

**Need a large mortgage?
Here's your complete guide
if you want a larger loan**





If you've ever approached your local bank or building society for a larger mortgage, you'll know how difficult it can be.

For a start, many of the "best buy" interest rates you'll see on the market only apply to loans of under half a million pounds.

Many high street lenders are nervous about lending a high loan-to-value, so you might struggle if you want to borrow more than 75% or 80% of the property's value.

The definition of a "large loan" differs from lender to lender but is typically any mortgage above £500,000 or £1 million.

The amount of the loan is often less important than the complexity.

Any substantial loan is likely to be dealt with by a specialist underwriting team, so it's critical to work with an expert who knows how to secure a large mortgage.

Furthermore, many lenders simply don't have the underwriting expertise to deal with a more substantial loan. A limited "tick box" mentality means many won't understand the nature of your earnings or be able to accept anything that's a little out of the ordinary.

Luckily, there are many specialists out there who can help you. Just as you might have to turn to an expert for high-value insurance or investing, working with someone with wide experience of million-pound mortgages can help you to secure the lending you need at competitive terms you're happy with.

In this guide, you'll read about the specific challenges facing you if you're looking for a larger mortgage, and how our expertise and experience makes things easy.

The average mortgage in the UK in 2020 was £137,934.

So, any loan of £500,000 or more is significantly higher than the UK average, and likely to be significant - even for a mainstream lender.

Source: [Finder](#)



Wide experience of arranging large loans

If you're looking for a large loan, we can help. We have wide experience of helping clients to get the finance they need to buy UK property at terms that suit them.

+44 (0)20 3411 0079

info@alturafin.com



Why are large loans treated differently?

Needing a large mortgage is becoming increasingly common - and not just if you're moving home.

Figures from estate agent Hamptons found that 7% of first-time buyers spent more than £500,000 on their home in 2020, rising to 15% in the south, and 33% in London.

An eye-watering 8% of first-time buyers in London now spend more than £1 million on a home.

As property prices rise to record levels, it's perhaps no surprise that more and more people are seeking larger loans. However, borrowing a substantial amount is not as simple as walking into your local high street branch.

- Many lenders simply don't offer large loans
- Many don't have the underwriting capability to consider non-traditional sources of income - for example, investment income, foreign currency income, bonuses, pensions or retained profits
- Some lenders impose loan-to-value caps, so won't lend more than 60% to 75% of the property value, irrespective of your circumstances
- Many "best buy" deals are not available for large loans.

Of course, there are some mainstream lenders out there who will consider loans of £500,000, £1 million or more. They will typically offer excellent terms.

8% of first-time buyers in London spend more than £1million on their home.

Source: [Hamptons](#)

However, it's worth remembering that even these lenders are likely to pass you on to a dedicated in-house team who deal with large mortgages. Underwriting criteria are likely to be different, and so you still need the expertise of a broker who is comfortable at this level and knows how to get a mainstream lender to agree the loan you need.

Expert view

"If you're looking to borrow a seven-figure sum, it's likely that your personal circumstances don't necessarily tick a lender's standard checklist.

"We have strong working relationships with a wide range of lenders, including many private banks. Our contacts and network mean we know the right people to arrange the lending you need."

Rob Gill - Altura



How we help you find the mortgage you need on the best possible terms

When working with clients looking for a large loan, we typically consider three types of lender in this order.

Mainstream lender

Finding a mainstream lender that can agree the large mortgage you need is typically the best outcome.

While many mainstream lenders do not offer loans above £1 million, some can consider loans of £2 to £3 million or more. The benefits are:

- Highly competitive rates
- Low, flat fees which can be as low as £1,000 even on larger loans

Using a mainstream lender is a great option - if you can access them. To do so, however, you need access to a broker with the right knowledge and experience, and contacts within these lenders.

Typical client

- ✓ Partner of a law firm buying a new family home, seeking a loan of £2 million for a purchase at £2.5 million.
- ✓ Technology CEO remortgaging their home for £1 million against a valuation of £1.8 million.
- ✓ Husband and wife family business owners, remortgaging their home and a buy-to-let investment for total debt of £1.6 million against properties valued at £3 million.

Examples of lenders we work with





Private bank

Private banks are an important component of the large loan market, offering far more flexible criteria than mainstream lenders.

They tend to step in if you fall outside the more traditional criteria of mainstream lenders. They are particularly helpful if you're a business owner or entrepreneur, a lawyer or private equity professional, or a banker or senior executive. They can often:

- Agree a higher "loan-to-value" than a mainstream lender
- Consider an "interest only" structure
- Agree highly competitive rates, particularly if you can place assets under management (AUM) with the bank.

