

Product Guide

Core Range September 2005

Range Highlights include:

- Rates from 4.33% - rate cuts across the range.
- 2% discount for 1 year from date of completion across entire range.
- 3 year stepped discount with no extended tie in.*
- New flexible 'either or' option on our Unlimited range.
- No remortgage loading up to 80% LTV.
- RTB loading cut substantially across the range.
- RTB and BTL now available on Near Prime with rates from 4.83%.
- New 65% LTV band.

*Subject to 1 month's written notice

we are
Preferred
the specialist mortgage people

CCJS

Up to £500 per applicant in the last 12 months, must be satisfied at application.
 Unlimited if registered over 2 years ago - do not need to be satisfied at application.
 Unlimited if registered over 1 year ago - must be satisfied at application

ARREARS

Unlimited, none in the last 12 months, cleared or not

BANKRUPTCY

Not accepted

IVA

Not accepted

Purchase

Standard Verified
 Standard Self Certification

Maximum LTV					
Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%	Up to 95%
Product Variables			(Rate = LIBOR +)		
1.75%	1.95%	2.10%	2.35%	2.95%	3.35%
2.00%	2.20%	2.35%	2.85%	3.45%	Not Available

Remortgage

Standard Verified
 Standard Self Certification

Maximum LTV					
Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%	Up to 95%
1.75%	1.95%	2.10%	2.60%	3.20%	Not Available
2.00%	2.20%	2.35%	3.10%	3.70%	Not Available

Right to Buy

Verified
 Self Certification
 (*only available up to 70% LTV)

Maximum LTV					
Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%	Up to 95%
2.25%	2.45%	2.60%	2.85%	Not Available	Not Available
2.50%	2.70%	2.85%	3.35%	Not Available	Not Available

Buy to Let

Purchase
 Remortgage

Maximum LTV					
Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%	Up to 95%
2.25%	2.45%	2.60%	3.10%	Not Available	Not Available
2.25%	2.45%	2.60%	3.35%	Not Available	Not Available

Additional loading for mortgages over £500K
Reduced loading for either CCJS or Arrears

0.50%	0.50%	0.50%	Not Available	Not Available	Not Available
Not Available	Not Available	Not Available	Not Available	Not Available	Not Available

1 Year Discount

1 Yr Discount from the completion date

DISCOUNTS					
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
 Yr 2 of 3 Yr Discount from the completion date
 Yr 3 of 3 Yr Discount from the completion date

DISCOUNTS					
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

Extra Light

CCJS

Up to £1,000 per applicant

ARREARS

Up to 1 month in the last 12 months, can be outstanding at application, none in the last 6 months

BANKRUPTCY

Discharged 18 months ago

IVA

Satisfied 12 months ago

Purchase

Standard Verified
Standard Self Certification

Remortgage

Standard Verified
Standard Self Certification

Right to Buy

Verified
Self Certification
(*only available up to 70% LTV)

Buy to Let

Purchase
Remortgage

Additional loading for mortgages over £500K

Reduced loading for either CCJS or Arrears

1 Year Discount

1 Yr Discount from the completion date

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
Yr 2 of 3 Yr Discount from the completion date
Yr 3 of 3 Yr Discount from the completion date

Maximum LTV

Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%
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Product Variables (Rate = LIBOR +)

1.85%	2.10%	2.25%	2.65%	3.25%
2.10%	2.35%	2.50%	3.15%	3.75%

1.85%	2.10%	2.25%	2.90%	3.50%
2.10%	2.35%	2.50%	3.40%	4.00%

2.35%	2.60%	2.75%	3.15%	Not Available
2.60%	2.85%	3.00%	3.65%	Not Available

2.35%	2.60%	2.75%	3.40%	Not Available
2.35%	2.60%	2.75%	3.65%	Not Available

0.50%	0.50%	0.50%	Not Available	Not Available
Not Available	Not Available	Not Available	Not Available	Not Available

DISCOUNTS

2.00%	2.00%	2.00%	2.00%	2.00%
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1.50%	1.50%	1.50%	1.50%	1.50%
0.75%	0.75%	0.75%	0.75%	0.75%
0.25%	0.25%	0.25%	0.25%	0.25%

Light

CCJS

Up to £4,000 per applicant

ARREARS

Up to 2 months in the last 12 months, can be outstanding at application, none in the last 3 months

BANKRUPTCY

Discharged 12 months ago

IVA

Satisfied 6 months ago

Purchase

Standard Verified
Standard Self Certification

Remortgage

Standard Verified
Standard Self Certification

Right to Buy

Verified
Self Certification
(*only available up to 70% LTV)

