

## Decision in Principle

28 November 2025

**Proposed Loan to:** xxxxxxxx

**Security Property:** xxxxxxxx

We Market Financial Solutions Limited (hereinafter "MFS", "we", "us") propose to arrange a loan facility to you on the terms, financial particulars and conditions set out below ("the Loan").

The Loan itself will be subject to the receipt of a signed Decision in Principle (this document), payment of the Admin and Valuation Fees referred to below, a signed contract, a valuation, responses to MFS enquiries, due diligence, and will be subject to the terms and conditions of a loan agreement (**Loan Agreement**) which shall be secured by our standard form Security and a Guarantee (both defined in The Summary below).

This Decision in Principle sets out the obligations of Market Financial Solutions regarding data protection and the rights of clients, partners, affiliate, vendor, and any third-party provider in respect of their personal data under The Data Protection Act 2018 ("GDPR").

The terms of and financial particulars of the Loan are set out in The Summary below.

## The Summary

**Borrower ("you"):** xxxxxxxx

**Product Type:** Buy to Let Standard Residential

**Total Loan Term:** 10 years, made up of an initial tracker rate of 2 years (the "Initial Tracker Rate Period"), then followed by a variable rate (the "Revert Rate") for the remaining term.

**Annual Interest Rate:** For the first 2 years, a variable rate made up of the Bank of England Base Rate (BBR), currently 4.00% plus a set margin of 3.64% giving a current rate payable of 7.64%. 2 years from the date of completion, the interest rate will change to the MFS Variable Rate, currently 8.59% for the remaining 8 years.

**APRC:** 8.82%

**Monthly Interest Cost:** £2,235

**Gross Loan Amount:** £350,980, on estimated valuation of £1,000,000. The Gross Loan is the total principal owed at the end of the term, and is made up of the Net Loan advanced, and the following:

**Net Loan (advanced day 1):** £343,960 (including the Broker Client Fee, as below)

**Product Fee:** 2.00% (£7,020) of the Gross Loan Amount

**Months Interest Rolled Up:** Not applicable

**Broker's Commission:** £3,510 (to be deducted from the Product Fee)

**Early Repayment Charge (ERC):** 3% of loan balance in yr1, 2.5% of loan balance in yr2. No charge thereafter.

**Overpayments:** Permitted up to 10% of the capital amount outstanding per annum during the Initial Tracker Rate Period without incurring an ERC. Any prepayments over 10% will be subject to the Early Repayment Charge stated above. No limit after the Initial Tracker Rate Period has expired.

**Direct Debit & Start Date:** Direct Debit of £2,234.57 will start in month 1 following drawdown from a valid UK bank account.

**IMPORTANT:** monthly payments shown in this illustration can be considerably different if a variable rate changes. For example, for every £100,000 borrowed a 0.5% increase would raise the annual cost by £500. Rates may increase by more than this, or be significantly different on the Revert rate so make sure you can afford the monthly payment.

**Admin Fee:** A non-refundable fee of £199 per property payable to MFS along with the Valuation Fee.

**Valuation Fee:** A non-refundable Valuation Fee of TBC by the Underwriter is to be paid to us or an associated company as directed by us prior to instructing valuers. This represents the cost incurred by us for arranging the valuation. We may also instruct third party services like National Field Agency for a review of the application and fees incurred in the event of instructing any third party services will be payable by you.

**Legal Fees:** TBC by underwriter.

**Title Insurance Cost:** £511.03 (to be deducted from the net loan amount)

**Security:** A first legal charge over the Security Property.

**Financial Covenants:**

Loan to Value must not exceed 35%.

Interest Cover to be at least 134%.

## **TERMS OF BUSINESS**

### **Defined Terms**

The terms defined in The Summary above are imported with the same meaning in these Terms of Business.

