

# **ABOUT YOUR MORTGAGE.**

**Transfer of equity**

0800 116 4385

[precisemortgages-customer.co.uk](https://www.precisemortgages-customer.co.uk)

# **PRECISE.**

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# INTRODUCTION.

We have provided this Customer Information Booklet with your Mortgage illustration to help explain the Mortgage illustration. It does not form part of your Agreement with us.

If you wish to proceed with your application to add or remove a party to the mortgage (the Transfer of Equity) or to transfer the mortgage to another property (Porting your Mortgage) then please consult the letter we sent you with this Customer Information Booklet.

If we agree to the Transfer of Equity or you Porting your Mortgage then we will send you a revised Mortgage Offer. If you accept that mortgage offer and proceed with the Transfer of Equity/Porting that Mortgage Offer, this will replace your existing Mortgage Offer but the other terms and conditions including the general mortgage conditions will remain the same.

# ABOUT PRECISE.

Precise is a trading name of Charter Court Financial Services Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register Firm Reference Number is 494549. You can check the Financial Services Register by visiting the Financial Conduct Authority's (FCA) website [fca.org.uk/firms/systems-reporting/register](http://fca.org.uk/firms/systems-reporting/register) or by contacting them on **0800 111 6768**.

In this booklet, 'we', 'our' and 'us' means Charter Court Financial Services Limited and anyone to whom we transfer the lender's rights under the Mortgage Deed.

Like other lenders, we reserve the right to transfer or assign your Mortgage to another company. This means that, for example, we may in our discretion "sell" the Mortgage by transferring or assigning our rights under it without your consent. When you complete your Mortgage, you agree that we may do this without giving notice to you .

# RESIDENTIAL AND BUY TO LET.

This booklet covers mortgages where the property which is security for the loan is lived in by you (owner occupier) and those where you will not live in the property and will let it (buy to let).

Buy to let mortgages are not regulated by the FCA and will be unregulated unless they are 'consumer buy to let'. A buy to let mortgage will not normally be classed as 'consumer buy to let' unless you are adding a party to the mortgage or Porting your mortgage, only have one buy to let property and didn't purchase that property to let (e.g. you inherited it or originally purchased it to live in). 'Consumer buy to let' mortgages are subject to the requirements of the Mortgage Credit Directive Order (the Order) which is supervised by the FCA.

If you have a buy to let mortgage which is not classed as 'consumer buy to let', we will include an Offer Condition in the Mortgage Offer explaining that as the Agreement is wholly or predominantly for the purpose of a business carried on or intended to be carried on by you, you will not have the benefit of the protection and remedies available under the Order. You agree to this by signing the Mortgage Deed when you Port your mortgage and/or proceed with the Transfer of Equity.

# CONTACT DETAILS.

To contact us, please phone **0800 298 5714** if you experience difficulty meeting your mortgage payments;

We may monitor or record telephone calls to check that we have carried out your instructions correctly and to help improve our quality of service.

# YOUR MORTGAGE ILLUSTRATION.

The Mortgage Illustration is split into different sections.

## Introduction

At the start of the Mortgage illustration we explain that the illustration is for You and we name the persons who will be party to and responsible for the obligations in the mortgage. The mortgage illustration is only valid on the date it is produced.

## Joint Applicants

If you have a Mortgage jointly with someone else, then each of you is individually and jointly responsible for all obligations in relation to the Mortgage. This means that as well as being responsible together, each of you is responsible individually in full for repayment of the loan.

We will accept information from either of you so if you are giving us information which is not your own, you must ensure that you have the agreement of the other person to disclose it to us. We will share any information given to us about you, in connection with the application, with your joint applicant.

## SECTION 1.

### About this illustration

In section 1 we tell you about the illustration. You should obtain other illustrations if you want to compare this mortgage with mortgages from other lenders.

## SECTION 2.

### Which Service we are providing you with?

In section 2 we explain why we are providing you with a mortgage illustration. We are not providing you with advice on the Transfer of Equity or Port. You must make your own choice on whether this is right for you. If you do want advice on this or the suitability of the mortgage for you then you should contact a financial adviser. Whilst we are unable to recommend a financial adviser to you, by visiting [unbiased.co.uk](http://unbiased.co.uk), you will be able to search for a local financial adviser who is able to access our products.

## SECTION 3.

### What you have told us

In section 3 we describe:

#### The Loan Amount

This is the amount that you originally borrowed that has not already been paid back. It does not include unpaid interest or fees that have been added to your mortgage.

