



For intermediary use only

Additional Information on Acceptable Repayment Strategies & Evidence Requirements

Provided below are the repayment strategies accepted by the Bank, the lending criteria and the supporting information required to be submitted with the application forms.

Please visit www.clydesdalebankintermediaries.co.uk for full interest only lending criteria.

Repayment Strategy	Lending Criteria – Summary	Lending Criteria – in Detail	Supporting Information
Cash savings & investments	<ul style="list-style-type: none"> Defined as any saving and investment solution which is not an endowment, pension or a share portfolio 	<ul style="list-style-type: none"> Onshore savings/investments denominated in sterling only Held with a recognised financial services provider, e.g. bank, building society, friendly society, national savings Provider issues written confirmation of savings held, e.g. regular statement, on-line account, savings book Savings/investments must have been in place for at least 12 months Must only be in the name(s) of the mortgage applicants (i.e. no additional parties). 	<ul style="list-style-type: none"> A copy of the last statement or equivalent can be provided.
	<ul style="list-style-type: none"> Regular savings / investments – monthly contribution 	<ul style="list-style-type: none"> Balance + (regular savings * term) = Interest Only Mortgage available For monthly contribution regular savings or investments the lowest monthly amount during the last 12 months must be used in the calculation. 	<ul style="list-style-type: none"> Evidence of regular and on-going contributions which have been in place for at least 12 months (e.g. savings book or current account statements).
	<ul style="list-style-type: none"> Regular savings / investments – not a monthly contribution 	<ul style="list-style-type: none"> Balance + (regular savings * term) = Interest Only Mortgage available Regular pattern to core contributions must be evident (e.g. quarterly or annually). Additional amounts on an ad-hoc basis should not be included in the calculation for the interest only mortgage available At least 2 contributions must have been made for annual savings/investments. 	<ul style="list-style-type: none"> Evidence of regular on-going contributions. Evidence that savings / investment has been in force for at least 12 months.
	<ul style="list-style-type: none"> Existing cash savings / investments (no regular contributions). 	<ul style="list-style-type: none"> Balance must equal or exceed interest only mortgage required. 	<ul style="list-style-type: none"> Evidence of current balance Evidence that savings / investment has been in force for at least 12 months.
Endowment Policy	<ul style="list-style-type: none"> Based on 100% of mid-point projected valuation from the last statement. 	<ul style="list-style-type: none"> Annual endowment statements include 3 estimated maturity values, based on 3 growth assumptions The mid-point maturity valuation must equal or exceed the mortgage required On-going contributions fully up to date Endowment must have been in place for at least 12 months. 	<ul style="list-style-type: none"> A copy of the last statement showing projected maturity value Evidence of all regular contributions during the last 12 months.
Pension Commencement Lump Sum	<ul style="list-style-type: none"> Based on 25% of mid-point projected valuation from the last statement The mortgage term matches the retirement date. 	<ul style="list-style-type: none"> For personal pensions / defined contribution pension schemes typically have annual statements which include 3 estimated maturity values, based on 3 growth assumptions 25% of the mid-point maturity valuation must equal or exceed the mortgage required On-going contributions fully up to date (where still contributing) Pension must have been in place for at least 12 months. 	<ul style="list-style-type: none"> A copy of the last statement showing projected maturity value and retirement date.
	<ul style="list-style-type: none"> Defined benefit schemes 	<ul style="list-style-type: none"> Equivalent documentation from the scheme must be obtained by the applicant to show 25% of projected value at retirement Pension must have been in place for at least 12 months. 	<ul style="list-style-type: none"> Statement from scheme showing projected value at retirement.

Repayment Strategy	Lending Criteria – Summary	Lending Criteria – in Detail	Supporting Information
Sale of share portfolio	<ul style="list-style-type: none"> The current value must equal the loan amount at time of the mortgage application. 	<ul style="list-style-type: none"> FTSE 100 only Portfolio must contain shares in at least 3 different companies Shares must have been held for at least 12 months. 	<ul style="list-style-type: none"> Copy of share certificate or share account statement Statement showing current value Print of current share price (provided by customer) from recognised source (e.g. London Stock Exchange website).
Downsizing from the property to be purchased	<ul style="list-style-type: none"> The equity at application plus any mortgage amount on capital & interest must be at least £300,000. 	<ul style="list-style-type: none"> Applicants downsizing strategy should be plausible (e.g. moving from 4 bed detached to 2 bed bungalow within area) If intending to move to a cheaper area further detail should be provided. 	<ul style="list-style-type: none"> Written confirmation of the applicant's strategy.
Sale of another property or land	<ul style="list-style-type: none"> The current value of the equity in the property must equal the loan amount at time of the mortgage application No other parties named on the property. 	<ul style="list-style-type: none"> Customer estimate of current value of the property The equity should be based upon the last statement. 	<ul style="list-style-type: none"> If the property is mortgaged to another lender, please provide a copy of your last mortgage statement.
	<ul style="list-style-type: none"> Unencumbered property. 	<ul style="list-style-type: none"> Customer estimate of current value of the property Land Registry search to prove ownership. 	<ul style="list-style-type: none"> Results from a Land Registry search within last 90 days showing ownership.
	<ul style="list-style-type: none"> Sale of land. 	<ul style="list-style-type: none"> Land must always be supported with a professional valuation (obtained within the last 6 months). 	<ul style="list-style-type: none"> Copy of land valuation.

A combination of repayment strategies can be considered.

Unacceptable repayment strategies.

We will consider alternative repayment strategies to those listed above on a case by case basis. However, we are unable to accept the following as repayment strategies:

- Sale of the property (except for downsizing)
- Converting to a Capital & Interest Mortgage in future
- Regular or irregular overpayments into the mortgage
- Irregular payments into a linked offset savings or current account
- Any strategy that relies upon increasing house prices
- Inheritance
- Any repayment strategy that has been in place for less than 12 months (except for downsizing).
- Sale of a business or a share in a business (apart from withdrawal of capital account balance at retirement by an equity partner in a solicitors or accountancy practice – equity partner cases should all be referred to us for assessment of the repayment strategy).

Please visit www.clydesdalebankintermediaries.co.uk for full interest only lending criteria.

Clydesdale Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register No. 121873.

Clydesdale Bank PLC. Registered in Scotland (No.SC001111). Registered Office: 30 St. Vincent Place, Glasgow G1 2HL.

DU611 (12/16)