

MCD Illustration

This document was produced for:	Mr Jason Williams & Mrs Harriet Williams
Guarantor(s):	Mr David Williams
The information was produced on:	1 July 2015
Reference:	12014889/01
This document was produced on the basis of the information that you have provided so far and on the current financial market conditions.	
The information remains valid until 3rd October 2015. After that date, it may change in line with market conditions.	
This document does not constitute an obligation for Northampton Building Society to grant you a loan.	

1. Lender	
Northampton Building Society 25 Hinton Road Kingsthorpe Northampton NN2 8NU	Telephone: 01604 123456 Website: www.northamptonbs.co.uk Contact: John Smith – Mortgage Manager

2. Credit intermediary	
Absolute Finance Limited 42 Hillman Street London W1 1MN	Telephone: 020 111 123456 Website: www.absolutefinance.co.uk Contact: Adam Saunders – Mortgage Advisor
Absolute Finance Limited recommended, having assessed your needs and circumstances, that you take out this mortgage.	
Based on your desired loan size Northampton Building Society will pay Absolute Finance Limited £400.00 in cash and/or benefits if you take out this mortgage. Our fee is described in Section 4.	

3. Main features of the loan					
Amount and currency of the loan to be granted:					£10,000.00
Fees payable that have been added to the loan amount:					£800.00
Loan Amount plus fees added to the loan:					£10,800.00
Total cost of credit:					£6,892.07
Total amount payable:					£17,692.07
Duration of the loan:					19 years and 11 months
This additional borrowing is provided by Northampton Building Society.					
	Loan Amount	Term of Loan	Repayment Method	Initial Rate Payable	Interest Rate Description
	£10,000.00	19 years and 11 months	Repayment	3.49%	A variable rate, currently 5.64% with a discount of 2.15% giving a current rate payable of 3.49% for 2 years. After the discount rate period ends, Northampton Building Society's Standard Variable Rate, currently 5.64%, will apply for the remaining term of your mortgage.
Total	£10,000.00				
Total amount to be reimbursed:					£17,692.07
This means that you will pay back:					£1.64 for every £1 borrowed
This amount is for illustrative and may vary in particular in relation with the variation of the interest rate.					
Value of the property assumed to prepare this information sheet is:					£190,000.00
Maximum available loan amount relative to the value of the property:					90%
Minimum value of the property required to borrow the illustrated amount:					£120,000.00
Maximum theoretically possible to borrow would be:					
This mortgage would be secured against your current home:					11 The Drive Abington Northampton NN1 4RY

4. Interest rate and other costs

This annual percentage rate of charge (APRC) is the total cost of the loan expressed as an annual percentage. The APRC is provided to help you to compare different offers.

The APRC applicable to your loan is:

6.4%

It comprises:

A variable rate, currently 5.64% with a discount of 2.15% giving a current rate payable of 3.49% for 2 years. After the discount rate period ends, Northampton Building Society's Standard Variable Rate, currently 5.64%, will apply for the remaining term of your mortgage.

Costs to be paid on a one-off basis:

Arrangement fee payable to Northampton Building Society, payable on submission of your application.

£199.00

Completion Fee. This will be added to the loan amount.

£800.00

A non-refundable legal fee to your conveyancer before the loan starts. The figure quoted here is an estimate – the total fee for conveyancing may be higher

£117.00

You will need to pay a fee to register the mortgage. This is likely to be

£140.00

Costs to be paid at the end of the mortgage term:

Mortgage Exit Fee payable on redemption of this Mortgage, currently

£150.00

Costs to be paid regularly:

(none)

This APRC is calculated using assumptions regarding the interest rate. Because your loan is a variable interest rate loan, the actual APRC could be different from this APRC if the interest rate for your loan changes. For example, if the interest rate rose to 14% the APRC could increase to 15.3%.

Please make sure that you are aware of all other taxes and costs associated with your loan.

5. Frequency and number of payments

Repayment Frequency

Number of Payments

Monthly

238 payments

6. Amount of each instalment

These payments are based on a loan of £10,000.00. This offer assumes that the mortgage will start on 1 July 2015.

When this additional borrowing is added to your existing mortgage, the total amount you will owe will be £133,245.62 and your monthly payments based on this amount are shown below:

	Monthly Payments
For the first 23 months you will pay a total instalment of	£806.51
On 30 th April 2017 your interest rate changes and assuming rates do not change, your new payment on the total loan will be	£916.89
After 2 years, on the 1st July 2017 your discount on will end and assuming rates do not change, your new payment on the total loan will be	£928.58
For the remaining term of your mortgage, your new payment on the total loan will be	£853.95

Your income may change. Please consider whether you will still be able to afford your monthly repayment instalments if your income falls.

The interest rate on this loan can change. This means the amount of your instalments could increase or decrease. For example, if the interest rate rose to 14% your payments could increase to £1,554.53

7. Additional obligations

The borrower must comply with the following obligations in order to benefit from the lending conditions described in this document.

You are required to fully insure your property while you have a mortgage with us.

8. Early repayment

There are no early repayment charges for this additional borrowing other than:

A Mortgage Exit fee on redemption of this additional borrowing currently £150.00.

Should you decide to repay this loan early, please contact us to ascertain the exact level of the exit charge at that moment.

9. Flexible features

You have the possibility to transfer this loan to another property. If you think you might like to do this, please contact us so that we can confirm if this will be possible. We will need to check that at the time you wish to transfer the mortgage you meet our current lending criteria.

Additional features:

Overpayments/Underpayments

- You can make overpayments or lump sum payments of up to 10% of the original loan amount in the first 5 years and for any amount after this without having to pay an early repayment charge. Otherwise an early repayment charge will apply on the basis set out in Section 8
- The amount you owe and the interest you pay is not recalculated immediately following any regular or lump sum overpayment, but is recalculated annually on 31st December.
- Underpayments can be made if sufficient overpayments have previously been made.

Payment holidays

- Payment holidays are available if sufficient overpayments have previously been made.

Incentives

- You will receive a Cashback of £250 within 7 days of the start of your mortgage.
- We will pay your standard legal fees.

This additional borrowing would be regulated in the same way and be on the same terms and conditions as the mortgage and so would need to be repaid if the mortgage was repaid in full. There are no early repayment charges. The maximum amount available, the interest rate payable, and so the total monthly payments are subject to change. This would increase your payments as follows:

10. Other rights of the borrower

You have seven days after we have given you a binding offer, or confirmed our willingness to be bound by a previous conditional offer, to reflect before committing yourself to taking out this loan.

11. Complaints

If you have a complaint please contact our complaints department at:

Northampton Building Society
25 Hinton Road
Kingsthorpe
Northampton
NN2 8NU

Telephone: 01604 123456
Website: www.northamptonbs.co.uk
Contact: John Smith

You can find full details of our complaints processes by asking for details in any branch or by going to www.northamptonbs.co.uk/complaintsstuff

Maximum time for handling the complaint is 8 weeks.

If we do not resolve the complaint to your satisfaction internally, you can also contact:
The Financial Ombudsman Service at www.financial-ombudsman.org.uk.

12. Non-compliance with the commitments linked to the loan: consequences for the borrower

We expect you to:

- You are responsible for meeting your mortgage payments in a timely fashion. If you don't do this you will be liable for the costs of any extra work we have to do.
- You are responsible for arranging buildings insurance. If you don't do this, we may take out cover on your behalf and charge you the cost of this.
- You must not let out this property or use it as a place of business. A consequence of breaching either of these conditions is that we may ask you to repay the loan within 60 days.

Where you fail to meet these (or other) obligations there may be additional costs for you where we have to carry out further work. Details of any fees and charges can be found in our tariff of fees and charges - www.northamptonbs.co.uk/feesandcharges.

In the event of severe breaches of your obligations the ultimate consequence may be legal action by us to take possession of your property.

Your full obligations are spelt out in the Terms and Conditions document we will give you. You can see these online at www.northamptonbs.co.uk/tandcs. Should you encounter difficulties in making your monthly payments, please contact us straight away to explore possible solutions.

AS A LAST RESORT, YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP WITH PAYMENTS.

13. Additional information

We will give you a copy of the draft credit agreement when we make you a binding mortgage offer.

The Money Advice Service information sheet "You can afford your mortgage now, but what if...?" will help you consider the risks. You can get a free copy from www.moneyadvice.org.uk or by calling 0300 500 5000.

14. Supervisor

This lender is supervised by the Financial Conduct Authority – www.fca.org.uk.

This credit intermediary is supervised by the Financial Conduct Authority – www.fca.org.uk.