MORTGAGES

Interest Only Residential Mortgage
Two Year Fixed Rate
Existing Borrowers only

Mortgage Illustration
This product sheet does not contain all of the details you need to choose a mortgage. Please speak to your Mortgage Adviser who will provide you with a mortgage illustration, which will detail all the features of a particular mortgage. Please make sure you read the mortgage illustration before you make a decision on your choice of mortgage product.

Criteria:

- Existing borrowers for product transfer purposes, re-arrangement, additional borrowing applications and existing borrowers moving home.
- Only available on an interest only method of repayment.
- The Society may, from time to time, withdraw from offering new lending on the interest only method of repayment. During these times, this product will only be available for product transfer or re-arrangement purposes.
- Applicants to be either employed, self-employed or retired (confirmation of income will be required).
- Applicants must be at least 18 years of age and be UK residents.
- Applicant(s) must be aware that the mortgage payment covers interest only and at the end of the mortgage term the applicant will be required to repay the original loan amount.
- This product is an Interest Only product and cannot be used for a Capital and Interest method of repayment. The Society will allow part of a mortgage to be on a Capital and Interest method of repayment, however, a Capital and Interest product must be used for this part of the mortgage.
- Houses and flats (subject to lending policy criteria, please ask for further details) within England (including Isle of Wight) and Wales are an accepted type of security. For a list of unacceptable property types please speak to your mortgage adviser.
- Product Availability: This product may be withdrawn with little or no notice.
  To ensure funds are reserved it is essential that a residential mortgage application form is fully completed and submitted.
- Purchase/Remortgage will not be acceptable unless the owner/vendor has been registered with the Land Registry for at least six months.
- Property Insurance: Prior to completion, the Society will need to be satisfied that the insurance cover meets its minimum requirements.

Interest Rate:

2 YEAR FIXED RATE		
Initial Rate	Then changing to our Standard Variable Rate (SVR) currently	**The overall cost for comparison is**
4.85% fixed for two years	8.24% variable	**7.9% Annual Percentage Rate of Charge (APRC)***

*** The actual rate available will depend upon your circumstances. Ask for a personalised illustration.**

- As interest is calculated on a daily basis, any overpayments you make will immediately reduce the amount you owe and also the amount of interest you pay.

The mortgage property (which could be your home) may be repossessed if you do not keep up repayments on your mortgage

- At the end of the fixed rate period the rate will revert to the Society's standard variable rate applicable at that time which will not fall below 3.00% at any time during the life of the mortgage.
- The Society reserves the right to withdraw the fixed rate if you cease to occupy the property as your main residence. The Society's standard variable rate, applicable at that time, would then apply.

Loan:
- Maximum loan £1,500,000.
- Maximum loan to value is 75% (including any fees added to the loan). Loan to value is your total mortgage amount divided by the purchase price or valuation whichever is the lower.
- Minimum Property Value is £50,000.

Fees/Charges:
- Early Repayment Charge: If the mortgage is repaid either in whole or in part, or is transferred to an alternative product during the term of the product then an early repayment charge will apply. This charge will be based on; 2% of the outstanding loan if the mortgage is repaid in the first year of the product term and 1% of the outstanding loan if the mortgage is repaid during the second year of the product term. Capital repayments, which are not subject to the above early repayment charge, can be made of up to 10% of the original loan amount (original transfer amount if variation) in any 12 month period from the date of completion.
- One free standard mortgage valuation for all purchase, remortgage or additional borrowing applications. If a valuation is required in connection with a product transfer, then a valuation fee will be payable (per scale). Please refer to the Tariff of Mortgage Charges leaflet for further details.
- A Mortgage Exit Fee is payable at the prevailing rate on full repayment (redemption) of your mortgage.

Additional Borrowing:
- If you qualify, additional funds may be made available using the Society's Additional Borrowing facility. Further details are available on request.

Representative Example (based on a residential property purchase):

The Annual Percentage Rate of Charge (APRC) varies with the circumstances of each mortgage. Here is a representative example of a loan secured on your main residential property: A mortgage of £125,000.00 on an interest only basis payable over 25 years initially on a fixed rate for 2 years fixed at 4.85% and then on our Standard Variable Rate (SVR) of 8.24% (variable) for the remaining 23 years you would pay:

1 monthly repayment of £16.56, followed by
24 monthly repayments of £503.24, followed by
276 monthly repayments of £852.59 and
1 final payment of £125,000.00

The total amount payable would be £372,549.16 made up of the loan amount of £125,000.00 plus interest (£247,409.16), a funds transfer fee of £20 and legal fee of £120. The overall cost for comparison is **7.9% APRC** representative.

Please note: the example above is for a residential property purchase only and assumes a payment date of 1st of the month. If you choose to pay your mortgage later in the month this will affect payments and could result in a higher APRC. For product transfers, re-arrangement and additional borrowing applications, certain fees do not apply. Please speak to your mortgage adviser for further details.

The mortgage property (which could be your home) may be repossessed if you do not keep up repayments on your mortgage

Portability:

- This product is portable. If you move home, this mortgage product may be transferred to your new property (subject to terms and conditions) – please see following 'Fixed Rate Portability Leaflet' for details.

This product sheet should be read in conjunction with our "Homebuyer's Guide" booklet, "Fixed Rate Portability Leaflet" and the "Statement of Practice – Borrowers" booklet.
For other charges, which may apply, see our "Tariff of Mortgage Charges" leaflet.

Product Sheet No: 4182

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Fixed Rate Portability Leaflet

This product is subject to an early repayment charge if the loan is repaid in full or in part or is transferred to an alternative product up to and including the date stated in the product terms and conditions.

The mortgage product you have chosen is portable. This means you can retain the benefits of the product even if you move house.

You can transfer the balance from your current mortgage account to a new mortgage account secured on your new property. The terms and conditions that applied to your mortgage product will continue until the end of the early repayment charge period. If you do not wish to transfer your mortgage product, an early repayment charge will be payable on the amount which is not transferred and you will then be in a position to choose an alternative product.

If your new mortgage does not start at the same time as the full repayment (redemption) of your current mortgage, an early repayment charge will be payable. If a new mortgage application is received for porting of this mortgage product within 3 months of the full repayment (redemption) of your current mortgage the early repayment charge will be refunded. If you take out a new mortgage at a later date, you will then be in a position to choose an alternative product. The early repayment charge previously paid will not be refunded.

If your new mortgage is less than your current mortgage, you can transfer the amount you need and an early repayment charge will be payable on the difference. If you increase your borrowing at a later date, you can choose an alternative mortgage product for the additional borrowing that you require (subject to product terms and conditions). The early repayment charge previously paid will not be refunded.

If your new mortgage is more than your current mortgage, you can transfer your mortgage product and choose an alternative mortgage product for the additional borrowing that you require (subject to product terms and conditions).

You will need to complete a Residential Mortgage Application Form and we will carry out our usual status enquiries and obtain a Valuation Report on the new property. We cannot guarantee to offer you a new mortgage if your personal circumstances have changed, the Society's lending criteria has altered or the property is deemed not to be suitable security. An early repayment charge will be payable if the Society is unable to transfer your mortgage.

Products are only available within England (including Isle of Wight) and Wales and borrowers must also be UK residents.

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The mortgage property (which could be your home) may be repossessed if you do not keep up repayments on your mortgage