

# COVID-19 product changes

## Sovereign

This product is proceeding with desktop valuations but to help manage the extra risks some changes are required.

This document sets out the details of recent changes made to this product and the relevant pipeline/cut-over procedures. Some of these changes relate specifically to the desktop valuation process but others may be permanent changes that will still apply when physical valuations re-start. Where changes are permanent, they will be clearly highlighted as such.

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## Rate changes

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To be available 00:01 on 7<sup>th</sup> April:

	AA Lump Sum	AA Drawdown	BB Lump Sum	BB Drawdown	CC Lump Sum	CC Drawdown
MER	2.79%	2.84%	2.83%	2.88%	2.87%	2.92%
AER	2.83%	2.88%	2.87%	2.92%	2.91%	2.96%
LTV	6.8% ▶ 26.8%		10.8% ▶ 30.8%		14.4% ▶ 34.4%	

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## Product Changes

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There are no LTV changes.

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## Lending Criteria Changes

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There are no changes to product lending criteria.

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## Desktop Valuations

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A desktop valuation will allow cases to move to offer and then completion.

To supplement the desktop valuation, customers will be asked to **complete a questionnaire** on their property but no photographs of the interior are required.

Desktop valuations are not available on the following properties so will not be able to progress:

- Built in last 6 months
- Listed buildings
- Valued over £750,000 outside of the M25
- Valued over £1 million within the M25
- Valued under £70,000
- With over 5 acres of land
- Adjacent or above commercial premises
- Restrictions on properties on flood plains and coast
- Flats that do not have a EWS1 certificate\*

- Flats in blocks with more than 6 floors
- Office conversions

\* Flats that were built prior to 1996 with no external combustible material are acceptable (inc without an EWS1 certificate).

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## Retention

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There are no retentions.

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## Commission

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Commission will be paid as normal.

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## Further Advances

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Not known.

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## Pipeline Rules

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KFIs created before 8<sup>th</sup> April and submitted to application before 4pm on 10<sup>th</sup> April will secure the rate and original lending criteria but will have to await a full physical valuation. For these cases to proceed via a desktop valuation a new KFI and application will need to be generated on the latest rates and lending criteria applying