

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 available for applications on owner-occupied residential property, which will be the applicant(s) main residence and is fully secured on residential property or fully secured on land by way of first legal charge in England, Wales and Scotland (excluding properties located in the Outer Hebrides, Orkney Islands, Shetland Islands and postcodes IV41-48, IV51-56, KA27, PA20-49, PA60-78 and PH41-44).

Loans are available for the following purposes:

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

Help to Buy: Equity Loan Scheme (operated by Homes England 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 in England and Wales on a shared ownership basis from pre-approved housing associations registered with the Homes England or the Welsh Government. A specimen housing association lease must be approved by the Society before the mortgage funds are released.

Family Assist mortgages allow family members to support a borrower access a mortgage of 100% loan to value (LTV) by providing collateral security using either cash savings (England and Wales only) or equity in the family member's home. See our website for more details.

Retirement Interest Only (RIO) mortgages are designed to be repaid on the sale of the property in the occurrence of one or more of the following specified life events – death of the borrower(s) or the borrower(s) moves into long term care. RIO Mortgages are exclusively available through CeRER or CertER Equity Release qualified mortgage intermediaries. The borrowers will need to ensure that two Lasting Powers of Attorney are in place covering (i) Health and Welfare and (ii) Financial Affairs. Borrowers will be required to take independent legal advice.

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	90%
Family Assist	100%
Shared Ownership	95% of share being purchased (maximum 75% valuation)
Shared Equity Schemes (Help to Buy)	75%
Self Build	80% (85% loan to cost)
Right to Buy (England only)	110% of discounted price
Retirement Interest Only (RIO)	55%
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**
£350,000	95%
£500,000 (purchase) £400,000 (remortgage)	90%
£500,000	80%
£750,000	75%
£1,000,000	70%
£1,500,000	65%

* 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

For all residential lending, excluding Retirement Interest Only (RIO) mortgages:

Minimum age of 18 years at the time of application. Please see product information for the minimum mortgage term. The maximum mortgage term is 40 years, subject to your age at the time of application and the type of mortgage you require. The mortgage is to be repaid before age 85 for capital repayment and interest only mortgages.

Repayment between Age 70 and Age 85

Maximum 70% LTV. Where the requested mortgage term extends beyond the age of 70, the affordability of the mortgage may be assessed on an individual sole survivor basis and underwriter discretion may apply. Independent legal advice and a Lasting Power of Attorney may be recommended or required as a condition of the offer.

Retirement Interest Only (RIO) Mortgages

Minimum age 55 years at the start of the mortgage term, no maximum age. There is no maximum term, although borrower(s) should nominate a required term and if no term is nominated, then a term of 40 years will be assumed.

6. Repayment Options

- Capital repayment.
- Interest only is available provided the loan to value does not exceed 75% LTV (70% LTV when the mortgage is repaid between age 70 and age 85, 55% LTV for RIO Mortgages), 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 (excluding Retirement Interest Only).

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, where there is a minimum equity of £150,000 in the property and this is 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 rate of 1.5% will apply during the discounted term unless otherwise stated in the product terms.

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 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 in England and Wales 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.

Where a product includes a "free legal fees" package for remortgages in England and Wales, via our nominated solicitor, the Society will pay the legal fees to the nominated solicitor for a simplified "fast track" process. Under this process the solicitor will be acting on behalf of the Society and not on your behalf. Normal conveyancing checks will not be made as the applicants will already live in or own the property.

If there are any additional legal requirements or costs that are not covered by this "fast track" process then the "free legal fees" package may not be available and applicants will have to pay additional legal costs, including those incurred on behalf of the Society, to the solicitor.

Examples of these include the requirement for face to face or independent legal advice as a mortgage or product condition, changing names on title deeds, correcting title defects, postponement of charges and additional searches. Please contact us if you require more information on the circumstances where "free legal fees" will not apply.

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.

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

Mortgage Enquiries: 01623 676345 (Mortgage Intermediaries 01623 676360)

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.