### **DIP Expiry**

Please note that the terms offered are valid for 14 days from the date of this document, (until 12 December 2025). If this document is signed and accepted by all applicants within this time, the Loan as per the terms offered within The Summary above must be drawn down within 28 days of the solicitor being instructed. We will regularly check with our solicitors for progress. If the drawdown of the Loan isn't complete by this date you (or your broker/solicitor) will need to contact us to see if an extension can be granted or to make new arrangements. If the Loan is not drawn you will be liable to pay our costs incurred including our solicitors' abortive legal fees and disbursements.

### **General & Privacy**

MFS is arranging this transaction in respect of the proposed Loan. The Loan has been approved in principle by us but remains conditional upon and subject to satisfactory due diligence, payment of any admin and valuation fees, the valuation and enquiries to us and our solicitors. We reserve the right to vary the terms or withdraw the Loan at our discretion, should enquiries, valuation, or due diligence result in any material change to the application as now presented or contradict any information disclosed by you to date, or if we need to change our rates due to unexpected impacts on our funding costs after issuing the DIP (e.g. bank base rate or associated costs increasing). If we decide to vary any of the terms, we will notify you and provide our reasons for doing so and await your consent before proceeding.

By accepting these terms and signing this Decision in Principle, you authorise MFS and its subsidiaries to conduct due diligence checks and data handling either to assess the viability of the application or whilst the Loan is in effect, including:

- ID, AML, Credit Searches including a payment profile, and KYC (Know Your Customer) fraud checks as well as other Public Information searches we deem necessary from different Credit Reference Agencies (CRAs).
- Many checks and searches use or share relevant data with third-party external companies and against any specifications on any databases available with relation to your Loan or property. A record of each search carried out will be retained on your credit file initially as a soft footprint (should have no impact on your credit score) but over time and following application it may be set as a hard, or application, footprint (which could have an impact on your credit rating).
- Data and your evidence documents may also be shared with any of our loan funding providers.
- If the Loan is drawn, and whilst any balance of the Loan is outstanding, MFS may exchange information and documents about you (and any Loan guarantors) with CRAs, including recording any outstanding debt if you do not repay in full and on time. CRAs may share your information with other organisations. We may also make periodic searches at CRAs to help manage your account with us. The identities of the CRAs, their role also as fraud prevention agencies, the data they hold, the ways in which they use and share personal information, their data retention periods and your data protection rights with the CRAs are explained in the Credit Reference Agency Information Notice (CRAIN), [www.transunion.co.uk/CRAIN](http://www.transunion.co.uk/CRAIN). You can also get further information via our privacy policy at [www.mfsuk.com/privacy-gdpr/](http://www.mfsuk.com/privacy-gdpr/).
- The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance, or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found via our privacy policy at [www.mfsuk.com/privacy-gdpr/](http://www.mfsuk.com/privacy-gdpr/) or by going to [www.cifas.org.uk/fpn](http://www.cifas.org.uk/fpn).
- You have the right to view certain records we hold concerning you and you may request that any inaccuracies are corrected by corresponding with the relevant parties. You may contact our Data Protection Officer at [privacy@mfsuk.com](mailto:privacy@mfsuk.com) or by writing to the Data Protection Officer, Market Financial Solutions, 46 Hertford Street, Mayfair, London, W1J 7DP.

### **Loan Purpose**

More than 60% of the Loan provided is being used for business purposes, and by signing this Decision in Principle you declare to us that the Loan is predominantly for the purposes of a business, profession or trade carried on, or intended to be carried on by you. The Loan will therefore be exempt from the provisions of the Financial Services & Markets Act 2000 and The Mortgage Credit Directive Order 2015 and the Consumer Credit Act 1974 and you will not get the protection afforded by those Acts. You will be required to provide and sign a declaration relating to business purposes before drawdown.

You confirm to us that the Security Property has never been used as a dwelling by you or any spouse, unmarried partner, civil partner, parents, grandparents, siblings, children and grandchildren or any other related person and will not be occupied by you or any of the above-stated persons or any other related person in the future.

You will be required to sign a declaration to this effect before completion takes place. We will rely upon your declarations when completing the proposed Loan, and such declarations will be a condition of the lending.

