

## Important Information about our Residential Mortgages

This information should be read in conjunction with the individual mortgage product features. Where the information differs, the individual mortgage product features will take precedence over the information stated below.

All applications are manually underwritten by our experienced underwriters and are subject to a full assessment against our lending criteria.

Please note that the information below does not constitute an exhaustive list of our lending criteria and borrowing requirements.

### 1. Purpose of the Loan

Lending is wholly confined to applications fully secured on residential property or fully secured on land by way of first legal charge in England and Wales.

Loans are available for the purpose of:

- (i) purchase by first time buyers or previous owner-occupiers or,
- (ii) remortgage,

of owner-occupied residential property, which will be the applicant(s) main residence.

Help to Buy: Equity Loan Scheme (operated by the Homes & Communities Agency (HCA) or Help to Buy Wales Ltd) is available to qualifying applicants from registered house builders and applications must be accompanied by confirmation that applicants are eligible for the Scheme.

Shared Ownership Schemes are available for qualifying applicants purchasing property (excluding properties located within the M25) on a shared ownership basis from pre-approved housing associations registered with the Homes and Communities Agency. A specimen housing association lease must be approved by the Society before the mortgage funds are released.

### 2. Residency Status

Applicants must normally be physically resident in the UK and under EU law have an unrestricted right to live and work in the UK on a permanent basis.

### 3. Loan to Value (LTV) Limits

The following maximum LTV limits apply to the following types of lending;

Type of Lending	Maximum LTV (%)
Purchase	95%^
Remortgage	90%
New Build	85%
Shared Ownership	95% of share being purchased (maximum 75% valuation)
Shared Equity Schemes (Help to Buy)	75%
Self Build	75%
Right to Buy	90% of discounted price
Further Advance	90%

^ Lending on purpose built flats, converted flats and maisonettes is limited to a maximum 90% LTV. Flats can be in blocks of up to 4 storeys and for Shared Ownership properties, must have been constructed after 2003.

### 4. Loan Size

Maximum Loan Size*	Maximum LTV**
£250,000	95%
£300,000	90%
£350,000	85%
£500,000	80%
£750,000	75%

\* Maximum loan sizes subject to product availability.

\*\*Maximum LTV is exclusive of the completion fee unless otherwise stated in the product features.

## 5. Term and Age Limits

Minimum age: 18 years at the time of application.

### Residential Mortgage Age Related Criteria

	Mortgage Repaid Before Age 70	Mortgage Repaid Between Age 70 and Before Age 80	Mortgage Repaid Between Age 80 and Before Age 85
<b>Maximum LTV</b>	95%	60%	60%
<b>Maximum mortgage term (years)</b>	35	35	35
<b>Minimum mortgage term (years)</b>	5	5	5
<b>Acceptable repayment methods</b>	Capital repayment and interest only. Interest only element must not exceed 75% LTV. Part capital repayment / part interest only available	Capital repayment and interest only. Part capital repayment / part interest only available	Capital repayment
<b>Property downsizing considered, subject to minimum £150,000 equity</b>	Yes	Yes (on specified products only subject to maximum 40% LTV)	No

## 6. Repayment Options

- Capital repayment.
- Interest only is available provided the loan to value does not exceed 75% LTV, excluding Shared Ownership and Help to Buy Shared Equity products which are only available on a capital repayment basis.
- Part capital repayment and part interest only is available on mortgages up to 90% LTV, subject to the interest only element not exceeding 75% LTV.

Interest only means that you only pay the interest due on the loan and you must have an acceptable repayment strategy in place to repay the capital balance at the end of the mortgage term.

Details and evidence of an acceptable repayment strategy intended to be used to repay any interest only element of the loan must be available on application.

Acceptable repayment strategies include:

- Savings and investments (including endowment policies and existing Personal Equity Plans)
- Pension lump sums
- A portfolio of stocks and shares or a stocks and shares ISA/NISA
- The sale of a mortgage/debt free UK located buy to let or holiday home property that is owned by the mortgage applicant(s) on a Joint Tenant basis
- Property downsizing is acceptable on selected mortgages when the whole of the loan is on an interest only basis. To qualify, there must be a minimum equity of £150,000 and this must be sufficient to provide a reasonable quality home in the property locality.

You are responsible for any shortfall should your repayment strategy fail to repay the capital borrowed at the end of the term and you should therefore check the performance of any investment, where appropriate, on a regular basis. If you are not in a position to repay the capital when you reach the end of the term you will be in breach of the mortgage conditions and this could result in further action being taken by us to protect our interest in the property.

The Mansfield Building Society is not authorised in respect of repayment strategies relating to an interest only mortgage and will not provide any advice concerning the adequacy or suitability of your chosen repayment strategy.

## 7. Mortgage Rate Types

Subject to product availability, we offer a range of fixed, discounted variable rate and tracker mortgages.

