

## Owner Occupier - summary of mortgage products available for First Time Buyers



All of these mortgage products have limited funds available and may be withdrawn at any time. Our mortgages are available to applicants aged 18 and over for properties in England or Wales.

This information should be read in conjunction with the separate sheets: 'Additional Information about our Mortgages' and 'Getting a Mortgage: what you need to know' guide, which provide important information about our mortgage services.

Product name	Initial interest rate	Initial rate duration	Followed by our Managed Mortgage Rate currently	The overall cost for comparison is	Minimum interest rate payable	Fees (see 'Additional Information about our Mortgages')	Maximum Loan to Value (LTV)	Early Repayment Charges	Product code
<b>Fixed initial rate - CAPITAL AND INTEREST REPAYMENT</b>									
2 year fixed rate to 31/03/2023	2.49%	Until 31/03/2023	4.39%	<b>4.1% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	60%	2% until 31/03/2022 1% until 31/03/2023	XF0309
2 year fixed rate to 31/03/2023	2.74%	Until 31/03/2023	4.39%	<b>4.2% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	75%	2% until 31/03/2022 1% until 31/03/2023	XF0310
3 year fixed rate to 31/03/2024	2.69%	Until 31/03/2024	4.39%	<b>3.9% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	60%	3% until 31/03/2022 2% until 31/03/2023 1% until 31/03/2024	XF0311
3 year fixed rate to 31/03/2024	2.94%	Until 31/03/2024	4.39%	<b>4.1% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	75%	3% until 31/03/2022 2% until 31/03/2023 1% until 31/03/2024	XF0312
5 year fixed rate to 31/03/2026	2.99%	Until 31/03/2026	4.39%	<b>3.9% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	60%	5% until 31/03/2022 4% until 31/03/2023 3% until 31/03/2024 2% until 31/03/2025 1% until 31/03/2026	XF0331
5 year fixed rate to 31/03/2026	3.24%	Until 31/03/2026	4.39%	<b>4.0% APRC</b>	No	<b>Product Fee: £999*</b> <b>Application Fee: £175 + Valuation Fee**</b>	75%	5% until 31/03/2022 4% until 31/03/2023 3% until 31/03/2024 2% until 31/03/2025 1% until 31/03/2026	XF0332
The above mortgages must complete by 01/04/2021.									
* <b>Product Fee:</b> For loans over £500,000, the Product Fee will be 0.30% of the loan amount.									
** <b>Valuation Fee:</b> Free for properties up to £500,000. For properties above £500,000, standard Valuation Fee scale applies less £330 discount.									
Representative example: A mortgage of £158,000.00 payable over 20 years initially on a fixed rate for 2 years at 2.74% and then on our variable Managed Mortgage Rate, currently 4.39% for the remaining 18 years, would require 29 monthly payments of £855.84 and 211 monthly payments of £974.48, plus one initial interest payment of £367.50. The total amount payable would be £232,076.14 made up of the loan amount plus interest of £72,802.14, an Application Fee of £175, a Product Fee of £999 and a Mortgage Exit Fee of £100. <b>The overall cost for comparison is 4.2% APRC representative.</b>									

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

For **Customer Enquiries** please contact our New Business Team:

Tel: 03330 140140 Email: [newbusiness@familybsoc.co.uk](mailto:newbusiness@familybsoc.co.uk)

Website: [familybuildingsociety.co.uk/mortgages](http://familybuildingsociety.co.uk/mortgages)

For **Intermediary Enquiries** please contact our dedicated Mortgage Desk:

Tel: 01372 744155 Email: [mortgage.desk@familybsoc.co.uk](mailto:mortgage.desk@familybsoc.co.uk)

Website: [intermediaries.familybuildingsociety.co.uk](http://intermediaries.familybuildingsociety.co.uk)

Family Building Society is a trading name of National Counties Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.  
Firm Reference No: 206080 [register.fca.org.uk](http://register.fca.org.uk)

## Additional Information about our Owner Occupier Mortgages

This document sets out information that you need to be aware of before taking out a mortgage with us. It's a good idea to read it along with our other documents which give important information about our mortgage services:

- **Getting a Mortgage: what you need to know**
- **The relevant mortgage product brochure**
- **Our lending criteria**

If you don't have access to these, or you need any other help, please get in touch with our New Business Team using the contact details shown on the final page of this document.

### 1. GENERAL MORTGAGE INFORMATION

#### Managed mortgage rate

The managed mortgage rate (MMR) is a type of mortgage interest rate that you are most likely to go onto after your introductory fixed, tracker or discounted deal ends. We choose what the MMR rate is and it does not track the Bank of England Bank Rate. Your MMR depends on whether we calculate the interest on your mortgage annually or monthly.

