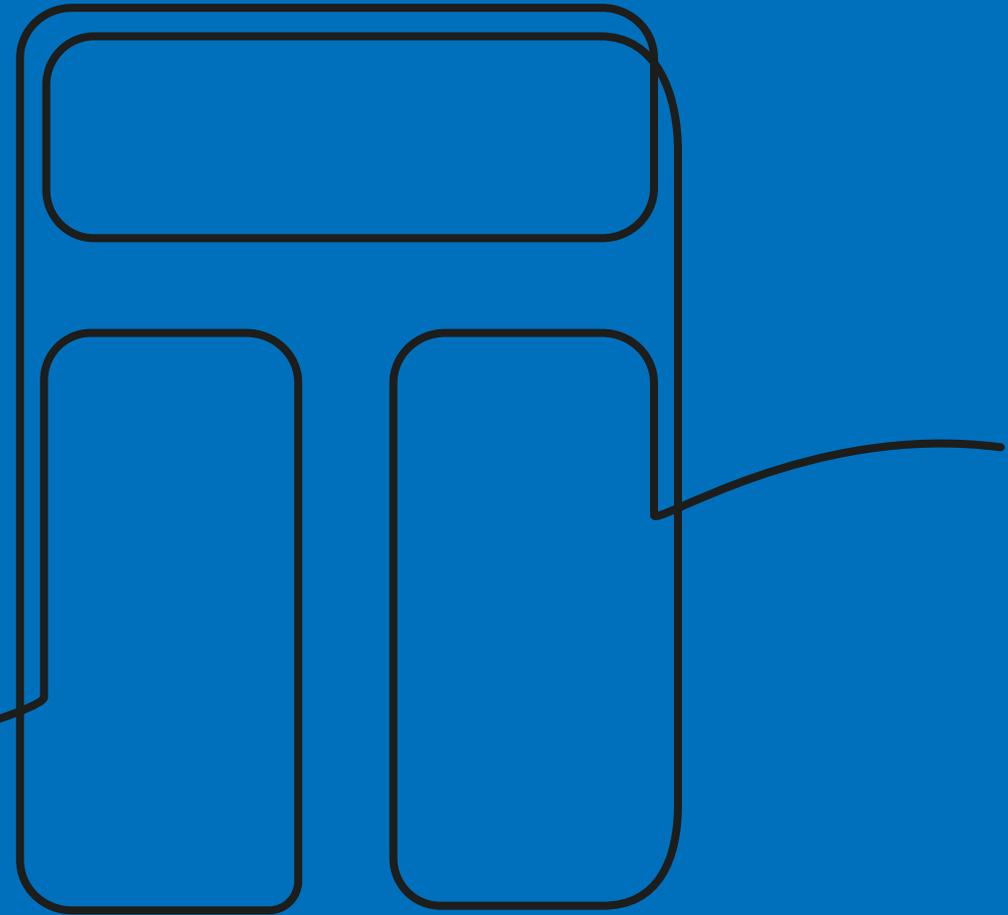


# MORTGAGES GENERAL INFORMATION AND CHARGES



We recommend you review this information prior to completing a mortgage application.

**Percentage of advance**

The Society will usually lend up to 95% of the purchase price or valuation, whichever is the lower.

**Type of property**

The Society will normally lend on standard construction houses, bungalows and leasehold flats (minimum term remaining on lease at inception of the mortgage will be 80 years).

**Valuation scale**

Valuation fees are initially based upon the purchase price or current market value of the property. These fees include an administration charge.

Estimated value of the property	Basic building society valuation fee
£0 - £100,000	£200
£100,001 - £150,000	£225
£150,001 - £200,000	£275
£200,001 - £300,000	£330
£300,001 - £400,000	£395
£400,001 - £500,000	£455
£500,001 - £600,000	£515
£600,001 - £700,000	£580

£700,001 - £800,000	£675
£800,001 - £900,000	£750
£900,001 - £1,000,000	£800
£1,000,001 - £1,200,000	£975
£1,200,001 - £1,400,000	£1,150
£1,400,001 - £1,600,000	£1,305
£1,600,001 - £1,800,000	£1,485
£1,800,001 - £2,000,000	£1,600

**Mortgage valuation**

A report carried out for the benefit of the Society confirming the type of property, construction type, current value, insurance reinstatement value and general condition. The valuation is a limited inspection to identify problems that affect the security of the mortgage lender's loan. A property may have defects that are critical to a prospective purchaser, but are not of concern to the Society, and therefore, will not appear in the valuation report.

**Term of years**

Applications will be considered for periods of up to a maximum of 40 years depending on the property's age and valuation, as well as the age of the applicant. For interest-only mortgages, the maximum mortgage term is 25 years. The minimum mortgage term that would be considered is 5 years.

**Repayment options**

**Repayment Mortgages**

With a repayment mortgage, your monthly payments will go towards reducing the overall amount that you owe, including the interest accrued on your mortgage. This means that your debt will be reduced each month, and you will have paid off the entire amount owed by the end of the mortgage term (with us, this can be between 5 and 40 years).

