

# Lump Sum Lifetime Mortgage Additional Borrowing

**Fixed rate 4.99%**

**The overall cost for comparison is 5.2% APR**

## Lump sum mortgage with no requirement for regular payments

- The minimum loan amount is £2,000. The maximum loan amount depends on your age(s), your property's value, and is subject to a maximum of £250,000:

Age of the youngest applicant	Maximum percentage of property value available
70 to 74	30%
75 to 79	35%
80 to 84	40%
85 to 95	45%
96 or older	Not available over age 95

- Product based on a lifetime fixed rate of 4.99% p.a., interest calculated on a daily basis, capitalised at the end of each month.
- Product terms transferable to another property providing acceptable security.
- Property must be sold and loan repaid within 12 months of last occupying borrower vacating the property or dying.
- Guarantee of no negative equity, irrespective of mortgage term or whatever happens to interest rates or property prices.
- Capital repayments of up to 10% of the original additional borrowing advance can be made in each year without any Early Repayment Charge being applied.
- If the permitted 10% capital reduction is exceeded, an Early Repayment Charge will apply calculated as 8% in years 1 to 3, 5% in years 4 to 7 then 3% from year 8 onwards.
- An application fee of £125 is payable with the application. On completion of the additional borrowing there will be legal fees of at least £100 to pay.

THIS IS A LIFETIME MORTGAGE. TO UNDERSTAND THE FEATURES AND RISKS,  
PLEASE ASK FOR A PERSONALISED ILLUSTRATION.

For more information telephone our  
New Mortgage Enquiry Team on **03300243414**

This Product Summary should be read in conjunction with our Borrower's Guide, which provides important general information regarding our mortgage services, and our 'Guide to Lump Sum Lifetime Mortgage Additional Borrowing', which sets out specific details regarding this mortgage product. Personalised illustrations will be provided on request. If you would like clarification on any point in the Guide please contact our New Mortgage Enquiry Team. You will need to take advice on the suitability of this product for your circumstances. We can provide you with this advice or you can seek advice from an intermediary (authorised by the Financial Conduct Authority to advise on equity release products).

### **LUMP SUM LIFETIME MORTGAGE**

National Counties Lump Sum Lifetime Mortgage has been specially designed for home owners aged 70 years and over, who wish to use equity in their homes to raise a lump sum, perhaps to meet large items of expenditure. We do not impose any restrictions regarding the use of the funds raised.

### **PROFESSIONAL ADVICE**

We can provide advice and a personal recommendation relating to this product. There is no charge for this advice. Alternatively you can obtain advice from an intermediary authorised by the Financial Conduct Authority to advise on equity release transactions. You will be responsible for any cost incurred as well as the cost of any separate legal representation required.

### **LOAN AMOUNT AND BORROWING RESERVE**

The maximum amount you may borrow depends on your age(s), your property's value, and is subject to a maximum of £250,000. The minimum property value we will consider is £120,000 and the minimum loan that you can apply for is £2,000. A borrowing reserve is not available for this product. If you currently have a lifetime mortgage with an undrawn borrowing reserve, you will need to draw this before we can consider any additional borrowing.

### **INTEREST CALCULATION AND PAYMENTS**

Interest is calculated on a daily basis on transactions as they occur, with capitalisation of interest occurring monthly. There is no requirement to make payments on a Lump Sum Lifetime Mortgage but we will accept payments of £500 or more at any time. Repayments of more than 10% of the additional borrowing will incur an Early Repayment Charge (see 'Loan Repayment and Early Repayment Charges' below). Payments received reduce the interest charge from the day of receipt to the end of the current month, whereupon interest is recalculated based on the balance outstanding at that time.

### **APPLICATION FEE, PRODUCT FEE AND LEGAL FEES**

An application fee of £125, which includes the cost of a revaluation, is payable at the time of application. In addition there will be legal costs (at least £100) associated with the additional borrowing - this will be deducted from the loan at completion. We will be represented by our Legal Department and we will let you know the actual charge, inclusive of disbursements, when we receive your application.

### **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 must make your own insurance arrangements, subject to certain minimum requirements regarding the extent of risks included and the amount of cover. We will require confirmation that adequate insurance cover is in place before we can release the additional borrowing.

### **SALE OR VACATION OF THE PROPERTY**

The loan, including all accrued interest and unpaid fees and charges, will become repayable when one of the following occurs: your property is sold; you move out of your home permanently; or you die. The fixed interest rate will continue to apply until 12 months after the property is vacated by the last occupying borrower. After this time the interest rate to be charged will be either the Lump Sum Lifetime Mortgage fixed rate or our standard variable rate, whichever is higher. Interest will continue to be capitalised on a monthly basis.

### **LOAN REPAYMENT AND EARLY REPAYMENT CHARGES**

Each year you are able to repay 10% of the additional borrowing advance without incurring an Early Repayment Charge. If you exceed the permitted 10% capital reduction, 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).

Early Repayment Charges apply for the duration of the additional borrowing. We will calculate this charge using the balance outstanding of the additional borrowing at the end of the calendar month immediately prior to redemption (8% in years 1 to 3, 5% in years 4 to 7 then 3% from year 8 onwards). This Early Repayment Charge is in addition to that which might apply on other parts of your existing loan.

National Counties Building Society, Ebbisham House, 30 Church Street, Epsom, Surrey KT17 4NL  
Fax: 01372 745607 Email: mortgage.service@ncbs.co.uk Website: ncbs.co.uk

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority  
and the Prudential Regulation Authority  
Firm Reference No: 206080 register.fca.org.uk

L/162/1017/MKTG