#### The Repayment Type

This is the repayment type you have chosen and whether you have chosen the Repayment or Interest Only option, or a combination of both (Part and Part), to repay your Mortgage.

#### Repayment option

If you have chosen the Repayment option, you pay off some of the amount borrowed every month together with a payment of interest charged on your Mortgage. This means that your mortgage balance will reduce every month and by the end of the Mortgage Term your loan will be repaid.

#### Interest Only or Part and Part (Interest Only and Repayment option)

If your Mortgage, or part of it, is Interest Only, your monthly payment, or part of it, will only cover the payment of interest on the Interest Only element of your Mortgage. At the end of the Mortgage Term, you will still owe the amount that you borrowed on an Interest Only basis and you will need to repay this as a lump sum. Any part of your Mortgage which is borrowed on a Repayment option will be repaid by your monthly repayment as described in the "Repayment option" above.

You will need to ensure that you have a separate savings plan in place to repay the amount borrowed on an Interest Only basis at the end of the Mortgage Term. You should check regularly throughout the Mortgage Term that the performance of the savings plan is likely to be adequate to repay the amount you have borrowed at the end of the Mortgage Term.

If you don't keep to the terms of the Mortgage, or make your payments on a day other than the 1st of each month where you pay your instalments in advance, or don't make your payments on the Payment Date where you pay your instalments in arrears, then:

- if you have chosen the Repayment option there is likely to be a balance outstanding at the end of the Mortgage Term that you will need to pay as lump sum payment, or
- if you have chosen the Interest Only option, or the Part and Part option, the element of the Interest Only part of your Mortgage, which you have to repay at the end of the Mortgage Term, is likely to be more than you originally borrowed.

#### The Mortgage Term

This is the remaining term of your mortgage and the period of time you have to repay the loan assuming the transfer of equity/port takes place on the date that the mortgage illustration is produced.

## SECTION 4.

### Description of the Mortgage

In Section 4 we explain the rate at which interest will be charged on the amount you owe to us. Interest is charged on the balance outstanding each day (Daily Interest) and added to your Mortgage at the beginning of each month where you pay your instalments in advance, or on your Payment Date where you pay your instalments in arrears.

The letter enclosing your original Mortgage Offer explains whether you pay your instalments in advance or in arrears; alternatively, this will be apparent from your mortgage statement by checking the date interest is added to your account.

Please note that overpayments which have not been treated as Capital Repayments will not reduce the balance on which interest is charged. See Section 11 below for more information on making Capital Repayments.

We also explain:

- whether the interest rate is fixed for any part of the Mortgage Term, and
- when the interest rate is variable and how that variable rate will change.

## SECTION 5.

### Overall Cost of this Mortgage

In Section 5 we give figures for the total amount you must pay back, the amount you pay back for each £1 borrowed and the overall cost for comparison (APR). At the end of the Mortgage Illustration we also provide an Annual Percentage Rate of Charge (APRC) which is very similar to the Annual Percentage Rate (APR).

These figures are provided to assist you in comparing mortgages and take account of the additional costs of the mortgage shown in Section 8.

## SECTION 6.

### What you will need to pay each month

In Section 6 we set out the number and amount of monthly payments that you will need to pay assuming that the Loan Amount and rate of interest don't change and the Transfer of Equity/Port takes place on the date of the Mortgage Illustration.

The actual number and amount of monthly payments you are required to pay will be different for example because the Transfer of Equity/Port will take place on a different date or we change the monthly payments for one of the reasons set out in the Mortgage Conditions.

We will tell you about any changes to your monthly payment at least 10 business days in advance of the change taking effect.

We will collect your regular monthly repayments by Direct Debit from your bank account. It is your responsibility to ensure that sufficient money is in your bank account when payments are called for. Your bank may charge you for the cost of returning our payment request and you will also incur costs with us if your account goes into arrears in accordance with our Tariff of Mortgage Charges.

### When your regular monthly payments are due

Your payment will be due and normally collected on your existing Payment Date.

If you are porting your mortgage, and you currently pay your instalments in advance (see Section 4 above), your first monthly payment after the porting of the mortgage completes is unlikely to continue to be on the first of the month. Instead you will now pay your instalments in arrears and your regular monthly Payment Date will be the date on which the porting of the mortgage completes. The first payment will be due one month after the porting of the mortgage completes.

