

Buy to Let - summary of mortgage products available for Additional Borrowing



All of these mortgage products have limited funds available and may be withdrawn at any time. Our mortgages are available on a Capital and Interest Repayment or Interest-Only basis 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 Residential Investment Managed Mortgage Rate currently	The overall cost for comparison is	Minimum interest rate payable	Fees (see 'Additional Information about our Mortgages')	Early Repayment Charges	Interest calculated	Product code
Discounted initial variable rate									
3 year 2.70% discount	3.09%	3 years	5.79%	5.5% APRC	2.64%	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	3% in the first year 2% in the second year 1% in the third year	Monthly	XD0038
5 year 2.50% discount	3.29%	5 years	5.79%	5.2% APRC	2.84%	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	3% in the first year 3% in the second year 3% in the third year 2% in the fourth year 1% in the fifth year	Monthly	XD0039
Total borrowing of up to 65% of current property value can be considered.									
Fixed initial rate									
3 year fixed rate to 31/08/2022	3.44%	Until 31/08/2022	5.79%	5.4% APRC	No	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	3% until 31/08/2020 2% until 31/08/2021 1% until 31/08/2022	Monthly	XF0205
5 year fixed rate to 31/08/2024	3.79%	Until 31/08/2024	5.79%	4.9% APRC	No	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	5% until 31/08/2020 4% until 31/08/2021 3% until 31/08/2022 2% until 31/08/2023 1% until 31/08/2024	Monthly	XF0206
The above fixed rate mortgages must be complete by 02/01/2020. Total borrowing of up to 60% of current property value can be considered for XF0206 and up to 65% of current property value can be considered for XF0205.									

> Minimum loan £2,000 available on Capital and Interest Repayment or Interest-Only basis.

Continued >

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Buy to Let Offset Mortgage									
Offset Mortgage 2 Year 2.45% discounted rate	3.34%	2 years	5.79%	5.6% APRC	2.89%	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	2% in the first year 1% in the second year	Monthly	XO0019
Offset Mortgage 5 Year 1.95% discounted rate	3.84%	5 years	5.79%	5.4% APRC	3.39%	Product Fee: £0 Application Fee: £125 Legal Fees: £100 minimum	3% in the first year 3% in the second year 3% in the third year 2% in the fourth year 1% in the fifth year	Monthly	XO0020
Requires linked Offset Saver to be opened. Total borrowing of up to 65% of current property value can be considered. Not available for Expats or for mortgages held in trust.									

> Minimum loan £2,000 available on Capital and Interest Repayment or Interest-Only basis.

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

For **Customer Enquiries** please contact our dedicated Mortgage Service Team:
Tel: 03330 140146 Email: mortgage.service@familybsoc.co.uk
Website: familybuildingsociety.co.uk/mortgages

For **Intermediary Enquiries** please contact our dedicated Mortgage Desk:
Tel: 01372 744155 Email: mortgage.desk@familybsoc.co.uk
Website: intermediaries.familybuildingsociety.co.uk

Additional information about our mortgages

Buy to Let – Further Advance

These details should be read in conjunction with our 'Getting a Mortgage: what you need to know' guide, the relevant mortgage product brochure and our lending criteria, which provide important information regarding our mortgage services.

Our Family Service Team is happy to provide information about the mortgage products we have on offer, however, we do not provide advice or personal recommendations relating to Buy to Let mortgage products. Should you require clarification on any point, please contact our Family Service Team on the number given at the end.

Tenancies

Diplomatic, University / College, Housing Association, Council and DSS lets will not be accepted. There must be only one agreement which will be approved by the Society's solicitors or licensed conveyancers. Assured shorthold tenancies are only acceptable with the period for each tenancy not less than six months and not more than 12 months, except where the tenancy is to either a Limited Company, or to an individual(s) subject to a rent exceeding £100,000 per year. Rent must not be payable more than one month in advance without our prior approval. The tenant must not be either related to the borrower or the unmarried partner of the borrower.

Where the tenancy is to either a Limited Company, or an individual(s) subject to a rent exceeding £100,000 per year, the letting must not exceed one year or, exceptionally, two years.