The MMR you'll pay also depends on what type of mortgage you apply for. Please refer to the Summary of Mortgage Products sheet for more information.

#### How much will you lend me?

The minimum loan we will consider is £45,000 unless we say otherwise in the Summary of Mortgage Product sheet. There is no maximum, but if you need to borrow more than £500,000, please contact us before you send us your application form. We offer loans up to the maximum Loan to Values (LTVs) shown in the Summary of Mortgage Products sheet. We base the LTVs on the property value or purchase price, whichever is lower.

The minimum value of a property we will accept is £120,000 and there is no maximum value. This may vary depending on the mortgage product you choose. Please see the Summary of Mortgage Products sheet for details.

#### Do you have minimum and maximum interest rates?

Yes. If the product you choose is subject to a minimum charging rate (known as a "floor") or a maximum charging rate (known as a "ceiling"), you can find this on the Summary of Mortgage Products sheet. A floor or ceiling will only apply during the initial discounted or tracker period of your mortgage.

#### How long can my mortgage be?

The minimum mortgage term is 5 years and the maximum is 40 years. If the term you choose will extend beyond your expected retirement age, please write on your application form how you will carry on making your repayments once you've stopped working and provide any relevant evidence of your future income.

#### Can I take the mortgage with me if I move house?

Yes. If you move home, you can take your Family Building Society mortgage with you to your new home, for an amount up to the outstanding amount you owe us. This is known as "porting" and will be subject to you meeting our lending criteria that apply at that time.

If you want to borrow more, you can choose a new product from our further advance range. Our further advance products change over time and the interest rates may be higher than the existing rate on your main mortgage. It is important that you review our further advance products and interest rates at the time you are interested to determine what your options will be.

If you reduce your mortgage balance when you move, then, where applicable, you would have to pay us an Early Repayment Charge (ERC) which we will calculate based on the net amount you are repaying unless the product specifies otherwise. If you choose a flexible Retirement Interest Only mortgage, the ERCs are based on the initial loan amount.

#### What about buildings insurance?

You will naturally want to make sure that your home is covered in the event of damage due to a fire, storm, flood, etc. As the property is our security for the loan, we do need to see proof that you have adequate buildings insurance in place before completion.



You must make your own insurance arrangements, but these must meet our minimum requirements regarding the extent of the included risks and the amount of cover.

### **Can I see an example of what the overall cost of my mortgage might be?**

Yes. The representative example we show on the Summary of Mortgage Products sheet is an illustration of what a typical mortgage (including its total costs), might cost you.

### **Will you give me regular updates about my mortgage?**

Yes. In January each year we'll give you a mortgage statement showing your transactions in the previous calendar year and the total of interest we have charged you.

We can also give you a certificate of interest paid on a tax year basis, for an additional cost. We produce these certificates on an individual basis for an additional cost for each mortgage account you have with us, per tax year. We would normally add this cost to your mortgage account. We show our mortgage administration charges in our Tariff of Mortgage Charges document, which we send you with your annual mortgage statement.

### **Do I need to have financial advice?**

So that you are fully aware of your mortgage repayment options, you should seek specialist financial advice.

## **2. OUR FEES AND CHARGES**

### **How much is the Application Fee?**

This is £175 plus the Valuation Fee. The Valuation Fee is based on the purchase price or value of the property, whichever is higher. You will need to pay the Application Fee when you apply for the mortgage and this isn't refundable.

For property values up to £500,000, you can have up to two free valuations if you are buying a property and one free valuation if you are looking to remortgage. If the property value is over £500,000, we reduce the Valuation Fee by £330.

The Application Fee isn't refundable if either you or we withdraw from the mortgage application.

### **How much is the Product Fee?**

The Product Fee will vary depending on which mortgage you choose. You will need to pay us this when your mortgage starts (known as "completion") and this isn't refundable. We will normally deduct the Product Fee from the total advance at completion.

If your loan is more than £500,000, the Product Fee will be 0.30% of the total amount we have lent you. We call this the Large Loan Fee and it relates to the size of your loan.

### **Will I have to pay any Early Repayment Charges (ERCs)?**

Where we show an ERC in the Summary of Mortgage Products sheet, this is relevant for the whole of the initial interest rate period. Unless the product specifies otherwise, you can make capital repayments of up to 10% of the original amount you borrowed each year during the initial interest rate period without having to pay an ERC. If you pay more than 10%, you will need to pay us an ERC on any amount that is over 10%.

You can't carry the 10% allowance forward to future years, so for example if you pay off 5% in one year, you can't then pay off 15% the following year without having to pay an ERC. The allowance will stay at 10% per year.

If you're paying back the whole of your loan, no allowance applies. This means that you will have to pay the ERC on the capital balance at the time you repay the whole of your loan. We show the ERC for each mortgage product in the Summary of Mortgage Products sheet.

