

# Kensington offers 85% LTV buy-to-let deals

By Tanya Powley

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Buy-to-let investors can now access mortgages of up to 85 per cent of a property's value following the launch of a new range of products on Monday.

Kensington Mortgages, [a specialist lender](#), has increased its maximum loan-to-value to 85 per cent, the highest loan-to-value currently available in the buy-to-let mortgage market.

The lender has also reduced its rental cover requirement from 125 per cent to 120 per cent.

[Last May](#), The Mortgage Works, part of Nationwide Building Society, increased its maximum loan-to-value to 80 per cent. Clydesdale Bank also offers loans of up to 80 per cent of a property's value.

Kensington's new range includes a two-year fixed-rate mortgage at 5.99 per cent, with a 2.50 per cent fee.

Mortgage brokers have welcomed the move by Kensington.

"It's good news that Kensington has taken the step of being the first lender to offer 85 per cent once again," said Aaron Strutt of Trinity Financial Group.

However, the deal is unlikely to attract a huge demand. According to Nigel Bedford of Largemortgageloans.com, a property would have to yield in excess of 6.1 per cent in order for the owner to borrow the full 85 per cent.

"Not too many properties will currently be achieving this, so rent rather than loan-to-value will usually be the limiting factor on maximum borrowing," he added.