- Consolidation of debts that have not been maintained satisfactorily (incl. any form of arrears including, but not limited to: Ground Rent, Service Charges, Secured Lending and Unsecured Lending)
- Re-mortgages where the property has been purchased within the last 6 months
- Tax liabilities - Inheritance Tax or Capital Gains Tax may be considered where the proposal does not suggest a position of financial stress for the borrower

Deposit:

Funds from lawful proceeds are acceptable to MT Finance including:

- Savings
- Investments
- Pension
- Inheritance
- Sale or re-mortgage of property
- Dividends
- Family gifted deposits are acceptable from immediate family members (including step in-law relations)
- Builder's Deposit - A maximum of 5% is acceptable provided there is no charge of interest

Deposit from Directors Loan/Partners Loan/Shareholder Equity or Inter-Company Loan can be considered.

Repayment Type:

MT Finance will accept capital and repayment, and interest-only repayment strategies.



The Loan

Affordability:

	2 Year Fixed	5 Year Fixed
ICR	125%	125%

Interest Calculation Rate

2 year fixed rate - Affordability calculated on the greater of payrate + 2 or 100% at BOE plus 5%

5 year fixed rate - Affordability calculated on payrate

ICR is based upon the lease in place or the valuers current market rent - whichever is lower

Maximum Loan and LTV		
Property Type	Up to £	Maximum LTV
Standard	£2,500,000	75% LTV
Specialist	£2,500,000	70% LTV

Total Obligor Exposure	
Up to £7,500,000	75% LTV

The Property

Location	England and Wales only
Tenure	Freehold and leasehold property
Minimum Lease	At least 99 years at application (We will consider applications below this where the client's solicitor confirms a simultaneous extension either prior to or at completion.)
Listed Property	Grade II acceptable, Grade I or II* are unacceptable
Value basis	180 day OMV



Property Description driven by the nature of the business / the lease:

Standard - reflecting a good lending appetite	Specialist - reflecting a limited appetite	No appetite
<ul style="list-style-type: none"> Automotive - Activities related to the automotive industry, such as car dealerships, service centers, or roadside infrastructure including Petrol Stations. Care Homes - A property, or a collection of properties, that operates as a business, providing accommodation and care for elderly or disabled individuals. Children's Day Nurseries - A property used for childcare services, specifically day nurseries Data Centers - A physical building or facility, or a dedicated space within a building, that houses the IT infrastructure. Garden Centers - A retail property that sells plants and gardening supplies General Industrial - Property used for / Business' that carry out industrial processes that don't fall under other specific industrial classes (B3-B7), excluding incineration, chemical treatment, or landfill/hazardous waste activities. Healthcare - Properties or business practices such as hospitals, clinics, pharmacies or care facilities, that is primarily used for providing healthcare services Hotels, Guest Houses, B&Bs and Hostels Logistics / Distribution Office Space - A building used primarily for business, professional, or administrative purposes Retail - Property used for selling goods or services directly to consumers, like shops, shopping centers, and standalone stores. Storage or Distribution - A location used for storing or distributing goods, including warehouses, distribution centers, and open-air storage facilities Student accommodation - Purpose-Built property designed and built specifically for students, often with communal facilities Take aways - Where a business operates as a takeaway, meaning it sells food and beverages to be consumed off-site. 	<ul style="list-style-type: none"> Car Parks - Building that is specifically designed and used for parking vehicles, with the primary purpose of generating revenue through parking fees Education - A property used for, or a business engaging in educational purposes that is operated as a school, college, or university etc. Energy - Properties or infrastructure used for the generation, transmission, distribution, or storage of energy. Leisure - Entertainment purposes, such as a cinema, gym, sports facility, restaurant, Pub, Bar, Café or Nightclub. Science & Technology - A property, designed and developed to house businesses involved in science, technology, engineering, and related fields, offering specialized facilities like labs, offices, and manufacturing spaces. Sports Venues - A location, like a stadium or arena, that is used for sporting events and has commercial value. Utilities - Property where various utility services, such as electricity, gas, water, and telecommunications, are connected and managed 	<ul style="list-style-type: none"> Forestry - Land that is managed for the purpose of growing and harvesting timber and other forest products. Caravan Parks - land, often with amenities, where people can park and stay in caravans, tents, or other similar accommodations. Marinas - A facility for mooring leisure craft, often with fixed wharves, jetties, or pontoon arrangements, and can also include amenities like boat repair shops, fuel pumps, and restaurants, functioning as a full-service, boat-related business

New Builds:

All new build properties or properties less than 10 years old must have an acceptable New Build Warranty stated in the UK Finance Handbook or Professional Consultants Certificate.

Acceptable Security:

MT Finance will only consider property types where the valuer confirms the property is suitable security for mortgage purposes subject to it meeting the property criteria and is not on our Unacceptable Property List.

Acceptable Construction Types:

MT Finance can consider any construction/roof types where the valuer confirms the property is suitable security for mortgage purposes subject to it meeting the property criteria and is not on our Unacceptable Property/Construction List. MT Finance considers a property to be of standard construction if it is built of stone, concrete block and/or brick with either solid or cavity walls that consist of an inner and outer skin. The outer skin will usually be of stone, brick or block. The roof will be of slate, tile, thatch or felt.

- Modern Methods of Construction are acceptable (subject to valuers comments)
- Timber-framed construction is only acceptable with an external brick skin or where BOPAS-approved
- Flat roofs are acceptable. 100% flat roofs are only acceptable if a modern method is used, or the security property is a block of flats (subject to valuers comments)

Unacceptable Construction:

- Prefabricated reinforced concrete construction (PRC) refer if works undertaken, valuers positive comments and guarantee in place
- Concrete block construction designated Mundic
- Mundic block materials
- Properties of High Alumina Cement
- Properties of 100% timber construction
- Any property designated defective under the Housing Act
- Properties under 10 years' old without an acceptable structural defects warranty
- Wimpey No Fines if the property is a flat
- Flats of Large Panel System (LPS) construction

Meet your BDM



David Kingham

BDM for London & South East

David started as an NBE in 2019 and progressing to senior underwriter for regulated bridging, his expertise allowed him to smoothly transition into business development, where he excels in navigating complex markets and providing innovative solutions.



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Joe Grace

Senior BDM for London & South East

Joe originally joined us in 2019 as a New Business Executive, meaning he has an in-depth knowledge of our operations and process. His ability to forge strong relationships make him a natural BDM for our brokers in London.



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Richard Sherman

Senior BDM for South West & South Wales

Richard joined us in 2018 and has over 10 years' experience in the industry. Having joined from a mortgage broker, he's uniquely placed to understand how our brokers in South West England and South Wales truly operate and how best to support them.



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Chris Parr

Senior BDM for Midlands & North

Chris Parr has over 17 years experience in the industry. Since joining the team in 2020, he has used his vast knowledge to support our introducing brokers in the Midlands, Northern England and North Wales.



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