Repayment mortgages offer a higher level of financial security as you are guaranteed to have repaid your mortgage by the end of its term if you keep up your monthly payments.

#### **Interest-Only Mortgages**

With an interest-only mortgage, your monthly payments will only go towards paying off the interest on your loan as opposed to the overall amount. The idea behind this is that you can use the money you save to invest in a repayment vehicle of your choice (such as a bond or an ISA), and pay off the mortgage balance at the end of its term.

With an interest-only mortgage, your monthly payments will be lower, but you will still owe 100% of your mortgage by the end of its term.

#### **Part and Part Mortgages**

This is a mixture of the two repayment methods above, offering borrowers a part-repayment and part-interest-only option.

#### **Mortgage types**

##### **Fixed Rate Mortgages**

With a fixed rate mortgage, the interest rate that you pay will stay the same throughout the deal period (which is typically between 2 and 5 years). The main advantage of a fixed rate mortgage is that even if interest rates were to rise dramatically, your monthly payments would not change, helping you to manage your money.

The disadvantages of a fixed rate mortgage are that interest rates are usually slightly higher than their variable rate counterparts, and if interest rates were to fall then you would not benefit from the change.

##### **Variable Rate Mortgages**

With a variable rate mortgage, the interest rate that you pay can change at any time throughout your deal period. Variable interest rates are generally lower than fixed rates, but do not offer the certainty of knowing exactly how much you will need to pay each month.

It is therefore wise to put some additional funds to one side should your interest rate rise and your payments increase. Similarly, if interest rates were to fall then you would benefit from lower monthly payments.

#### **Purposes for which the credit may be used:**

##### **Purchase**

The mortgage advance can only be used in connection with the purchase of the property, or as otherwise agreed.

##### **Remortgage**

The mortgage advance can only be used for the repayment of your existing mortgage, or as otherwise agreed.

#### **Additional Borrowing (Capital Raising):**

You could borrow extra on your mortgage for:

- Home improvement
- New & used cars
- Debt Consolidation

We may also be able to help you with additional borrowing for other purposes.

#### **Legal costs of mortgage**

Legal charges for the investigation on behalf of the Society, of the Borrower's legal title to the property and for the preparation of the mortgage deed will be payable by the Borrower. It is usually possible for the Society to instruct the firm of your choice, who will advise you of the costs involved.

#### **Buildings insurance**

The property will be used as security and it is a condition that it is adequately insured.

#### **Mortgage account charges**

<b>Fee</b>	<b>Amount</b>	<b>Description</b>
Capital repayments	-	Repayments additional to the normal amounts may be made at any time. Where the sum is in excess of £1000, an interest adjustment will be made. Early Repayment Charge may be payable. Please contact us for further information.
Funds transfer fee	£25	Fee charged to cover our costs in the transfer of funds from bank to bank.
Unpaid direct debits and cheques	£30	
Missed mortgage payment	£25	With no agreement in place to maintain or repay the outstanding balance.
Further advance fee	£199	To cover our costs in the administration of assessing the application.
Redemption administration fee	£85	To cover our costs in the administration of the account due to repayment of the mortgage.
Inspection of title deeds	£45	For inspecting Title Deeds when answering your queries and sending you any relevant copies.
Production of redemption statements	£20	Administration fee for the work involved in the production and issue of Redemption Statements.

References (including statement of account)	£55	Providing information to a third party regarding the conduct of your account.
Dealing with questionnaires	£80	Dealing with questionnaires from third parties relating to an application made by you to that party.
Approval of residential lettings	£60	The Society's approval is required prior to entering into a Tenancy Agreement.
Dealing with unpaid ground rent and services charges	£80	
Dealing with the sale of property in possession	£750	
Consent to register a subsequent charge at the land registry	£35	
Transfer of equity	£100	
Change of repayment vehicle	£50	
Letter instructing solicitors	£35	

All charges are at the discretion of the Society and are subject to change. Please note that this is a list of all the possible charges that the Society can make at the present time, and they may not be relevant to your mortgage.

**Costs:**

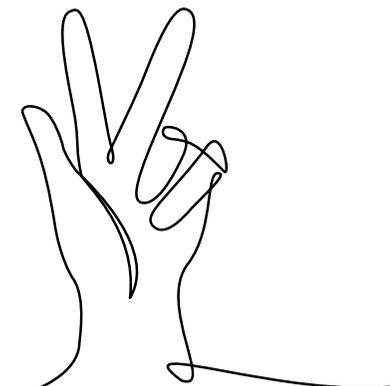
For full details of the associated mortgage charges and costs, please click here to download the Mortgage Charges & Costs document.

Please note: each application is assessed individually and must meet our lending criteria at the time of application.

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

Teachers Building Society, Allenview House, Hanham  
Road, Wimborne, Dorset, BH21 1AG.

 **Teachers**  
Building Society



Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Reg number 156580.