Do not sign this Decision in Principle or any declaration unless the above paragraphs are true.

### **Loan Amount and Deduction of Fees**

Please note that the financial particulars in The Summary are, at this stage, estimates only, and are subject to contract. These will only be varied in circumstances where our enquiries reveal information which differs from that provided on initial application or if there is reason to do so at our discretion.

You authorise us to deduct (and/or to instruct our solicitor), any Product Fee (which includes the Broker's Commission as specified in The Summary), Legal Fees and expenses, Title Insurance fee, any Interest (months of interest rolled and deferred until loan redemption), and any other fees, costs, or expenses payable by you (which have not already been paid), from the Gross Loan Amount upon completion of the Loan.

### **Payments to your Broker/Intermediary**

You authorise us to deduct the Broker Client Fee from the Net Loan Amount which is in line with your agreement with your Broker/Intermediary and payable to your Broker/Intermediary. No part of the Broker Client Fee is payable to us.

In addition to any Broker Client Fee, Market Financial Solutions or its investors pay a part of the Product Fee to your Introducer/Broker as Broker's Commission upon drawdown of the Loan, in the amount as specified in The Summary. This means that your Broker/Intermediary may be unable to provide impartial advice about the Loan to you.

### **Interest Rate Applied**

The rate of interest payable on the Gross Loan Amount will be the Interest Rate in The Summary. This margin may will change once the initial rate period has expired (as stated in The Summary). Interest is calculated monthly, and payable by Direct Debit from a verified UK bank account. Any changes to a variable rate will be implemented on the 1st day of the following month, which may change the direct debit payment. We will notify you of this change by email before the payment change takes place. The annual percentage rate of charge (APRC), included in the Summary, is the total cost of the Loan expressed as an annual percentage to allow you to compare different offers. Interest that is not deferred and deducted at source on Drawdown is to be paid to us monthly until the end of the Loan term (or before if you choose to redeem your loan earlier), at which point the contractual balance outstanding together with any outstanding fees, costs, and expenses (including our legal fees for discharge) are repayable in full. Interest payments after any rolled up months period (if any) must be made on or before the due date and is payable monthly in advance. If any monthly interest payment is not paid within 15 days of its due date, interest on the Loan outstanding will accrue at the Default Rate, which is 2% per month. Further details are included in the Loan Agreement issued later in the process if the Loan is proceeding.

If BBR is 0.5% per annum or less, then, for the purposes of calculating your relevant tracker rate, we will treat BBR as 0.5% per annum and apply any margin to that.

### **Term of Loan**

The Loan shall be for the Loan Term, which will commence from the date of drawdown of the Loan. Please note that this is an interest only BTL Loan facility, and you must be in a position to repay the capital in full at the end of the Term. You should not assume that the Loan Term will be extended.

### **Valuation Fee and Legal Fees**

The fees for the valuation of the Property shall be your cost and will be collected in advance upon acceptance of this Decision in Principle. You will be responsible for our Legal Fees in relation to the Loan. These are set out in the Financial Summary. You will be responsible for these fees whether the Loan proceeds to completion or not. Our solicitors will require payment in full or your solicitors' undertaking to make payment before commencing work. With regards to the Valuation report, unless Title Insurance is used, once our Solicitors have conducted their Report on Title it will need to be sent to the valuer for their comments. Any detrimental impact, or adverse comments from the Valuer may result in MFS not being able to proceed with the Loan or varying the terms offered.

