

A loan-level data collection for buy-to-let lending: Definitions (Phase 1)

A) General guidance

These definitions relate to attributes to be reported from 2017 Q3.

This collection should be completed only by those institutions specifically asked to do so by the Bank of England. Institutions are required to report where the banking group carries out gross flows of new buy-to-let lending in excess of £20m and 60 loans annually. Although this threshold is applied at the group level, individual entities that form part of a group are expected to report, except where an entity lends less than £20m and 60 loans per year and contributes less than 2% of the number of new loans within a group.

Legal basis

The data is being collected under Section 17 of the Bank of England Act 1998. For more information about powers of the Bank, offences, restrictions on onward disclosure of information and the Data Protection Act 1998, please see point 1 of:

http://www.bankofengland.co.uk/statistics/Documents/reporters/defs/def_gene2014.pdf

Scope of collection

These requirements only relate to loans in the retail book. Requirements relating to the corporate book will be issued separately. Firms should only report loans in the retail book of the firm which are identifiable as buy to let lending. The Bank would expect that these loans would be widely available as a buy-to-let loan product, rather than bespoke loans to meet the needs of a particular customer.

Buy-to-let loans cover mortgages where the loan assessment is made on the basis of a rental agreement (whether current or intended). The following criteria should apply to the buy-to-let mortgage contract:

- (a) the lender provides credit to the borrower;
- (b) the obligation of the borrower to repay is secured by a mortgage on land, whether or not in the United Kingdom;
- (c) at least 40% of the land is used, or is intended to be used, as or in connection with a dwelling; and
- (d) the land subject to the mortgage cannot at any time be occupied as a dwelling by the borrower and is to be occupied on the basis of a rental agreement.

Loans should be fully secured by a first or second equitable or legal charge.

In the case of combination mortgages or where the loan is otherwise split into more than one part (for example a mixed interest rate mortgage), a reporting field should be completed by reference to the

largest portion of the overall mortgage balance, except for 'Loan Amount', which should contain the entire balance.

Include all loans secured on residential buy-to-let properties, irrespective of their purpose (e.g. house purchase, home improvements or car loan), which are secured by a first or second charge.

Regulated buy-to-let

All buy-to-let loans should be reported, whether regulated or not. For further details, please refer to [PERG 4.4](#) of the Financial Conduct Authority (FCA) Handbook.

Exclusions

The following types of loans should not be included:

- Holiday lets;
- Loans to housing associations;
- Consent-to-let products should not be included as part of this collection. A consent-to-let product is a residential mortgage to an owner-occupier where the borrower applies to let property on a temporary basis due to a change in circumstances. However, BTL loans which previously had consent-to-let status should be reported;
- Bridging loans;
- Any packages of loans secured on residential property acquired from other lenders;
- Buy-to-let loans that are part of a loan package involving multiple forms of collateral (unless that collateral is the borrower's own residence). Loans secured on multiple buy-to-let properties should be included; and
- When the ownership of a property is transferred from an individual to a corporation for administrative purposes this is not treated as new business and should not be reported unless a further advance is taken out at that point.

Geographical and counterparty scope

This collection covers buy-to-let lending to UK residents, secured on land and buildings whether or not in the United Kingdom. The collection also includes lending to non-UK residents secured on land and buildings in the United Kingdom. The collection does not cover buy-to-let lending solely to non-residents, secured on land and buildings outside of the United Kingdom. Classify the residence in accordance with Part II of the [Classification of Accounts Guide](#) for statistical reporting.

Reporting basis

All monetary values should be reported in sterling regardless of the currency of the original transaction, with translation into sterling in accordance with the [General Notes and Definitions](#) for statistical reporting.

Reporting should be carried out on the basis of calendar quarters. This collection captures all buy-to-let loans originating in the reference quarter.

Revisions

The Bank expects returns to be completed with due care and attention. However, as a result of its quality assurance process and subsequent dialogue with the reporter, revisions may be required. Alternatively, the reporter may identify potential revisions independently and should raise these with the Bank prior to resubmission. If requested to do so by the Bank, reporters must be able to provide corrected returns. Reporters should not put in place any processes or systems that restrict or discourage the resubmission of statistical returns.

Where revisions need to be reported to a loan, the whole loan submission may be deleted or it may be amended, by reporting amended values for the relevant attribute(s).

