

Mercantile  
Trust

---

**Non Regulated  
Bridging Loans Guide.**

V20 - 9 April 2026

# Contact details

---

**Underwriters:** 01923 280328 | 0800 032 5282 | uw@mercantiletrust.co.uk

**Head of Underwriting:** 01923 280112 | julie.meehan@mercantiletrust.co.uk

**Referrals:** 0800 032 5282 | referrals@mercantiletrust.co.uk

**Submissions:** Email cases to uw@mercantiletrust.co.uk

**Head of Sales:** 07562 209858 | nina.kainth@mercantiletrust.co.uk

**Internal BDM:** 01923 280116 | vicky.osullivan@mercantiletrust.co.uk

You can also use the **Live Chat** or the **Contact Us form** on the Mercantile Trust website

**Applications received before 3pm will be updated the same day.**

**Commission paid in 24 hours.**

**Referrals responded to within 2 hours between 8am-5pm.**

# Non Regulated Bridging Loans Guide.

- England, Scotland, Wales and Northern Ireland
- Borrow from £25,000 to £500,000 for any legal purpose (Max £150,000 in Northern Ireland)
- 1<sup>st</sup> and 2<sup>nd</sup> charges up to 75% LTV
- Serviced and rolled available
- Adverse credit accepted
- Limited company applications accepted with no rate loading and no SIC code requirement
- Business loans on residence accepted (2nd charge only)
- Equitable charges up to 70% LTV and £100k max loan
- Available on all rental properties including Holiday Lets, HMOs, MUFBs, and Student Lets
- Max 15% introducer fee (£10k max) calculated on the net loan
- Up to 5 loans per applicant - Max £1 million
- Proof of exit required
- DSS tenants welcome
- Property cross charging available for the same product
- No heavy refurbishment or development

## Our rates

Security	1st charge			2nd charge		
Status	0	1	2	0	1	2
Max LTV	75%	75%	70%	75%	75%	70%
Net loan size	25-500k	25-500k	25-250k	25-500k	25-300k	25-100k
Monthly variable rate	0.97%	0.99%	1.01%	0.99%	1.01%	1.03%
Monthly fixed term rate	0.99%	1.01%	1.03%	1.01%	1.03%	1.05%
Lender fee	3%					
Broker commission	2%					
Term	1-18 months					
Exclusions	Max 70% LTV for equitable charges with net loan of 100k Max net loan in Northern Ireland is 150k					

## Fees, costs and commission

Product	Lender Fee	Legal Fee	Processing Fee
Equitable charges	4%	£0	£499 added to lender fee
Unencumbered £100k (Net loan) and over, all purchases, remortgages, in England, Wales and Scotland	3%	on request	£0
Unencumbered under £100k (Net loan), all 2nd charges, and remortgages in England, Wales and Scotland	3%	£0	£0
2nd charges in Northern Ireland	3%	£899 added to lender fee	£0
1st charges in Northern Ireland	3%	on request	2%

### Packaged completions: £999 added to lender fee

Packaged completions are where we liaise directly with the client and third parties for you. All you need to send us is a calculator, a signed application form, and submission form. We will take care of the rest.

<p><b>Title Insurance*</b></p> <p>Title insurance will speed up our side of the legal process. Typically used for auction finance. If selected, a fee will be added to the lender fee. The client will then have to cover all legal costs.</p> <p><small>*Currently available in England, Wales and Scotland.</small></p>	<p>Loans under £300k: £699 will be added to the lender fee</p>	<p>Loans £300k and over: £999 will be added to the lender fee</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------	-------------------------------------------------------------------

- Northern Ireland solicitors are McCartan Turkington Breen
- England and Wales solicitors are Veale Wasborough Vizards or Birketts
- Scottish solicitors are Wilson McKendrick
- Field Connect available for speedy document collection on request - fee is £78
- No ERCS - just a discharge fee of £245
- A default fee of 5% of the net loan will be charged if not settled within the set term

## Applicant & affordability criteria

- Applicant age 18 years to 85 years at term end
- Nivo ID through Mercantile Trust app and full 3 year proof of UK residency required
- Unlimited BTL properties in background accepted, no stress on portfolio
- 6 months' mortgage history required - we **do not** follow Together or CHL Mortgages (If under 50% LTV, please refer)
- No minimum or maximum income £ levels (unless a first time buyer/landlord)
- First time buyer/landlord - minimum income £22,500 and max LTV 65%
- Tenants **must not** be a close family member (Parents, grandparents, siblings or children)
- Serviced Bridge affordability DSCR 125% - affordability calculator includes 1% stress rate
- Valid ASTs for BTLs plus latest bank statement to show rental income
- Rent used will be the lowest from the AST, Valuation or AVM. (Refer if you can provide market evidence) - except HMO, MUFBs, and Student Lets, where we will use the rent from AST
- BTL surplus and external income used inc. Self employed income and benefit/pension income
- Proof that 3 months' rental payments can be covered for untenanted property purchases or first charge light refurbishment
- Limited company applications - max 4 directors