## Tariff of Charges

Fee Structure Table - Post Completion	
Fee	Charges from
Chaps Fee	£ 0
Data Request	£ 0
Building Insurance	£ 250
Expiry/Renewal of Buildings Insurance	£ 500
Duplicate or Interim Statement (per Statement)	£ 35
Calculating Settlement Figures for 3 <sup>rd</sup> time onwards	£ 55
Approval of Tenancy Agreement	£ 0
Deed of Postponement (per Deed required to be executed)	£ 250
Unpaid Ground Rent or Service Charge	£ 75
Repayment Administration Fee (per Property being discharged)	£ 475
Deeds Handling	£ 0
Part Sale / Transfer of Security (per part sale/transfer)	£ 250
Consent to Another Lender (per Consent granted)	£ 250
Approval of Easement	£ 250
Part Repayment (per part-payment)	£ 75
Instructing Solicitors	£ 0
Mortgage Reference or Questionnaire	£ 0
Confirmation of Payment History	£ 0
Unpaid/Declined/Dishonoured Direct Debit or Cheque	£ 25
Set Up fee	£ 0
Loan Administration Fee	£ 0
Asset Manager Fee	£ 0
Fees Structure Table - In event of Default	
Fee	Charges from
Letters and Calls to Customers (per letter or call)	£ 35
Letter and Calls to Third Parties (per letter or call)	£ 35
Instruction of Collection Agents	£ 100
Issue of Default Notice	£ 70
Issue of Possession Proceedings	£ 150
Court Preparation Fee (per hearing)	£ 195
Court Hearing Fee (per hearing)	£ 250
Issuing a Warrant for Possession	£ 175
Borrowers Application to Suspend our Legal Action	£ 155
Repossession of Property (per property)	£ 175
Administration of an Account in Possession (per month)	£ 250
Realisation of the Sale of a Repossessed Property	£ 300
Issuing a Demand to Appoint a Receiver	£ 750
Appointing a Receiver to Manage the Account	£ 2,500
Director's Time (where applicable) per hour	£ 150
Monthly Arrears Management Fee	£ 400

Please see the enclosed Appendix – Schedule 1 for the explanation of each charge outlined within the Fee structure tables.

### No Legally Binding Agreement

You acknowledge and agree that we do not, and will not, provide any financial, accounting, taxation or legal advice in relation to the Loan (and this includes any advice as to the suitability of the Loan for you).

You acknowledge that nothing in this Decision in Principle is to be construed so as to constitute or imply a commitment to provide the Loan, nor a representation that the Loan will be made available. Any such commitment is subject to contract, credit approval, valuation and satisfactory due diligence and documentation.

This letter may be signed in counterparts and emailed scanned versions and this has the same effect as if the signatures on the counterparts were on a single copy of the letter.

**You should seek your own independent advice in relation to this Decision in Principle.**

**Assignment**

In some instances, we may arrange to assign or transfer the Loan to such entity associated with us, as we deem fit at our discretion. The Terms will not change. If we do assign the Loan you will be notified of the change of lender and be provided with contact and payment details. You may not assign the Loan or its benefit or obligations to any other party or property other than the one stated.

**Agency and Conflict of Interest**

You acknowledge that we do not act as your agent and therefore do not owe you a duty of care in this regard. When signing this Decision in Principle you expressly waive any claim you may now or in the future seek to bring. You agree to waive any claim to a conflict of interest arising out of any assignment of the Loan or the Loan itself.

**Indemnity**

You agree to indemnify and hold us harmless (including all of our employees, and assignees and their employees' agents or directors, agents and directors) against all claims, losses, damages, liabilities, costs and expenses whether consequential or not, incurred or arising out of or related to any actual or threatened claim against us (or any of its employees, agents and directors and assignees etc.), brought by any guarantor or any other party to the Loan (except for instances where such liability arises through direct gross negligence or fraud) or in relation to the Loan. Please note, your solicitors must hold sufficient professional indemnity insurance to cover the Gross Loan Amount.

**Data Breach Notification**

All personal data breaches must be reported immediately to the Company's Data Protection Officer.

Data Protection Officer Contact details:

Martin Schofield

Email: [privacy@mfsuk.com](mailto:privacy@mfsuk.com)

Data Controller: Market Financial Solutions Limited.

---

**Signed by each Borrower**

Signature: \_\_\_\_\_

Name of Signatory: \_\_\_\_\_

(Print Name)

Date: \_\_\_\_\_