Optional and mandatory fields

There are four attributes that are optional in phase 1, as follows:

- *Loan regulation;*
- *Type of dwelling;*
- *Borrower reference; and*
- *Borrower date of birth.*

They will be optional until phase 2 reporting starts, after which they will be mandatory.

B) Field-by-field definitions

See Appendix A for summary of attributes.

Submission information

Submitting Firm Reference

Enter the Firm Legal Entity Identifier (LEI) of the firm providing the data. If the LEI is not available, enter the FCA Firm Reference Number (FRN).

Loan attributes

Transaction Reference

Enter a unique reference for the transaction, internal to the reporting firm, that can be used to identify individual records (e.g. an account number or application number etc.), restricted to twenty characters. The transaction reference must be unique across all submissions across all reporting periods for new loans. For corrected or deleted loans, the transactions reference reported in a resubmitted report must match a transaction reference in an original submission or previous resubmission. In the case of further advances and second charge mortgages, a new transaction reference should be provided.

Book Type

Confirm that the loan is classified as:

- **R:** retail book.

Firms should only report loans in the retail book of the firm which are identifiable as buy to let lending. The Bank would expect that these loans would be widely available as a buy-to-let loan product, rather than bespoke loans to meet the needs of a particular customer.

Intermediary Reference

Enter the Firm Legal Entity Identifier (LEI) of the intermediary. If the LEI is not available, enter the FRN. If neither reference is available, enter another unique identifier used by the submitting firm. If no references are available, enter not available ('NA').

For direct sales, where the borrower does not act through an intermediary, report the Submitting Firm Reference.

Account Open Date

Enter the date of the mortgage completion or drawdown of funds, using the format YYYY-MM-DD. All loans reported within the quarter should have an account open date relating to that quarter. Loans purchased from another firm should not be included.

Loan type

Enter the loan type. Allowable options are:

- **HP:** A mortgage for **house purchase** defined as new secured lending where the borrower is purchasing a property.
- **LB: Let-to-buy** mortgages are a form of buy-to-let lending that allows an owner-occupier to remortgage and let out their existing property to use the funds for a new home. A let-to-buy product remortgages the borrower's current main residence onto a BTL basis, providing they purchase a new property simultaneously as a main residence.
- **RE: Remortgaging** occurs when a borrower redeems his/her current secured loan in favour of an alternative loan secured on the same property through a different lender. This should include cases where a borrower remortgages from one lender to a different lender within the same group. Loans made on previously unencumbered properties should be reported here.
- **FA: A further advances** should capture further advances to an existing borrower of the firm, secured on an existing property. It should also include a 'remortgage' by one of a firm's existing borrowers, but only where the borrower is increasing the overall secured debt (also known as internal refinancing). This will not always be transacted in exactly the same way by different lenders. Regardless of whether a firm genuinely treats the advance of new money as a further advance or whether the old loan is formally replaced with a new loan of increased size, the net increase should be reported here. Similarly, ported mortgages should be excluded, but any additional borrowing in relation to the house purchase should be reported here. Revolving loans, as part of a flexible mortgage, should not be reported as a further advance.
- **SC: Second charge** mortgages are secured lending with secondary priority behind the borrower's main (first charge) mortgage.
- **CC: Conversions from consent-to-let** should be reported when a consent-to-let mortgage is converted to a full buy-to-let mortgage and is no longer subject to temporary status.
- **NK:** Not known.

Loan Amount

Report the size of the loan at the date of completion, represented as a sterling equivalent amount. This may be made up of more than one part. It should also include fees and charges added to the loan.

In the case of mixed interest rate options/combination mortgages or where the loan is otherwise split into more than one part, this field should contain the overall mortgage balance.

For Further Advances and second charge mortgages report the amount of additional borrowing only. Where one loan is redeemed with the same lender and a new loan taken out for a higher amount, the

amount of additional borrowing should be the size of the new loan less the value of the previous mortgage outstanding immediately prior to completion.

For remortgages, report the total loan amount.

For conversions from consent-to-let, report the total loan amount.

Where a borrower does not use the full amount of the mortgage issued, report the outstanding balance on completion.

Extra Money Lent

For remortgages and let-to-buy report the amount of extra money lent, when the new mortgage is larger than the previous mortgage, represented as a sterling equivalent amount. The reported value should be the extra money lent as the size of the new loan reported less the value of the previous mortgage outstanding immediately prior to completion. This does not include taking up a pre-agreed facility, which should be reported within the loan amount.

Report '0' if no extra money was lent or the new mortgage is smaller than the previous mortgage.