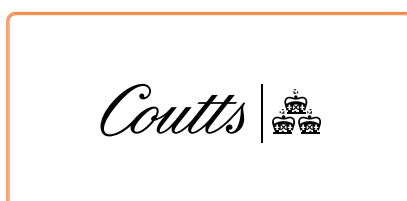
Most private banks start at £1 million loan size, although some consider loans from £500,000. Rates often track a benchmark such as the base rate.

Crucially, private banks work with a very small proportion of brokers. This is, again, why it's so important to work with a large loan expert as only a small number of professionals have access to these lenders.

Typical clients

- ✓ Investment banking executive remortgaging their London home and a holiday home for total debt of £3.2 million against total property value of £5 million.
- ✓ Foreign national entrepreneur buying a new family home to relocate to London and needing a mortgage of £2.5 million to buy a property for £4.5 million.
- ✓ Property investor remortgaging an investment property with a £2.7 million loan against a property valued at £4 million.

Examples of lenders we work with





Assets under management vs dry lending

Private banks often seek wider business from their clients, such as managing their investments or attracting “assets under management” (AUM).

Some private banks will even insist on AUM as a condition of the mortgage, meaning they oblige a borrower to place investments with the bank as they take out the mortgage. This can sometimes be as much as 50% of the mortgage value.

A “dry” lend is a private bank mortgage where the bank requires no wider business or AUM.

This benefits clients who do not have substantial investments, or do not want to move them.

Altura have great links with both AUM-led and “dry” lending private banks, depending on your circumstances and requirements.

Lombard lending explained

A Lombard loan is a loan granted by a bank and secured by some, or all, of the marketable securities you hold in a custody account.

In basic terms, it's a loan that is backed by assets.

You pledge assets that can be liquidated easily, such as stocks, bonds or select life insurance policies with a surrender value.

A Lombard loan will allow you to borrow against these assets with a lender up to a percentage of their respective market values.

Specialist lenders

If your large loan requirement is really out of the ordinary, then we have access to a range of specialist lenders that can help.

These include:

- Challenger banks
- Smaller building societies with niche lending specialisms
- Other finance companies.

For example, if you are seeking buy-to-let, bridging, or other specialist finance then we have a suite of lenders we have access to that can assist.

Typical clients

- ✓ A lawyer seeking £800,000 to buy a “house of multiple occupation” worth £1.4 million.
- ✓ A company director seeking £1.5 million in staged payments to build a new home which will be worth £3 million when completed.
- ✓ Overseas investors refinancing a portfolio of properties for £2 million against a combined valuation of £4 million.

Examples of lenders we work with



KentReliance



together.

3 reasons working with a large loan expert can really benefit you

Your mortgage is likely to be the biggest financial commitment of your life. That's especially true if you're looking for a more substantial loan.

So, getting it wrong can be costly. You could end up paying thousands more in interest, stuck with a loan that's not appropriate for your changing circumstances, or simply spend weeks working with a lender who ultimately declines your application.

Working with a large loan expert adds real value. Here are three reasons why.

1. We know the right contacts at the right lender

Every lender is different. Criteria vary wildly from bank to bank and so knowing which lender will even consider your application is the first hurdle.

If any aspect of your income or outgoings doesn't fit the "norm", then you'll find it even more difficult. Here are just a handful of things a lender might struggle with when considering a large loan:

- Your income comes from bonuses or commission
- You're a director or partner at a firm
- Part of your income comes from non-traditional sources such as property or investments
- You own your own business
- You're a foreign national or part of your income is paid in foreign currency or shares.

With more than 40 years' experience of helping clients get the large loan they need, we know exactly who to approach in every scenario.

If we can get a mainstream lender to approve your mortgage on superb terms, we'll do exactly that.

If we can't, we're one of a small number of brokers with access to private banks who can obtain bespoke terms for you.



Rather than you spending hours trawling websites trying to find answers, we know immediately who to call, and have contacts at dozens of the leading large loan lenders.

Will the lender agree the mortgage I need?

If they won't, the deals they offer are irrelevant! That's why it's so important to speak to a large mortgage expert first, as we can use our network of contacts to speak to the right underwriters at the right lenders.