Buy to Let

Purchase
Remortgage

Additional loading for mortgages over £500K

Reduced loading for either CCJS or Arrears

1 Year Discount

1 Yr Discount from the completion date

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
Yr 2 of 3 Yr Discount from the completion date
Yr 3 of 3 Yr Discount from the completion date

Maximum LTV				
Up to 65%	Up to 75%	Up to 80%	Up to 85%	Up to 90%
Product Variables (Rate = LIBOR +)				
2.00%	2.35%	2.60%	3.00%	3.45%
2.25%	2.60%	2.85%	3.50%	3.95%

2.00%	2.35%	2.60%	3.25%	3.70%
2.25%	2.60%	2.85%	3.75%	4.20%

2.50%	2.85%	3.10%	3.50%	Not Available
2.75%	3.10%	3.35%	Not Available	Not Available

2.50%	2.85%	3.10%	3.75%	Not Available
2.50%	2.85%	3.10%	4.00%	Not Available

0.50%	0.50%	0.50%	Not Available	Not Available
Not Available	Not Available	Not Available	Not Available	Not Available

DISCOUNTS				
2.00%	2.00%	2.00%	2.00%	2.00%

1.50%	1.50%	1.50%	1.50%	1.50%
0.75%	0.75%	0.75%	0.75%	0.75%
0.25%	0.25%	0.25%	0.25%	0.25%

Mid

CCJS

Up to £10,000 per applicant

ARREARS

Up to 4 months in the last 12 months, can be outstanding at application, 1 in the last 3 months. Proof of the last 6 months contractual mortgage payments required if current lender is a sub prime lender (mortgage statement accepted)

BANKRUPTCY

Discharged 6 months ago

IVA

Well conducted for 12 months

Purchase

Standard Verified
Standard Self Certification

Remortgage

Standard Verified
Standard Self Certification

Right to Buy

Verified
Self Certification
(*only available up to 70% LTV)

Buy to Let

Purchase
Remortgage

Additional loading for mortgages over £500K

Reduced loading for either CCJS or Arrears

1 Year Discount

1 Yr Discount from the completion date

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
Yr 2 of 3 Yr Discount from the completion date
Yr 3 of 3 Yr Discount from the completion date

Maximum LTV

Up to 65%	Up to 75%	Up to 80%	Up to 85%
-----------	-----------	-----------	-----------

Product Variables (Rate = LIBOR +)

2.50%	2.85%	3.10%	3.50%
2.75%	3.10%	3.35%	4.00%

2.50%	2.85%	3.10%	3.75%
2.75%	3.10%	3.35%	4.25%

3.00%	3.35%	3.60%	Not Available
3.25%	3.60%	3.85%	Not Available

3.00%	3.35%	3.60%	Not Available
3.00%	3.35%	3.60%	Not Available

0.50%	0.50%	0.50%	Not Available
Not Available	Not Available	Not Available	Not Available

DISCOUNTS

2.00%	2.00%	2.00%	2.00%
-------	-------	-------	-------

1.50%	1.50%	1.50%	1.50%
0.75%	0.75%	0.75%	0.75%
0.25%	0.25%	0.25%	0.25%

Unlimited

CCJS

Unlimited

ARREARS

Unlimited, proof of the last 6 months contractual mortgage payments required if current lender is a sub prime lender (mortgage statement accepted)

BANKRUPTCY

Discharged

IVA

Well conducted for 6 months

Purchase

Standard Verified
Standard Self Certification

Remortgage

Standard Verified
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Right to Buy

Verified
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(*only available up to 70% LTV)

Buy to Let

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Additional loading for mortgages over £500K

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1 Year Discount

1 Yr Discount from the completion date

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
Yr 2 of 3 Yr Discount from the completion date
Yr 3 of 3 Yr Discount from the completion date

Maximum LTV			
Up to 65%	Up to 75%	Up to 80%	Up to 85%
Product Variables		(Rate = LIBOR +)	
3.00%	3.35%	3.85%	4.45%
3.25%	3.60%	4.35%	Not Available

3.00%	3.35%	3.85%	Not Available
3.25%	3.60%	4.35%	Not Available

3.50%	3.85%	Not Available	Not Available
3.75%	4.10%*	Not Available	Not Available

3.50%	3.85%	4.35%	Not Available
3.50%	3.85%	4.35%	Not Available

0.50%	0.50%	0.50%	Not Available
-0.25%	-0.25%	-0.50%	-0.50%

DISCOUNTS			
2.00%	2.00%	2.00%	2.00%

1.50%	1.50%	1.50%	1.50%
0.75%	0.75%	0.75%	0.75%
0.25%	0.25%	0.25%	0.25%

we are Flexible

Further highlights include:

Near Prime

- Now available up to 95% LTV
- Maximum loan now up to £1 million

Right to Buy

- Maximum loan now up to £1 million
- Pre-emption period reduced to 6 months
- Available up to 85% LTV

Buy to Let

- Maximum loan now up to £1 million
- Available up to 85% LTV

Additional Features

- Increased debt income ratio to 53%
- Only 1 payslip required accompanying Employer's reference or P60
- Maximum loan at 80% LTV increased to £750,000

For further information on the above products call or visit our website at

www.preferredmortgages.com

Call
0800 458 4002

website: www.preferredmortgages.com

email: info@preferredmortgages.com

CCJS

ARREARS

BANKRUPTCY

IVA

Purchase

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Standard Verified
Standard Self Certification

Right to Buy

Verified
Self Certification
(*only available up to 70% LTV)

Buy to Let

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Additional loading for mortgages over £500K

Reduced loading for either CCJS or Arrears

1 Year Discount

1 Yr Discount from the completion date

3 Year Stepped Discount

Yr 1 of 3 Yr Discount from the completion date
Yr 2 of 3 Yr Discount from the completion date
Yr 3 of 3 Yr Discount from the completion date

All details above correct at time of going to print. Their availability, rates and features may vary. Please contact Preferred on 0800 458 4002 or visit our website www.preferredmortgages.com for the latest product details.

Fees

Completion Fee:

£495 (Can be added up to 95% LTV).

Higher Lending Charge:

75.01% - 80% = 5%

80.01% - 85% = 5.5%

85.01% - 90% = 6%

All cases charged from 75% LTV. Can be added up to 95% LTV.

Income Criteria

Income Multiples:

3.75 + 1 or 3.25 x joint income.

Minimum Income:

£10,000 per annum.

Housing Benefit:

None in the last 6 months (unless verified Right to Buy).

Minimum Employment Period

Verified Employed:

Satisfactory completion of probationary period.

Self Certification Employed:

Employed with current employer for 3 months or more.

Minimum 12 months employment history.

Verified Self Employed:

Minimum 12 months self employment history.

Self Certification Self Employed:

Minimum 6 months self employment history.

General Information

Repayment Method:

Capital & Interest.

Interest Only.

Part & Part, payment by Direct Debit only.

Minimum - Maximum Age:

Minimum - 18 years.

Maximum - No upper limit.

(Self Certification: no older than 75 years at the end of the mortgage term).

Repayment Period:

5 - 35 years (subject to above limits).

Early Repayment Charge

3 Year Stepped Discount:

6% / 6% / 5% of the outstanding mortgage balance in the 1st 3 years.

Thereafter 1% or 1 month's written notice.

1 Year Discount:

Extra Light, Light, Mid, Unlimited

6% / 5% / 4% of the outstanding mortgage balance in the 1st 3 years.

Thereafter 1% or 1 month's written notice.

Near Prime

5% / 4% / 3% of the outstanding mortgage balance in the 1st 3 years.

Thereafter 1% or 1 month's written notice.

Non-Discounted:

5% / 4% / 3% of the outstanding mortgage balance in the 1st 3 years.

Thereafter 1% or 1 month's written notice.

Minimum Mortgages

Near Prime £30,000

Extra Light £25,000

Light, Mid, Unlimited £10,000

Minimum Valuation

Near Prime, Unlimited: £40,000

Extra Light, Light, Mid: £30,000

Maximum Mortgages

LTV Banding	Verified	Self Cert
Up to 65%	£1,000,000	£500,000
Up to 75%	£1,000,000	£500,000
Up to 80%	£750,000	£500,000
Up to 85%	£500,000	£500,000
Up to 90%	£350,000	£350,000
Up to 95%	£250,000	£250,000

Adverse Credit

Rent/Mortgage Arrears:

Only counted in the last 12 months prior to application.

Explanations are not normally required.

Where Possessions Order pending – only proceed under a plan allowing unlimited arrears.

CCJs:

Unsatisfied over 2 years prior to application - will be ignored.

Satisfied over 12 months prior to application - will be ignored.

CCJs do not need to be cleared at application (except for Near Prime).

Bankruptcy:

Date of discharge will determine what product can be applied for.

No advance of monies to clear Bankruptcy.

Individual Voluntary Arrangements (IVA's):

Please refer to individual product specifications.

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