## Homeowner Business Loans (Secured on the main residence)

- Broker must have credit broking permissions
- 2<sup>nd</sup> charge only
- The majority of the loan must be for business purposes - evidence will be required
- No EPC Required

## HMOs

- License or application for HMOs to be provided if required
- ASTs are required for all tenants. These can be either individual agreements or a joint AST covering all tenants
- Valuation figure must be based on the residential value
- Rent from the ASTs and bank statement will be used
- No EPC Required

## MUFBs

- If over 4 units, please refer
- All tenants will require an AST, and rent from the ASTs and bank statement will be used

## Student Lets

- ASTs are required for all tenants. These can be either individual agreements or a joint AST covering all tenants
- If the AST term is for university year the rent will be averaged over 12 months
- All tenants will require an AST, and rent from the ASTs and bank statement will be used

## Holiday Lets

- Ideally needs own residence - please refer if it doesn't
- We accept 100% of the current yearly income either from a SA302 or accounts certificate but if owned less than a year we will accept 50% of projected income from a letting agent
- Can use surplus from other properties or personal income to support the application
- No EPC Required

## No consumer buy to lets accepted

Please refer to the Unregulated BTL VS CBTL Guide

## Adverse criteria

We apply adverse credit status units as follows:

Type	Our approach
<b>Mortgage or secured loan</b> (Maximum 1 on application)	1 status unit per arrear in the last 12 months <b>We ignore:</b> Part or late payments if they've been made in the same calendar month. Any outstanding arrears prior to the last 12 months, units will be calculated according to the monthly instalment
<b>Defaults</b>	1 status unit per default (no maximum amount) <b>We ignore:</b> Sums <£300. Satisfied sums <£3,000. All over 12 months old
<b>CCJs</b>	1 status unit per CCJ (no maximum amount) <b>We ignore:</b> Sums <£300. Satisfied sums <£3,000. All over 12 months old
<b>3 down on credit cards, unsecured loans, utilities</b>	1 unit per credit card, unsecured loan or utility. <b>We ignore:</b> Sums <£300, accounts that are currently 2 or fewer payments unpaid, irrelevant of the previous account conduct
<b>Other</b>	<b>We ignore:</b> Mail order and communications (mobile phone) missed payments. Discharged bankruptcies or settled IVAs that are over 3 years old

## Property & valuation criteria

AVM's are available on all loan types (including purchases), except:

- Ex council flats worth less than 150k
- Properties >500k over 65% LTV for properties outside the M25
- Properties >750k over 65% LTV for properties inside the M25

Please refer MUFBS for an AVM.

Loan to value	Net Loan size	Type of valuation acceptable
<b>Less than or equal to 65%</b>	up to and including 200k	*Hometrack AVM with a confidence level of at least 4.0 or a **driveby/full valuation by an approved valuer
<b>Greater than 65% but less than or equal to 70%</b>	up to and including 150k	Hometrack AVM with a confidence level of at least 5.0 or a **full valuation by an approved valuer
<b>Greater than 70% but less than or equal to 75%</b>	up to and including 100k	Hometrack AVM with a confidence level of at least 6.0 or a **full valuation by an approved valuer

\*Hometrack AVM to be carried out by the broker, unless using the in-house packaging option.

\*\*Drive-by or full valuations must be instructed through Pure Panel Management, DM Hall, or Gateway.

- Minimum of 30 sqm in a property - Except individual rooms in HMO, MUFBS, and Student Lets
- Lower of on the market value or purchase price used for LTV
- Minimum £75k property value
- Maximum LTV for ex-council flats/maisonettes: LTV: 75% => £150k Val, 65% <£150k
- Maximum LTV for high valued properties: LTV: 75% =<£1m, 70% £1-1.5m, 65% > £1.5m
- Maximum 65% LTV on freehold flats
- Current buildings insurance policy
- EPC certificate required - Must be at least E
- Most construction types generally accepted - no holiday villages or parks
- If a flat is in a block with over 6 floors, please refer

## Common sense lending

If your case falls just outside our criteria, please call or email us to discuss case exceptions.

☎ 0800 032 5282

✉ [referrals@mercantiletrust.co.uk](mailto:referrals@mercantiletrust.co.uk)

# Mercantile Trust

---

## **SPECIALIST BRIDGING LOANS AND BUY TO LET MORTGAGES**

**Speedy lending for complex needs**

Let's discuss how we can help your client's next investment. **Speak to an expert.**

 0800 032 5282

 [www.mercantiletrust.co.uk](http://www.mercantiletrust.co.uk)

 [referrals@mercantiletrust.co.uk](mailto:referrals@mercantiletrust.co.uk)

 Live Chat