2. We have experience of working with clients with similar needs to your own

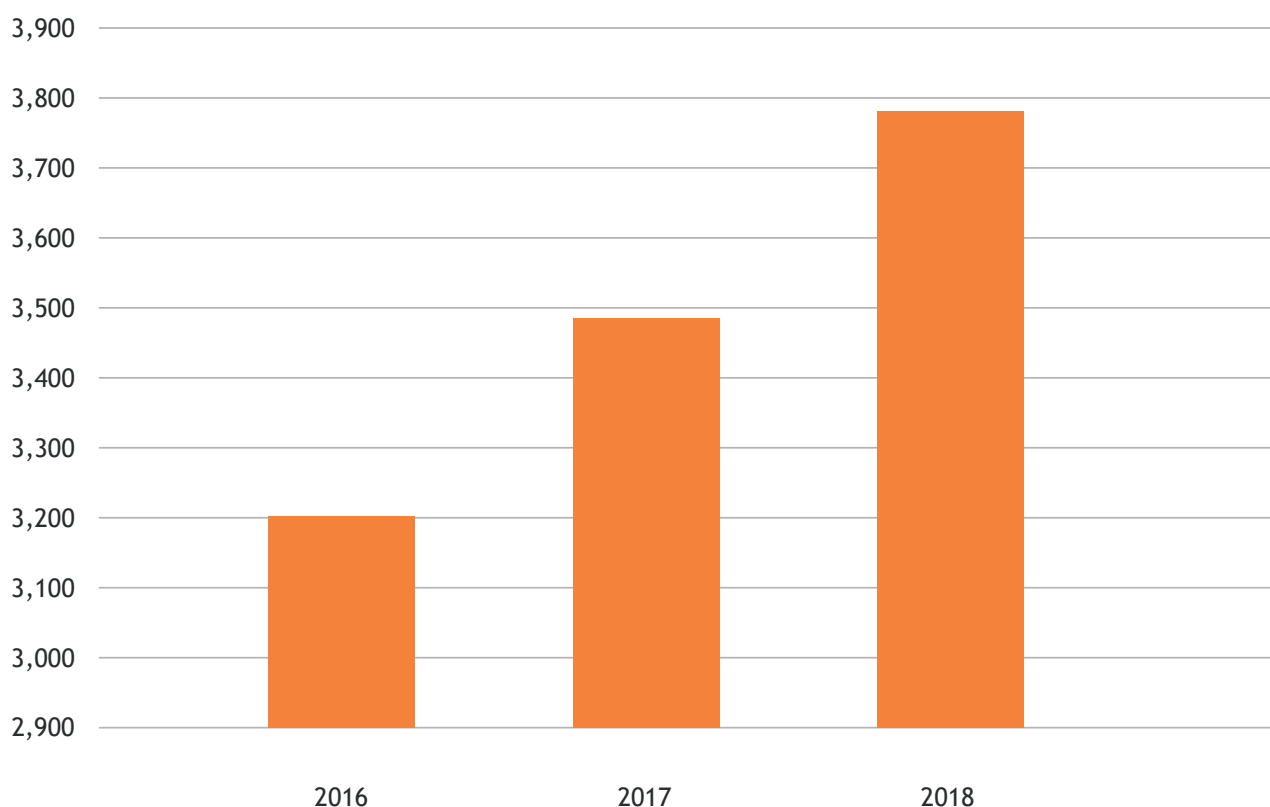
According to the most recent figures published by Which?, lenders granted almost 3,800 mortgages of £1 million or more in 2018. Furthermore, this figure has been growing steadily over the years.

It's unlikely the mortgage adviser at your estate agent or local branch has experience of the complexities of dealing with a large mortgage. They probably won't have the underwriting expertise to tackle a case where income might be non-traditional or you need a higher loan-to-value.

We have wide experience of working with clients just like you. We know how to present your income and expenditure to a lender. We know which lenders are good at helping certain types of client. We also know how to obtain the most competitive rates for large loans.

If you needed legal assistance with a specific area of law, you'd call a solicitor with expertise in that field. So, if you need a larger mortgage, talk to an expert who deals with that type of client.

Number of £1 million or more mortgages



■ Number of £1 million or more mortgages

Source: [Which?](#)

3. We have access to lenders you wouldn't normally consider

Finding the right lender for a large loan isn't as simple as walking into your own bank or the branch on your local high street.

While we work closely with many mainstream lenders that you'll be familiar with, many of the banks who specialise in large mortgages are not household names. From Barclays to Butterfield, we can access lenders and terms that you wouldn't be able to get by going direct.

