

Lender ratings: The best in buy-to-let

Godiva has sneaked back to the top of the ratings, while others have either leapt or fallen spectacularly

By [Natalie Thomas](#) 14th March 2022 4:34 pm

Panel members

Jeni Browne, sales director, Mortgages for Business

Steve Walker, buy-to-let and residential specialist at The Buy To Let Broker

Greg Cunnington, director of lender relationships and new homes, Alexander Hall

Tony Field, sales director, Dynamo

Mark Pattanshetti, associate director, Largemortgageloans.com

David Hollingworth, associate director of communications, London & Country

Matt Tilbury, senior mortgage and protection adviser, Just Mortgages

Aaron Strutt, product and communications manager, Trinity Financial

Jonathan Clark, mortgage and protection adviser, Fairstone Wealth Management

Sebastian Murphy, head of mortgage finance, JLM Mortgage Services

The start of the year has seen a more bullish approach from buy-to-let (BTL) lenders as they compete to win business.

The ongoing challenges around affordability and the tight rental stress tests facing would-be investors mean lenders must be more inventive with their propositions.

Super-fast processing makes Godiva a good choice when speed is needed

So whose efforts have paid off in recent months? Our latest lender ratings survey reveals all.

Godiva Mortgages

Godiva has reclaimed the top spot from BM Solutions.

“Super-fast processing makes it a good choice when speed is needed,” says Just Mortgages senior mortgage and protection adviser Matt Tilbury.

Godiva has a simple but mighty BTL proposition

The Buy To Let Broker residential and BTL specialist Steve Walker thinks Godiva offers a “simple but mighty BTL proposition”, combined with great service.

JLM Mortgage Services head of mortgage finance Sebastian Murphy, meanwhile, welcomes the lender’s competitive rates, flexible fixed products and business development manager (BDM) support, but notes: “We hope it explores limited company BTL soon.”

NatWest Intermediary Solutions

It’s an impressive three-place climb for NatWest.

NatWest is one of the most improved BTL lenders in recent months

“A strong like-for-like proposition and cheap rates mean more of our brokers are using it for remortgages,” says Trinity Financial product and communications manager Aaron Strutt.

Alexander Hall director of lender relationships and new homes Greg Cunnington calls NatWest “one of the most improved BTL lenders in recent months”, thanks to its criteria changes. “In particular, the lower interest coverage ratio requirements on like-for-like remortgages and five-year fixes,” he adds.

Although Murphy agrees NatWest has made improvements, nevertheless he has frustrations, citing its two different calculators as confusing and “unnecessarily long-winded”.

BM Solutions

The lender has fallen two places from the top spot.

“BM will always be a big player but has perhaps been feeling the pressure from competitors,” says London & Country associate director of communications David Hollingworth. “Recent changes to stress rates and criteria on acceptable tenancies suggest it will respond.”

Slightly insane that BM doesn't offer a limited company proposition

Cunnington says BM is “always very consistent on service”, while Fairstone Wealth Management mortgage and protection adviser Jonathan Clark welcomes its easy-to-understand criteria and great rates, but adds: “Its poor retention rates continue to lose it business.”

Murphy observes: “Slightly insane it doesn't offer a limited company proposition.”

Santander

It's a rise of two places for Santander.

Cunnington says an experienced adviser remarked to him: “[Santander] is perfect. Tell it to not change a thing.”

Cunnington adds: “It has great pricing and a market-leading like-for-like remortgage stress test.”

Removing its minimum income of £25,000 would further enhance Santander's appeal

Strutt thinks the lender is gearing up for another big year by making improvements to its rental stress tests and easing some acceptance criteria, while “offering decent rates and a good service”.

Clark says: “Santander has great rates and a generous rental calculator. Removing its minimum income of £25,000 would further enhance its appeal.”

Virgin Money

Like NatWest, Virgin has gained three places.

Largemortgageloans.com associate director Mark Pattanshetti welcomes its “well-rounded proposition”, adding: “Support from the Clydesdale team means confidence is high when placing business.”