### Standard Variable Rate (SVR)

An internal rate of interest set by the Society to reflect market conditions. The rate is variable and can go up or down. At the end of any fixed rate, discounted rate or tracker product period the interest rate will revert to SVR.

### **Fixed Rate Mortgage**

The interest rate is fixed for a specified number of years.

### **Discounted Variable Rate Mortgage**

The interest rate is discounted for a specified number of years. The rate is variable and can go up or down.

A minimum pay rate will apply during the discounted term, please see our product details for the rate that applies.

### **Tracker Mortgage**

The interest rate tracks an externally referenced rate – normally the Bank of England Base Rate for a specified number of years. The rate is variable and can go up or down.

## **8. Interest Calculation**

Interest is calculated daily.

## **9. Early Repayment Charge (ERC)**

An early repayment charge is a charge levied in the event that the mortgage is repaid in full or in part during a specified period.

An early repayment charge equivalent to a percentage of the original mortgage amount including any fees added, will be made if the mortgage is redeemed at any time during the initial fixed rate or discounted variable rate period.

If a new mortgage for at least the same amount as the total mortgage balance outstanding is taken out simultaneously with us then the Society in its discretion, may waive any early repayment charge. If a new mortgage for at least the same amount as the total mortgage balance outstanding is taken out within 3 months of full repayment then the Society in its discretion, may refund any previously paid early repayment charge.

## **10. Lump sum or overpayments of Capital**

Payments in excess of the required monthly mortgage payment can be made in the form of lump sum payments or regular overpayments.

A repayment of capital up to a maximum of 10% of the original mortgage advance will be allowed each calendar year during the product term without incurring an early repayment charge. Any lump sum payments or regular overpayments received in a single calendar year, which in total exceed 10% of the original mortgage amount, will incur an early repayment charge on the amount of the excess.

## **11. Fees and Charges**

For full details of fees and charges please see our 'Tariff of Charges' available on our website [www.mansfieldbs.co.uk](http://www.mansfieldbs.co.uk) or on request.

### **Application Fee**

A non-refundable application fee is payable on application.

### **Completion Fee**

A non-refundable completion fee is payable before completion.

Where product features allow, customers may positively elect to add the completion fee to the loan amount. If the completion fee is added to the loan amount this will become interest bearing and will be reflected in the monthly repayment over the term of the mortgage. The fee may be paid by debit or credit card without incurring additional charges.

### **Chaps/Telegraphic Transfer Fee**

A charge which covers the cost of transferring funds to you, your bank or solicitor.

### **Valuation Fee**

Unless otherwise stated in the product features a basic valuation fee is payable by the applicant(s). The fee charged is normally based on the purchase price of the property at the time of inspection. Where the purchase price is preferential or where the price is not known at the time of inspection, the fee charged will be based on the valuation figure.

For a full list of mortgage valuation fees, please see our 'Tariff of Charges'.

Valuation fees are payable to Gateway Surveyors who will request payment when arranging the valuation.

### **Legal Fees**

Legal fees are payable to your / our legal advisor on or before completion for carrying out work in relation to you taking out a mortgage.

For remortgage applications you can opt to use our nominated legal advisor for a fixed fee of £250. Under this shortened legal process the legal advisor will be acting on behalf of the Society.

### **Redemption Administration Fee**

When closing your mortgage account we will ensure enough money is received to clear the outstanding balance and return any overpayments made to you. We will arrange for our interest to be removed from any assigned policies, complete the legal discharge paper work and release our charge from the property. We also release the Title Deeds. This fee covers the work involved in these tasks.

### **Higher Lending Charge**

For mortgages which exceed 80% of the property purchase price or valuation, whichever is the lower, a Higher Lending Charge is payable. The charge is for the Society's benefit only in the event of default by you. It does not reduce or affect any of your obligations to the Society in connection with the mortgage. Unless otherwise stated this will be paid for by the Society.

### **12. Direct Debits**

Monthly mortgage payments are made by Direct Debit and are due on the 25th of each month.

### **13. Portability**

Our mortgages are not portable to another property.

### **14. Maintaining Mortgage Repayments**

Your home or property could be at risk if you fail to maintain your mortgage payments on time and in full. Failure to meet these requirements may adversely affect your credit information and impact future credit applications.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE

### **Contact Us:**

If you have any questions or comments about the information above then please feel free to contact us at our registered office in Mansfield. We have fully qualified mortgage advisors who will be happy to help you with your query.

The Mansfield Building Society  
Regent House  
Regent Street  
Mansfield  
Nottinghamshire NG18 1SS

Mortgage Enquiries: 01623 676345

Telephone lines are open six days a week, Mon to Fri 9.00am\* - 5.00pm (\*Weds from 10.00am), Sat 8.45am - 12.15pm.

The Mansfield Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Reference number 206049.