## SECTION 7.

### Are you comfortable with the risks?

If the interest rate is variable then the monthly payments shown in the Mortgage Illustration could be considerably different if interest rates change. We illustrate the impact of this by showing:

- in Section 7 of the Mortgage Offer, how much your monthly payments could increase by if the interest rate increased by one percentage point, and
- on the final page of the Mortgage Illustration, the amount of your monthly payments if the interest rate increased to the amount stated on that page

Section 7 sets out other risks you should consider for example what would happen if your income goes down.

We have set out below some of the consequences if you do not keep up with your obligations under the Mortgage.

### Payment difficulties

If you experience difficulty meeting your mortgage payments, you can contact us by writing to us at PO Box 6075 Wolverhampton WV10 6TD or you can call us on **0333 240 61 65**. We have a team of experienced staff available to provide you with information and support. You can also find useful information on the Money Helper website at [www.moneyhelper.org.uk/en](http://www.moneyhelper.org.uk/en) or by calling **0800 138 7777**.

### Protection for loss of income

You should consider protecting yourself and your family against the risk of losing your income. For example, if you are unable to work as a result of accident, sickness or unemployment.

A Financial Adviser will be able to help you arrange a policy which covers your mortgage payments if you lose your income. We cannot advise you on the suitability of any arrangements that you may make privately or through your Financial Adviser.

## SECTION 8.

### What fees must you pay?

In Section 8 we set out details of fees that are payable and included in the APR quoted in Section 5. We explain in Section 8 when the fees are payable, who they should be paid to, whether they have been paid and whether they are refundable.

In addition you will be responsible for paying:

- the fees listed in the Tariff of Mortgage Charges. The Tariff of Mortgage Charges sets out the amount of the fees and when they are payable. The amount of these fees and when we may charge them may change for any of the reasons set out in the Mortgage Conditions; and
- the reasonable costs, charges and fees which we reasonably incur in connection with the agreement in the circumstances set out in the Mortgage Conditions. All such costs, charges and fees will be added to the amount you owe and we will charge interest on them at the interest rate from fourteen days after we asked for them to be paid.

### Legal Fees

We will instruct a solicitor or other conveyancer to act for us on the Transfer of Equity/Port. An estimate of the legal fees is included in section 8. We will normally instruct the same conveyancer who is acting for you provided that they are on our panel. If you choose to instruct a conveyancer that is not on our panel, we will instruct a conveyancer from our panel to act for us.

You will be responsible for all the legal fees and disbursements including the fees of our conveyancer where you have instructed a different conveyancer to us. You will need to agree with the conveyancer the amount of their fees which will be different to that estimated in section 8.

## SECTION 9.

### Insurance

As a condition of your Mortgage, you must ensure that adequate insurance to cover loss and damage to the property is maintained throughout the Mortgage Term. This means that, amongst other things, you must pay your property insurance premiums on time.

### Maintaining cover

You must keep the property insured at all times and ensure that the amount insured keeps up with inflation. If you make alterations to the property (extensions, conservatories etc.) you will need our prior consent to those alterations and you must also keep your insurer up to date and increase the amount of cover.

You must pay all premiums to your insurer to prevent the policy lapsing. If you do find yourself without insurance cover, for whatever reason, you must ring us immediately.

### What should you cover

As a minimum this must equal the rebuilding cost in the valuation report and cover the following risks:

- fire, explosion, lightning, earthquake
- bursting, leaking or overflow of water tanks, pipes or apparatus
- storm or flood
- subsidence/heave or landslip
- impact by vehicles, trains, aircraft or animals
- riot, civil commotion, labour and political disturbances, vandalism and acts of malicious persons.

You do not have to take out Buildings Insurance or any other insurance through us.

## SECTION 10.

### What happens if you do not want this mortgage any more

You can repay your Mortgage early or at the end of the Mortgage Term.

Whichever you choose, we will make a charge to cover providing you with a written statement of the amount owing and for releasing our charge at the Land Registry. If we have your title deeds, we will also charge to cover the costs of releasing these to your conveyancer.

If you repay your Mortgage early, or if we enforce the Mortgage, you may also have to pay an Early Repayment Charge. The amount of any Early Repayment Charge is set out in Section 10 of the Mortgage Illustration. The Early Repayment Charge, if any, will be a percentage of the amount repaid and in Section 10 we explain the amount of that percentage, the period it is payable for and give an example of how much would be payable on the amount repaid.

We also explain in section 10 what happens if you move house or sell the property upon which the mortgage is secured.

## SECTION 11.

### What happens if you want to make overpayments?

You are free to make lump sum or regular overpayments on your Mortgage.

