



YOUR INTEREST-ONLY MORTGAGE HOW ARE YOU GOING TO PAY BACK YOUR LOAN?

Applicant Name(s):

Mortgage Account Number:

Amount on Interest-Only:

Term (years / months):

£	
Years:	Months:

Your mortgage is on an interest only basis. This means that your monthly payment **only** pays the interest on the amount you borrowed, not the original capital.

We need to be sure that you can repay the amount you've borrowed at the end of the term. Please complete this form to tell us how you're going to pay off your mortgage.

You must provide documentary evidence to support the information you've given.

Please note - the following are unacceptable repayment strategies

<ul style="list-style-type: none">Periodic repayment of capital from irregular sources of income, e.g. bonuses, self-employed income	<ul style="list-style-type: none">Sale of mortgaged property outright
<ul style="list-style-type: none">Any strategy that relies upon increasing house prices	<ul style="list-style-type: none">Future inheritance
<ul style="list-style-type: none">A repayment strategy including anyone who is not a party to the mortgage	<ul style="list-style-type: none">Conversion to capital & interest in the future
<ul style="list-style-type: none">Overpayment from income	<ul style="list-style-type: none">Sale of an overseas property.
<ul style="list-style-type: none">Sale of a business.	

INVESTMENTS

Provider	Reference No.	Start Date	Monthly Payment	Current Value

Please provide a copy of your last statement, plus evidence of regular and on-going contributions over the last 12 months.

ENDOWMENT POLICIES

Provider	Policy No.	Start Date	Maturity Date	Monthly Payment	Current Value

Please provide a copy of a projected valuation issued by your policy provider dated within the last 12 months. The middle figure of the three growth rates provided will be used (or the lower if only two rates are quoted) to determine the amount earmarked to repay your loan.

PENSION LUMP SUM

Provider	Reference No.	Date of Retirement	Monthly Payment	Projected Lump Sum

Please provide a copy of your last statement, dated within the last 12 months, showing the projected maturity value and your retirement date. The middle figure of the three growth rates provided will be used (or the lower if only two rates are quoted) to determine the amount earmarked to repay your loan. If you're planning to use your pension fund to repay your mortgage, we recommend you seek independent financial advice as to whether this is appropriate.

SHARE PORTFOLIO

Company	Number of Shares	Value

Please provide a copy of the share certificate or share account statement issued by your product provider dated within the last 12 months. A maximum of 80% of the current value may be utilised.

OTHER REPAYMENT STRATEGIES

Do you intend to downsize from the property to be mortgaged? YES NO

If YES, please provide more information on your strategy in the box below and advise the type, location and value of the property you intend to downsize to. Please note that if you're planning to downsize, you must have at least 30% equity available.

Do you intend to sell another UK property owned by you? * YES NO

* Where the strategy is the sale of another UK property owned by you this can't be owned jointly with any third party.

Property address:

Original date of purchase and purchase price: Date: Price: £

Current value of the property: £

Is the above property subject to a mortgage? YES NO

If YES, current balance outstanding on the mortgage: £ Please provide a copy of your last mortgage statement.

Where the repayment strategy is downsizing or the sale of another UK property, we'll consider the equity available in the subject property and the level of property prices in the area to ascertain that the sale will provide sufficient funds to repay the proposed mortgage and / or allow downsizing.

Additional information

We're required by our regulator to make sure you have sufficient plans in place to repay your interest only mortgage. Therefore we reserve the right to request additional information to support your application.

CUSTOMER DECLARATION

I / We confirm that to the best of my / our knowledge the above information is correct. I / We confirm that the above repayment strategy / strategies will be kept in place and will be used to repay the capital outstanding on or before the end of the term of the mortgage. If I / we cancel the repayment strategy / strategies, stop making payments into it or expect a shortfall, I / we will either set up an alternative strategy and advise you accordingly or contact you to discuss transfer to another repayment method. I / We accept that it is my / our responsibility to ensure I / we have sufficient means to repay the capital outstanding before or on expiry of the term of the Mortgage.

Applicant 1: Date:

Applicant 2: Date:

FOR OFFICE USE ONLY

Repayment strategy considered & accepted

<i>Investments</i>	<i>Provider</i>	<div style="border: 1px solid black; height: 20px;"></div>
<i>Endowment policies</i>	<i>Provider</i>	<div style="border: 1px solid black; height: 20px;"></div>
<i>Pension lump sum</i>	<i>Provider</i>	<div style="border: 1px solid black; height: 20px;"></div>
<i>Sale of share portfolio</i>	<i>Provider</i>	<div style="border: 1px solid black; height: 20px;"></div>
<i>Downsizing</i>		
<i>Sale of other property</i>		

Staff Initials: