

# MORTGAGES

## Residential Help to Buy Mortgage Five 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 and re-arrangements only.
- Available on capital and interest repayment method only.
- 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.
- Product Availability: This product may be withdrawn with little or no notice.  
To ensure funds are reserved it is essential that a residential Help to Buy mortgage application form is fully completed and submitted where applicable.
- Property Insurance: Prior to completion, the Society will need to be satisfied that the insurance cover meets its minimum requirements.

**Interest Rate:**

<b>5 YEAR FIXED RATE</b>		
Initial Rate	Then changing to our Standard Variable Rate (SVR) currently	The overall cost for comparison is
4.65% fixed for five years	7.99% variable	<b>6.6%</b> <b>Annual Percentage Rate of Charge (APRC)*</b>

**\* 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.
- 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.

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



### **Loan:**

- Maximum loan to value is 75% (excluding 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 product term then an early repayment charge will apply. This charge will be based on; 5% of the outstanding loan if the mortgage is repaid in the first year of the product term, 4% of the outstanding loan if the mortgage is repaid during the second year of the product term, 3% of the outstanding loan if the mortgage is repaid during the third year of the product term, 2% of the outstanding loan if the mortgage is repaid during the fourth year of the product term and 1% of the outstanding loan if the mortgage is repaid during the fifth 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.
- 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.
- Help to Buy customers wishing to take additional borrowing in the future must first seek approval from their appointed Home Buy agent.
- Please note that Leek Building Society will not allow any additional borrowing until the equity loan is repaid in full or the additional borrowing is to repay the Equity loan in full and has been approved via the Home Buy agents.
- 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 a capital and interest (repayment) basis payable over 25 years initially on a fixed rate for 5 years fixed at 4.65% and then on our Standard Variable Rate (SVR) of 7.99% (variable) for the remaining 20 years you would pay:

1 monthly repayment of £15.92, followed by  
60 monthly repayments of £702.85, followed by  
240 monthly repayments of £914.32

The total amount payable would be £261,763.72 made up of the loan amount of £125,000.00 plus interest (£136,623.72), a funds transfer fee of £20 and legal fee of £120. The overall cost for comparison is **6.6% APRC** representative.

Please note: the example above is for a residential property purchase only and assumes a payment date of 1<sup>st</sup> 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.

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### **Portability:**

This product is not portable.

This product sheet should be read in conjunction with our “Homebuyer’s Guide” booklet, the “Statement of Practice – Borrowers” booklet and “Help to Buy: Equity Loan Scheme Help Sheet”.

For other charges, which may apply, see our “Tariff of Mortgage Charges” leaflet.

Product Sheet No: 4437

### **Additional Notes for the Help to Buy Equity Loan**

- The Help to Buy equity loan cannot last longer than the Leek Building Society mortgage term.
- The Help to Buy equity loan can be repaid in whole or in part at any time. Part repayments must be at least 10% of the property value.
- You cannot rent out your existing home and buy a second home through Help to Buy.
- The Help to Buy Leek Building Society mortgage must be repaid on a capital and interest repayment basis.
- Help to Buy customers wishing to take additional borrowing, or make any administrative changes to your mortgage in the future, must first seek approval from their appointed Home Buy agents. Please note that Leek Building Society will not allow any additional borrowing until the equity loan is repaid in full or the additional borrowing is to repay the Equity loan in full and has been approved via the Home Buy agents.
- The property purchased must be your only residence. Help to Buy is not available to assist buy-to-let investors or those who will own any property other than their Help to Buy property after completing their purchase.
- For full details of the scheme in England, refer to the Help to Buy website . ([www.helptobuy.org.uk/equity-loan/equity-loans](http://www.helptobuy.org.uk/equity-loan/equity-loans)), and for Wales refer to [www.helptobuywales.co.uk/how-it-works](http://www.helptobuywales.co.uk/how-it-works)



Leek Building Society is a trading name of Leek United Building Society, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority with firm reference number 100014. Our details can be found on the Financial Services Register at <https://register.fca.org.uk/s/>. Leek United Building Society’s address for service is 50 St. Edward Street, Leek, Staffordshire ST13 5DL

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