These will not be Capital Repayments reducing the balance on which we charge interest or result in a change to your Monthly Payment unless:

- (a) you ask us to do this; or
- (b) your Mortgage Offer states you can make Capital Repayments less than or equal to 10% of the Capital balance of your Mortgage without having to pay an Early Repayment Charge and
  - (i) the additional payment exceeds £1,000; or
  - (ii) there are accumulated additional payments in excess of £1,000.

An Early Repayment Charge will be payable on any Capital Repayments made during the period that Early Repayment Charges apply.

See Section 10 of the Mortgage Offer for more information on Early Repayment Charges.

## SECTION 12.

### Additional features

Section 12 of the Mortgage Illustration includes details of any additional features that apply to your mortgage.

## SECTION 13.

### Where can you get more information about mortgages?

Section 13 explains where you can get more information about mortgages.

At the front of the Mortgage Offer we describe the property that will be security for the Mortgage.

### Value of property

If we obtain a Mortgage valuation on the property the valuation will be obtained from a valuer on our panel of approved independent surveyors and valuers. You will be responsible for paying the costs of any valuation and this will be stated in section 8 of the Mortgage Illustration.

If you are purchasing a property, it is particularly important that you are fully aware of the condition of the property and understand if any repairs are required before you buy. Once you have purchased it, you have to maintain the property in good repair as a condition of the Mortgage and this can be expensive if major repairs are required.

**If you need more specific information on the condition of the property, please obtain an independent valuation or seek advice before you proceed with the purchase.**

# WHAT ARE THE CONSEQUENCES IF YOU DO NOT KEEP UP WITH YOUR OBLIGATIONS UNDER THE MORTGAGE?

We expect you to comply with all your obligations set out in the agreement including the Mortgage Conditions which include:

- making the required monthly payments on your loan on time.
- making and keeping to arrangements for repaying the capital outstanding at the end of the Mortgage Term on any Interest-only part of the mortgage.
- not letting the property (unless your loan is a buy to let mortgage and we have agreed to you letting the property in the offer conditions).
- looking after the property and keeping it in a good state of repair.
- insuring the property using an appropriate policy.
- paying any costs and charges associated with the property for example any ground rent and service charge.

Where you fail to meet these (or other) obligations there may be additional costs for you where we have to carry out further work. As we have explained earlier you can find details of our fees and charges and our right to change them in our Tariff of Mortgage Charges and the Mortgage Conditions.

In addition you will have to pay any costs we pay for insurance and to third parties (e.g. solicitors, asset managers, receivers) that we may instruct to recover any money owed to us or protect our interest in the property.

We may also pay, on your behalf, any costs and charges associated with the property where you have failed to, and we reasonably consider it necessary to do so to protect our interest in the property. We will add these costs and charges to the amount you owe and which you have to repay to us.

If you fail to make your monthly payments then this information will be passed to credit reference agencies, which may impact on your ability to take out further loans.

As a last resort, your home may be repossessed if you do not keep up with payments.

If your Mortgage is a buy to let Mortgage we may also appoint a 'receiver' to collect rent, manage and potentially sell the property. The receiver acts as your agent and therefore we are not legally responsible for their actions.

Your obligations are set out in full in the Mortgage Deed, the Mortgage Offer, including the Offer Conditions, the Mortgage Conditions and the Tariff of Mortgage Charges.

### Cancelling your Mortgage Application

You are free to cancel your Mortgage Application or decline any Mortgage Offer at any time, up until the Transfer of Equity or Port completes. If you are considering doing this then please check Section 8 of the Mortgage Illustration which will tell you whether any of the fees you have paid will be refundable.

# COMPLAINTS.

If you are unhappy with the service provided to you by Precise, you should tell us so we can fix it for you. Contact us on the numbers given at the start of this booklet and our staff will help you. If you remain unhappy with our response to your complaint, you have the right to refer it to the Financial Ombudsman Service [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Please ask for our leaflet 'Handling your complaints effectively', which explains our complaints procedure at any time.

If you have any complaints regarding the service provided by the Mortgage Broker you should contact them direct. Their details are in Section 11 of the Mortgage Offer.

**We can provide literature in large print, Braille and audio. Please let us know if you require an alternative format or any additional support with managing your account. You can contact us either by phone, in writing or visit [precisemortgages-customers.co.uk/existingcustomers/additional\\_support](https://www.precisemortgages-customers.co.uk/existingcustomers/additional_support) for more information.**

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