Report '0' if loan type is anything other than a remortgage, consent-to-let conversion or let-to-buy. Extra money lent through further advances and second charge mortgages should be reported within the loan amount.

For conversions from consent-to-let, report any additional money lent, where the new buy-to-let mortgage is higher than the previous consent-to-let mortgage.

Example of reporting of loan type, loan amount and extra money lent

Example situation	Loan type	Loan amount	Extra money lent
Borrower takes out a mortgage for house purchase with an initial balance of £250,000	House purchase	250,000	0
Borrower takes out a mortgage for house purchase for £250,000, but initial balance is only £200,000	House purchase	200,000	0
Borrower remortgages with a different lender and initial balance is £270,000 (£20,000 more than before)	Remortgage	270,000	20,000
Borrower remortgages with a different lender and initial balance is £250,000 (same as before)	Remortgage	250,000	0
Borrower remortgages their existing home with an initial balance of £270,000 (£20,000 more than before)	Let-to-buy	270,000	20,000
Borrower converts their consent-to-let mortgage to a buy-to-let mortgage. The initial balance is £270,000 (£20,000 more than before)	Conversion from consent-to-let	270,000	20,000
Borrower draws a further advance of £20,000	Further advance	20,000	0

Borrower's existing mortgage of £250,000 is ported and there is £20,000 of additional lending	House Purchase	250,000	20,000
Borrower remortgages with same lender and initial balance is £270,000 (£20,000 more than before) – also known as internal refinancing	Further advance	20,000	0
Borrower takes out a second charge mortgage with initial balance of £20,000	Second charge	20,000	0

Purpose of Additional Funds

Enter the main purpose of extra money lent. Allowable options are:

- **E:** Extra funds lent to expand or re-leverage BTL portfolio.
- **I:** Extra money lent for improvements to rental property.
- **O:** Extra funds lent for other use.
- **NA:** Not applicable (for house purchase only).
- **NE:** No extra money lent.
- **NK:** Not known.

In the case that more than one option applies, report according to the largest element or main purpose of the loan.

***Loan Regulation [optional]**

Report whether or not the loan is regulated. Allowable options are:

- **C: Consumer buy-to-let:** Report loans issued through regulated buy-to-let mortgage contracts governed by the European Mortgage Credit Directive (MCD) which was implemented in March 2016. For further details see [MCD Order 2015](#).
- **O: Other regulated:** Report other loans issued through regulated buy-to-let mortgage contracts loans, defined by [PERG 4.4](#) of the FCA Handbook. An example of such a loan is where a parent buys a house or flat for use by a student son or daughter, with a plan to take in other students on a rental basis.
- **N: Not Regulated.**

Mortgage Term

Enter the term of the loan in months at the date reported in Account Open Date.

This is the length of the loan from the date the product was opened until the maturity of the loan.

Where the loan is split into more than one part, report the term applying to the largest part of the loan.

Repayment Method

Enter the repayment method at point of origination. Allowable options are:

- **C:** Capital and interest.
- **I:** Interest only.
- **M:** Part and part.

Report low start mortgages (i.e. mortgages where payments are made on an interest-only basis for a set period at the start of the mortgage, but payments contractually revert to a repayment basis after this set period) as interest-only.

Initial Gross Rate

Enter the initial gross nominal rate of interest charged on the loan at origination to 2 decimal places (e.g. 4.99). This should take account of any discount being provided.

This should exclude fees and cashback.

If there are multiple elements of the same loan report the interest rate applied to the largest element of the loan.

For further advances and second charge mortgages, the rate should apply to this element of the loan.

Interest Rate Type

Enter the interest type at the point of loan origination.

If there are multiple products related to the same loan, report the interest rate applied to the largest element of the loan. Allowable options are:

- **F: Fixed rate:** Under a fixed rate mortgage, the interest rate remains the same throughout the period of the deal, even if there is a change in the Bank of England Bank Rate. After the fixed period ends the mortgage will automatically move to a reversion rate. This should include stepped rates.
- **D: Discounted variable rate:** A discounted variable rate mortgage offers a discount on a specified interest rate, such as a lender's Standard Variable rate. The discount can be for an introductory term. At the end of the discount period, the rate would then stay on the specified interest rate. Early repayment charges will usually apply during the discount period.
- **T: Rate tracker:** Rate tracker mortgage products are linked to a specified rate such as the Bank of England's Bank Rate or London Interbank Offered Rate (LIBOR) and the margin between the reference rate and the mortgage is fixed for a specific time period. Lifetime tracker mortgages should be included.
- **S: Standard Variable rate:** A Standard Variable rate (SVR) is a variable rate determined by the lender with no early repayment charge. It is usually used as a reversion rate when a

product comes to the end of its initial rate. Note that this interest rate type should only be reported for mortgages charging the SVR from the start of the loan.

