

Retirement Interest Only

5 Year Discount

You should read this document carefully in conjunction with our **Mortgages explained** booklet to ensure you understand what you are buying and keep it safe for future reference.

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| Maximum loan to value (see note 4 - overleaf) | 50% Mortgage will be on an interest only basis. |
| Initial interest rate | 3.10% variable |
| Offer | Our Standard Variable Rate (SVR) with a 1.00% discount for the first 5 years, changing to our SVR for the remainder of the mortgage. |
| Incentives (see note 3) | <ul style="list-style-type: none"> Free valuation for properties valued up to £1,000,000 Overpayments allowed |
| Loan size | £50,000 (Min) - £500,000 (Max) £40,000 (Min) - for existing borrowers transferring onto the product |
| Is an Early Repayment Charge (ERC) payable? | <ul style="list-style-type: none"> The Early Repayment Charge (ERC) period applies from the date of completion. For this product the ERC period is 3 years from the date of completion. ERC is 3% in year 1, 2% in year 2 and 1% in year 3 of the original loan amount (or the balance outstanding on the date an existing mortgage is transferred to this product). During the ERC period you are permitted to make overpayments up to 20% of the original loan amount per year (or the balance outstanding on the date an existing mortgage is transferred to this product). If overpayments exceed 20% in a year during the ERC period, you will have to pay the relevant ERC percentage rate on the amount of overpayment exceeding the permitted level. The full ERC is payable on the original loan amount (or the balance outstanding on the date an existing mortgage is transferred to this product) if you repay your mortgage in full during the ERC period. The ERC will also be levied on previously permitted overpayments. |
| Fees (see note 5) | Application Fee: £600 (Purchase) £850 (Remortgage) £0 (Existing borrower product transfer) Mortgage Exit Administration Fee (MEAF): £100 |
| Standard mortgage valuation fee (see note 3) | Newbury Building Society will pay the first £700 of the standard mortgage valuation (this will cover properties valued up to £1,000,000). |
| Representative example | <p>A mortgage of £400,000 payable over 20 years initially on our standard variable rate, currently 4.10% with a discount of 1.00% for 60 months giving a current rate payable of 3.10% and then on our standard variable rate, currently 4.10% for the remaining 15 years would require 60 monthly payments of £1,033.33 and 180 monthly payments of £1,366.67 plus one initial interest payment of £203.84.</p> <p>The total amount payable would be £708,904.24 made up of the loan amount plus interest of £308,204.24 an application fee of £600 and a MEAF of £100.</p> <p>The overall cost for comparison is 3.9% APRC representative. Please note the term shown is for illustrative purposes only. The actual term of the loan may be longer or shorter than the term shown.</p> |

YOUR MORTGAGE IS SECURED ON YOUR HOME. THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Call **01635 555700**
Visit **newbury.co.uk/mortgages**

Mortgage product guide notes

1. Availability

Properties must be located in England or Wales. RIO (Retirement Interest Only) mortgages are termless interest only mortgages available to those aged between 60 and 99 (the maximum age at application is 99), retired and in receipt of a pension or other ongoing income. Minimum income per application is £30,000. Available to those who are purchasing or remortgaging their residential home subject to product terms. Minimum property value of £125,000. Also available for existing borrowers to transfer their existing mortgage into, subject to payment for any ERC's that apply on their current mortgage and for existing borrowers moving house.

2. Legal costs

Legal work is required when buying your home. When buying your home the legal work is carried out by a solicitor and is payable by you. We can use the same solicitors as you, providing there is a minimum of four Approved Managers/Licence Holders and they are registered on The Law Society website (www.lawsociety.org.uk).

Licensed conveyancers are also acceptable for residential business only. The conveyancer must be registered with the Council of Licensed Conveyancers and be in a firm with at least four Approved Managers/Licence Holders.

3. Incentives

We will pay the first £700 of the standard mortgage valuation, (this will cover properties valued up to £1,000,000). If your valuation fee is more than £700 (i.e. your property value is more than £1,000,000), you are responsible for paying the difference. If the mortgage does not complete and the valuation has been carried out, you are responsible for paying it.

You can upgrade to a Home Buyers report. If you would prefer a full building survey we can give you the names of some local surveyors who can organise this for you. Please see our Mortgages explained booklet for further information about our valuation and home buyers fees.

If an existing borrower who is not moving house would like a revaluation carried out to assess which LTV tier they qualify for, they will be required to pay a revaluation fee.

4. Maximum loan to value

Loan to Value (LTV) is the proportion of the value or price of the property (whichever is the lower) that you borrow on a mortgage. For example, a £100,000 mortgage on a house valued at £200,000 would mean an LTV of 50%.

5. Fees

Application fees can be added to the mortgage and are refundable if the mortgage does not take place. If you add the application fee to your mortgage, this increases the amount you borrow and will increase your monthly payments.

A Mortgage Exit Administration Fee (MEAF) applies when you repay your mortgage. Please see our Tariff of Charges leaflet and your European Standardised Information Sheet (ESIS) for details.

6. Timescales

House purchases must complete within three months of the date of the formal mortgage offer. Remortgages must complete within three months from the date the application is received. Further advances must complete within three months of the date of the further advance offer.

For new build properties the mortgage offer is valid for up to 6 months. The application must be able to complete in the product timescales. Therefore, the new build property must be completed and available for occupation within 6 months of the mortgage offer.

Where existing borrowers transferring their existing mortgage are not in an early repayment charge period, the transfer must take place within two weeks of the mortgage offer.

7. Portability

All our mortgages are portable, which means that if you move house within an early repayment charge period the product can be transferred to your new mortgage, up to the value of the product outstanding at redemption, without charge. If the loan amount on your new mortgage is lower, there may be a charge based on the difference between the old and the new loan amount. A higher lending charge may be applicable for the new mortgage.

8. Other charges

Charges applying to the ongoing administration of your mortgage are detailed in our Tariff of charges leaflet, which you will be given before your mortgage completes.

9. Interest only

PLEASE NOTE: You should be aware that for the period you are paying interest only you are not reducing the capital borrowed.

10. Important information

The mortgage is repayable on death or a permanent move into residential care.

In the case of a joint mortgage, we will take into account the ability of the surviving borrower to meet the mortgage commitment on death of a joint borrower or when a joint borrower moves into long term care.

You are strongly recommended to seek independent legal advice before entering into this mortgage contract.

You are strongly recommended to discuss this mortgage arrangement with your family or anyone else who may be affected, and to consider a lasting Power of Attorney.

WE HAVE NO CURRENT PLANS TO WITHDRAW THIS PRODUCT BUT IT MAY BE WITHDRAWN WITHOUT NOTICE

Newbury Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 206077). English Law applies and we will communicate with you in English. We are participants of the Financial Ombudsman Service. We have a complaints procedure which we will provide on request. Most complaints that we cannot resolve can be referred to the Financial Ombudsman Service.