Virgin’s volume, rates and service have all been on point to deliver a solid proposition

Walker is a fan of Virgin’s top slicing, which he calls “very useful” for lower-yielding remortgages in and around London.

Hollingworth observes: “Virgin has put in a great performance, with consistency at the heart. Volume, rates and service have all been on point to deliver a solid proposition.”

Dynamo sales director Tony Field, meanwhile, praises the lender’s “great rates” but adds: “Its criteria can be restrictive.”

TMW

It’s a fall of three places for TMW this time.

“For a specialist lender it has quite a vanilla proposition,” says Walker, “[albeit this enables] very competitive rates.”

Field observes: “Remortgages with properties that have an EWS1 form are very difficult to get through due to the specific covering letter the lender requires.”

Pattanshetti praises TMW’s online system, competitive rates and streamlined underwriting. However, although cases usually go to offer quickly, BDM support can be “patchy”.

For a specialist lender, TMW has quite a vanilla proposition

Tilbury feels the lender’s processing times could be better but adds: “Good products make it attractive in spite of that.”

Paragon

The lender is a non-mover in seventh place.

“Paragon has incredible semi-exclusive products and simplicity of pricing across singles, houses in multiple occupation [HMO] and multi-unit freehold blocks, with flat fees — making the difference in true cost savings,” states Walker.

Murphy calls it a “great specialist BTL provider”, adding: “You can’t compare Paragon to, say, BM Solutions rate-wise as it is in the professional landlord space and is arguably the leader.”

Paragon’s underwriting requirements can be pedantic

However, he feels the lender can be “overly cautious” on occasions, with time to offer still on the slow side.

Pattanshetti praises Paragon’s “excellent” BDM support and HMO products, but adds: “We have had issues with processing speed, and underwriting requirements can be pedantic.”

Barclays

It’s a four-place tumble for Barclays, but opinions vary.

“It has a market-leading proposition for top slicing, but service and processes continue to be a sticking point,” says Field.

Barclays has superb affordability-backed products for the right client

Clark thinks the lender’s “surprisingly flexible” criteria should enable brokers to place more business, “as long as they’re familiar with its online system”.

But Walker finds Barclays “erratic”, with “either incredible service or a tough case”. He adds, however: “It has superb affordability-backed products for the right client.”

Precise Mortgages

Precise stays in ninth place this time, and Field observes: “Some slow turnarounds. It has good criteria, but service is very competitive in this area of the market.”

Confidence to get to offer has been mixed

Pattanshetti praises the lender's competitive limited company products and good cascading system for credit-impaired cases, but adds: "Cases can be let down by pedantic underwriting, so confidence to get to offer has been mixed."

Cunnington calls Precise "a very popular lender in the specialist space", adding: "The return of some competitive pricing has gone down well."

Leeds Building Society

Leeds remains at the bottom of the table, with "good rates but some restrictive rental calculations", according to Field.

Murphy says the lender suits certain clients, especially in the holiday-let space, but adds: "Its range needs expanding."

Leeds has good rates but some restrictive rental calculations

Hollingworth observes: "Leeds has a really comprehensive proposition, often with solid pricing to ensure it is in the mix for a broad range of landlord needs."

Wild Card – Metro Bank

It's 11th place for Metro Bank but there's positive feedback from the panel.

"Products are not market leading but it's still making waves in the sector with lending criteria," says Tilbury.

Strutt feels recent criteria revamps have given the lender an edge.

Metro is building a very credible BTL proposition

"Metro has some decent criteria, which separate it from its competitors," he says.

"It no longer requires income proof for self-funding BTLs and it has changed the stress tests on some of its five-year fixes to provide more generous mortgages."

Hollingworth thinks, although the bank may not be attracting big volumes, its service standards are strong.

“Metro is building a very credible BTL proposition and increasingly looks to cover a wide range, including higher loan-to-value,” he says.

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