For tenancies that have commenced after 1 April 2018, the property should have an Energy Performance Certificate rating of 'E', or above.

Property

Properties must be within predominantly residential areas. Flats above commercial premises are not acceptable. Properties with more than one kitchen or more than four bedrooms or more than four tenants or properties designated as houses in multiple occupation (HMOs) will not be accepted.

Fees and Solicitors costs

There is a single Application Fee of £125 for arranging a further advance. The fee covers the cost of a revaluation if we require it and the fee must be paid at the time of application, either by cheque accompanying the application or by giving your debit card details in the relevant section of the application form.

In addition there will be legal costs associated with the further advance (minimum £100) together with the Product Fee, if applicable, for your chosen product. These costs will be deducted from the loan at completion. You may be able to add the Product Fee to the mortgage amount subject to the maximum Loan to Value (LTV) not being exceeded. We will be represented by our Legal Services Department and the actual charge, inclusive of disbursements, will be advised prior to completion.

Please note – The Product Fee charged on Limited Company loans will be more than the standard fees shown in the 'summary of mortgage products'. Please contact our Family Service Team on the number at the end to discuss before proceeding further.

Early Repayment Charges

Where an Early Repayment Charge is shown in the 'summary of mortgage products', this applies for the duration of the initial interest rate. During this period capital repayments of up to 10% of the further advance may be made in each year following completion without any Early Repayment Charge being applied. If the permitted 10% capital reduction is exceeded, an Early Repayment Charge will be applied based on the excess capital repaid.

This allowance is not cumulative and does not apply when the whole loan is being repaid, in this instance the charge will be incurred on the capital balance at the time of redemption (the capital balance is the balance upon which interest is charged). The Early Repayment Charge for each product is shown in relevant table in the 'summary of mortgage products'.

Standard variable rate

Our standard variable rate differs depending on whether interest on the product is calculated annually or monthly.

Minimum / maximum interest rate

If the product you choose is subject to a minimum charging rate ('floor') or a maximum charging rate ('ceiling'), this is shown in the 'summary of mortgage products' and will only apply during the initial discounted or tracker period.

Loan amount and property value

Unless otherwise stated in the 'summary of mortgage products', the minimum loan we will consider is £45,000 and there is no maximum. Loans above £500,000 should be referred to us for specific agreement before submission of an application.

The loan amount is assessed on the basis that the monthly rent must be equal to or exceed 145% of the interest payable per month, calculated at the higher of:

- The Society's expectation of likely future interest rates (the Society's stressed rate) (5.65%); or
- The product's initial interest rate plus 2% (unless fixed for five years or more); or
- Guidance from the Prudential Regulation Authority (PRA) (currently 5.5%); or
- The Society's monthly Buy to Let Managed Mortgage Rate (5.79%).

The minimum acceptable property value is £120,000, with no maximum value.

Buildings insurance

You will naturally want to make sure that your home is covered in the event of damage due to fire, storm, flood, etc and, since the property is our security for the loan, we are similarly concerned.

You should make your own insurance arrangements, subject to certain minimum requirements regarding the extent of the risks included and the amount of cover. You will be required to provide evidence that adequate cover exists before completion of any loan.

Annual mortgage statement and tax year interest certificate

In January each year, we will send you a mortgage statement showing your transactions in the previous calendar year and the total of interest charged. As a chargeable additional service, we can provide a certificate of interest paid on a tax-year basis.

These certificates are individually calculated on request and the current charge, which is normally debited to your mortgage account, is £15 per account per tax year. Our mortgage administration charges are shown in our Tariff of Mortgage Charges, which is enclosed with your annual mortgage statement when changes occur.

Financial services

To ensure that you are fully aware of the options available for repayment of the mortgage, you should seek specialist advice.

Family Building Society, Ebbisham House, 30 Church Street, Epsom, Surrey KT17 4NL
Tel: 03330 140146 Email: mortgage.service@familybsoc.co.uk
Website: familybuildingsociety.co.uk

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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

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