What these lenders have in common is a flexible and entrepreneurial approach to underwriting. They understand that traditional solutions will often be unsuitable for high net worth clients financing more expensive homes. So, they develop creative and imaginative solutions for clients on sensible terms.

5 unexpected large loan lenders we work with



With offices in London and Edinburgh, Hampden & Co offer banking expertise to personal and professional clients across the UK.

Priding themselves on a truly personal service, they offer flexible solutions for UK residents, whether you're buying, renovating, remortgaging, or building a home.



ARBUTHNOT LATHAM

Founded in 1833, Arbuthnot Latham offers private and commercial banking and wealth management. The firm won the CityAM Bank of the Year Award in 2019.

The bank offers bespoke lending structures which, they say, will help you to attain your funding requirements in a streamlined and sensible way.



Founded as Bermuda's first bank in 1858, Butterfield are one of the world's leading independent offshore bank and trust companies.

Whatever property you are seeking to finance, Butterfield offer tailor-made facilities at attractive rates, with a selection of terms and repayment options.



In less than 50 years, Investec has grown from a small finance company founded in South Africa to an international organisation with listings on the London and Johannesburg Stock Exchanges.

The bank's focus on a small number of clients helps provide a bespoke mortgage service that offers flexible and exclusive terms.



With a history dating back to 1692, Coutts are one of the world's best-known private banks with 14 offices across the UK.

When it comes to lending, Coutts experts work with your private banker to consider your entire financial position. This ensures you receive the best terms, tailored to you.

Expert view

"Major lenders are increasingly relying on algorithms to make automated lending decisions, failing to consider an individual's unique circumstances. If you're looking for a large loan, then you need a lender who is going to take a bespoke approach to your requirements.

"That's where we can help. We work closely with underwriters at many of the UK's major lenders and have a successful track record of securing the large loans our clients need."

Rob Gill - Altura



Finding the right mortgage, terms, and interest rate for you

One of the main reasons it can pay to speak to an expert when you need a larger mortgage is because they will understand your specific requirements.

We help many clients with £1 million mortgages because we work closely with underwriters at some of the UK's largest lenders and private banks.

This individual approach means we can discuss your case in detail with someone empowered to make a lending decision.

This old-fashioned method means we can chat through your specific scenario, and a lender can take an ALIE (assets/liabilities/income/expenditure) approach to your financial situation.

It means we can help you obtain the lending you need if:

- You're a partner in a professional services firm
- You're a business owner or entrepreneur who draws income through dividends or salary, or you retain profits in your business
- Your income comes partly or wholly from foreign sources or is in foreign currency
- You're a foreign national
- You receive part of your income in bonuses or shares, especially if these are overseas.



This bespoke approach to underwriting means we can help obtain funding tailored to your needs. For example, you may want to borrow a portion of the mortgage on an “interest only” basis to be paid in the next couple of years through dividends or expected bonuses. Perhaps you need a higher loan-to-value than your local high street bank would consider?

We can also help you to obtain preferential terms, with lenders happy to tailor flexible and exclusive rates to your specific needs. For example, some lenders will offer exceptional terms if you’re prepared to offer assets for them to manage.

The key point here is that we have a network of contacts, so we know who to approach and who is likely to offer the most appropriate terms to you, based on your specific circumstances.

How working with Altura can benefit you if you’re looking for a large loan

- Bespoke lending for high net worth clients
- High loan-to-value borrowing on large loans
- Interest only and “part and part” mortgages
- Finding for residential and investment property
- A bespoke underwriting approach
- Access to large loans at a range of lenders, including mainstream and private banks
- Excellent interest rates and competitive fees
- Funding for complex ownership structures, such as onshore and offshore trusts, limited companies, and foundations



40 years' experience in high net worth banking, finance, and mortgages

If you're looking for a large mortgage, we can help.

The background and vast experience of our advisers and management team mean we have an unparalleled network of contacts. This means we can find a lender who is prepared to agree the large mortgage you need - often with mainstream lenders or private banks at highly competitive rates.

Regulated by the Financial Conduct Authority (FCA), our team have more than 40 years' experience in banking and finance. We boast excellent links with a wide range of lenders, specialising in large mortgages and loans of £1 million and more.



Find out how we can help you.

+44 (0)20 3411 0079





info@alturafin.com

www.alturafin.com

Please note

Your home may be repossessed if you do not keep up repayments on a mortgage or other loans secured on it.



-  +44 (0)20 3411 0079
-  info@alturafin.com
-  www.alturafin.com
-  Uncommon, 34-37 Liverpool Street, London, EC2M 7PP