- **O: Other.**

Date Initial Rate Ends

Enter the date at which a fixation period, discount, or fixed margin above a reference rate is due to end. At this point the product will move automatically to the reversion rate. Use the format YYYY-MM-DD.

Report for any product where an initial rate later converts to a reversion rate. For example, fixed, capped, tracker or discounted rates where the customer is paying an initial rate for a set period. Where there are several initial rates, e.g. a fixed rate, followed by a tracker rate, which then reverts to a Standard Variable rate (SVR), report the date when the rate reverts to the SVR.

When an initial rate lasts for the full term of the mortgage, e.g. a lifetime tracker, or a fixed rate that lasts for the full term, report the end of term date. If the current rate is not an initial rate, in the case of an SVR, report the end of term date.

If there are multiple products related to the same loan report the interest rate applied to the largest element of the loan.

Stressed Rate

Enter the 'Stressed' Interest rate used in the assessment of affordability to 2 decimal places. This is the interest rate used in the assessment of affordability to take account of likely future interest rate increases.

Report the actual rate used, e.g. sum of product rate plus any increment or flat rate. If the origination rate is used as the stressed rate, report the origination rate.

If there are multiple products related to the same loan report the stressed rate applied to the largest element of the loan. If a stressed rate has not been used, report the initial rate.

Property attributes

Please report each of the following property attributes for each buy-to-let property which the mortgage is secured against subject to a rental agreement. Properties may be listed in any order, but the ordering must be consistent across the following attributes. If the number of properties is more than 20, please contact us for further guidance.

Property Reference

Enter a unique reference for each property, internal to the reporting firm that can be used to identify individual properties, restricted to twenty characters. These should be static over time. This could be the Land Registry number or a unique property reference number used by the local council. The latter may be more appropriate where the Land Registry hold both a leasehold and a freehold title number for a property.

For let-to-buy this should relate to the existing property which is being remortgaged and rented out rather than the borrower's new residential home. If a unique property reference is not available across multiple properties, a property reference should be reported with 1, 2, 3 etc, added at the end.

Property Post Code

Report the postcode for each property. For new build properties (i.e. if New Dwelling equals 'N') where firms are able to only report the first half of the postcode (e.g. AB1). In all other cases, the full postcode should be provided (e.g. AB1 2CD).

If the property is located outside of the UK, report this as:

- **O**: outside the UK.

For properties located outside the UK, only property reference and property value needs to be reported under property attributes. For let-to-buy, report the post code of the existing property which is being remortgaged and rented out.

New Dwelling

Enter whether the dwelling is new. Allowable options are:

- **N**: New.
- **E**: Existing.
- **NK**: Not known.
- **NA**: Not applicable.

Report 'N' if the property is a new build property, i.e. the dwelling is being occupied for the first time. It does not include new conversions of older dwellings.

Report 'NA' if the property is located outside of the UK.

Property Value

Report the market value of each property, represented as a sterling equivalent amount. The value reported should be based on the surveyors' valuation, a valuation index, or other method that the product provider used to determine the market value used in the assessment of the application. In the case of staged construction or self-build schemes, report expected final value of property at the time the lending decision is made.

For let-to-buy this should be the value of the existing property which is being remortgaged and rented out.

Purchase Price

Report the purchase price of the property as stated on the mortgage application, represented as a sterling equivalent amount. Report the purchase price only for a house purchase. For let-to-buy, other loan types and if the property is located outside of the UK, report:

- **NA:** Not applicable.

Monthly Rental Income

Report the value of expected gross rental income per month for the property in this application, represented as a sterling equivalent amount. This should be the rental income used in underwriting. Where payments are to be collected on a basis other than monthly, such as quarterly or annually, report the monthly equivalent (e.g. for annual payments, report one twelfth of the annual payment).

If rental income has not been used, or if the property is located outside of the UK, report:

- **NA:** Not applicable.