## **3. OUR OWNER OCCUPIER MORTGAGES**

In addition to our standard capital and interest repayment and Interest-Only mortgages, we have a choice of specialised owner occupier mortgage products.

### **Offset Mortgages**

You will need to open a linked Offset Saver account if you are applying for our Offset Mortgage. A cashback of £250 (for remortgage applications) or £100 (for purchase applications) will be used to open your linked Offset Saver account on completion of the mortgage.

You can enjoy one of two benefits with our Offset Mortgage; a Term Reduction or a Payment Reduction. You also have the flexibility to switch between these two options. For full details, including the benefits of both, please refer to the Offset Mortgage product brochure.

As long as you have our prior agreement, you can make as many lump sum or regular overpayments as you like as long as you don't pay off the mortgage in full. You have the option to reduce your monthly payments, have payment holidays or use the borrow back facility as long as you've previously built up enough credit through your overpayments. The borrow back facility is available



for a minimum of £500 once a month, as long as you give us seven working days' notice.

### Joint Mortgage Sole Owner (JMSO)

Our JMSO arrangement is designed to let family members help each other achieve their housing goals, often sooner than if a JMSO wasn't in place. It allows parents, or for older borrowers their working adult children, to join in a mortgage as non-occupying borrower(s).

### The maximum we will lend on a JMSO is £500,000.

JMSO is available for both purchase and remortgage on a repayment or Interest-Only basis. We will not accept repayment strategies for Interest-Only applications which are held jointly with the non-occupying borrower(s) including the sale of property which is owned by the non-occupying borrower(s).

If any amount is on Interest-Only, the mortgage must finish before the anticipated retirement age of the eldest borrower or age 70, whichever is sooner.

For remortgage, you can only use any additional borrowing to buy out another owner or for essential home improvements.

The non-occupying borrower(s) and the occupying borrower(s) are both liable for all the mortgage payments.

As a condition of our mortgage offer, all non-occupying borrower(s) must have separate independent legal advice. You will need to instruct a legal representative, and you must cover any legal costs yourself. If you choose one of our owner occupier remortgage fee assisted products, we will pay £250 towards the legal costs for you.

**Please talk to us before you apply for a JMSO.** If we decide that you are eligible, all applicants must make it clear that they are applying for a JMSO when they complete the "Additional Information" section of the mortgage application form. They must also clearly state which of the applicants will be the owner-occupier(s).

Most of our owner occupier mortgages offer the JMSO arrangement with the exceptions of the Family Mortgage and Retirement Lifestyle Booster.

Please also read our Joint Mortgage Sole Owner (JMSO) document which gives full details and examples of who this arrangement may be suitable for.

### Guarantor mortgages

These are available to borrowers whose income is a little short of the amount required to qualify for the loan and who have a close family member who is willing to act as guarantor. The guarantors' income (less their own

existing commitments and mortgage payments) must cover the total loan amount.

If the borrowers default on the mortgage, the guarantors will be liable to pay the full monthly mortgage payments. If the loan amount exceeds 75% of the property value or purchase price of the borrowers' property, whichever is lower, we will require a Legal Charge to be taken over the guarantors' property.

The borrowers are responsible for any additional costs that might arise if a Legal Charge has to be secured on the guarantors' property.

## 4. LEGAL COSTS

There are various legal costs associated with taking a mortgage and these will be your responsibility unless the product you select includes help with the legal costs.

### Can I use my own solicitor?

If your nominated solicitor / licensed conveyancer is on our panel of approved firms, managed by LMS, we may be prepared to use them to act for us. Please contact us if you need more information about this. Please note, if your solicitor / licensed conveyancer is not on our panel of approved firms, managed by LMS, we'll need to appoint our own and you will have to pay the cost of this. If this does happen, we'll let you know about the fees.

### Do you offer help with Legal Fees?

Yes, we offer assistance with Legal Fees on some of our mortgage products. This usually means that we'll either select a legal representative of our choice, which may be our in-house Legal Services Department, or you can nominate your own legal representative. There are certain circumstances when you must choose your own legal representative.

These are if:

1. the property is unregistered;
2. the ownership is being changed;
3. the total mortgage amount is not for the financial benefit of all the borrowers;
4. not all the borrowers will own the property;
5. you require legal advice on any other aspect of your mortgage.

Where you nominate your own legal representative or if any of the above circumstances apply (and you need to nominate your own legal representative), we will pay £400 towards your legal costs.

You will be responsible for any additional legal costs and disbursements. Our contribution towards the costs will be paid to your solicitors / you at completion. Your

selected legal representative must be on our panel – please contact us for more details regarding this.

When our in-house Legal Services Department carry out the work on our behalf, it's important to note that

they cannot act for you or provide you with any legal advice on your mortgage.



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