

Lending in Retirement Mortgage

Interest Rate	Rate Payable	Additional Information
Month 1 onwards:	3.85% variable rate	£250 application fee
The overall cost for comparison is:	4.0% APRC	1% arrangement fee (less the application fee)

This mortgage package aimed at those who are 55 plus and have retired offers lower monthly repayments during the term of the mortgage compared to our Standard Variable Rate. It can be used to purchase a property, remortgage from another lender, capital raise and switch product from another SBS mortgage. The maximum Loan to Value (LTV) is the amount of a mortgage expressed as a percentage of the purchase price or valuation, whichever is the lower.

**Your home may be repossessed if you do not keep up repayments on your mortgage.
Think carefully before securing other debts against your home**

Key Features

Application Fee	£250 (payable on application and non-refundable)
Arrangement Fee	1% of loan - can be added to loan if total borrowing below maximum LTV
Valuation Fee	£350 for properties up to £500,000 and by request for properties over £500,000
Maximum Loan to Value (%)	60% across Wales
Loan size	£25,000 to £250,000
Repayment Type	Capital and Interest / Interest only. For those loans on an interest only basis, all borrowers will be required to provide evidence of how they intend to repay their interest only loan. A 1% interest rate loading is seen where there is no charge over the repayment vehicle (only applicable on monies borrowed on an interest only basis).
Early Repayment Charge	During the first three years, an early repayment charge of 1% of the loan amount is payable. After this period, no early repayment charges apply.
Overpayments	Regular overpayments are permitted. Regular overpayments are amounts collected with, in addition to, your monthly mortgage payments. You may make capital repayments without an early repayment charge being levied as long as the mortgage is not redeemed in full (a minimum balance of £500 must be kept on the account) within the 3 year early repayment period. Following receipt of a lump sum payment, the amount that you owe, and so the amount of interest you pay is reduced immediately.

Further information:

- Only available where the higher earning applicant is aged 55+, has fully retired and is not employed / self-employed on a full or part time basis.
- 50% of income must be from retirement income.
- Max term - up to main applicants 85th birthday.
- For house purchase, the maximum Loan to Value is the amount of a mortgage loan expressed as a percentage of the purchase price or valuation whichever is the lower.
- Available in Wales
- Minimum income = £15,000
- Interest only - acceptable repayment strategies:
 1. Sale of own home (downsizing) with minimum £150,000 equity.
 2. Sale of other property (charge to be taken over and equity in house to be min £25,000 after loan commitment repaid)
 3. Endowment maturity (must be able to evidence projected sufficient funds to clear borrowing at end of term and an additional £25,000)
 4. Sale of investments (must be able to evidence projected sufficient funds to clear borrowing at end of term and an additional £25,000)

Where point 3 or 4 above is used as the repayment vehicle, there must be £125,000 equity in the main property at the time the loan is drawdown.

- This mortgage is not portable and accordingly, if you move house, you will not be able to transfer these product terms.
- For loans above £250,000, please contact us to discuss.
- Mortgage interest is calculated on a daily basis.
- Our Mortgage Services Tariff gives details of the charges payable in connection with mortgage applications and additional administration following completion of your loan.
- Loans are available to persons aged 18 or over and are subject to status and valuation of a suitable property, over which security will be required. All lending will be subject to the financial standing of the applicant(s).

Representative example

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Based on a loan of £100,000 for 25 years, on a discounted variable rate of 3.85% for the term of the mortgage the total amount payable would be £157,362.58 made up of the loan amount plus interest repayable by 1 monthly instalment of £530.17 followed by 299 monthly instalments of £519.59.

Charges included in the total cost of the loan are:

- Application fee - £250
- Arrangement fee 1% of the loan (less the application fee) - £750
- Valuation fee - £350
- CHAPS payment fee - £20
- Property release fee - £125

The overall cost for Comparison is 4.0% APRC representative.

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