***Type of Dwelling [optional]**

Enter the dwelling type. Allowable options are:

- **B:** Bungalow.
- **D:** Detached house.
- **S:** Semi-detached house.
- **T:** Terraced house.
- **H:** House: type unknown.
- **F:** Converted flat or maisonette.
- **P:** Purpose-built flat or maisonette.
- **A:** Flat: type unknown.
- **U:** Multi-unit freehold blocks (MUFBs).
- **C:** Part-commercial (i.e. a flat above a shop).
- **M:** Multiple properties.
- **O:** Other.
- **NK:** Not known.
- **NA:** Not applicable.

Report 'NA' if the property is located outside of the UK.

Number of Bedrooms

Enter the number of bedrooms that the property is intended to have, rather than the number of rooms used as bedrooms.

If the property is located outside of the UK report:

- **NA:** Not applicable.

Borrower attributes

Please report the following information for each named borrower and guarantor. A guarantor should be considered as a borrower for the purposes of reporting, where their income has been taken into account in the affordability assessment. Borrowers and guarantors may be listed in any order, but the ordering must be consistent across the following items.

****Borrower Reference [optional]***

Enter a unique reference for each borrower or guarantor, internal to the reporting firm that can be used to identify individual borrowers, restricted to twenty characters. These should be static over time. If multiple people take out a buy-to-let mortgage jointly for a single property, the borrower references should uniquely identify all borrowers. Where a customer uses multiple limited companies or partnerships to manage their BTL portfolio, the borrower reference should identify each SME uniquely. If a unique borrower reference is not available across multiple borrowers, a borrower reference should be reported with 1, 2, 3 etc. added to the end.

****Date of Birth [optional]***

For individuals, enter the date of birth of the borrower or guarantor using the format YYYY-MM-DD.

For businesses, leave blank.

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Appendix 1: List of phase 1 attributes

Attribute	Data type	Enumeration	Collected currently by CML	Optional attributes for phase 1
Submission attributes				
Submitting Firm Reference	String		✓	
Loan attributes (to be reported for each loan)				
Transaction Reference	String		✓	
Book Type	Category	R: Retail		
Intermediary Reference	String	NA: Not available	✓	
Account Open Date	Date (YYYY-MM-DD)		✓	
Loan Type	Category	HP: House purchase LB: Let-to-buy RE: Remortgaging FA: Further advance SC: Second charge CC: Consent-to-let conversion NK: Not known	✓	
Loan Amount	Numeric (£)		✓	
Extra Money Lent	Numeric (£)		✓	
Purpose Of Additional Funds	Category	E: Extra funds lent to expand or re-leverage BTL portfolio I: Extra money lent for improvements to rental property O: Extra funds lent for other use NA: Not applicable NE: No extra money lent NK: Not known	✓ ¹	
Loan Regulation	Category	C: Consumer buy-to-let O: Other regulated N: Not regulated	✓	✓
Mortgage Term	Integer (months)		✓	
Repayment Method	Category	C: Capital and interest I: Interest only M: Part and part	✓	
Initial Gross Rate	Numeric (%) - 2dp		✓	
Interest Rate Type	Category	F: Fixed rate D: Discounted variable rate T: Rate tracker S: Standard variable rate O: Other	✓	
Date Initial Rate Ends	Date (YYYY-MM-DD)		✓	
Stressed Rate	Numeric (%) - 2dp		✓	
Property attributes (in the case of multiple properties to be reported for each property)				
Property Reference	String			

¹ The CML collect a narrower breakdown.

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Property Post Code	String	O: Outside the UK	✓	
New Dwelling	Category	N: New dwelling E: Existing dwelling NK: Not known NA: Not applicable	✓	
Property Value	Numeric (£)		✓	
Purchase Price	Numeric (£)	NA: Not applicable	✓	
Monthly Rental Income	Numeric (£)	NA: Not applicable	✓	
Type of Dwelling	Category	B: Bungalow D: Detached house S: Semi-detached house T: Terraced house H: House: type unknown F: Converted flat or maisonette P: Purpose-built flat or maisonette A: Flat: type unknown U: Multi-unit freehold blocks (MUFBs) C: Part-commercial (i.e. a flat above a shop) M: Multiple properties (in the case of portfolio loans) O: Other NK: Not known NA: Not applicable	✓	✓
Number of Bedrooms	Integer	NA: Not applicable	✓	
Borrower attributes (in the case of multiple borrowers to be reported for each borrower)				
Borrower Reference	String			✓
Date of Birth	Date (YYYY-MM-DD)		✓	✓

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