

## SELF-BUILD/STAGED RELEASE MORTGAGES

The Society will consider self-build mortgages, treating each application on its individual merits.

Staged payments are normally granted as follows:

1. 25% first-floor joists
2. 25% roofed
3. 25% plastered out
4. 25% completion

However, the above is not cast in stone as we will be able to negotiate alternative stages subject to advice from our surveyor upon interim inspections. At no point should the LTV exceed 80% and it should be noted that the Society does not lend on land alone.

The valuation fee paid at the outset is based upon the end value of the property. Interim and final inspections are charged at £120 inc VAT.

We're offering **a two-year discounted rate of 6.84% (a 1.40% discount off our SVR, which is currently 8.24%)**. Interest-only payments are optional during the build.

Upon release of the final stage payment the Society will look to offer a new mortgage product on capital and interest repayment terms. This can be pre-agreed from the current product range or from a choice of available mortgage products at the time of the final release. This product is subject to an early repayment charge of 2% of the sum repaid, if repaid within the two- year discounted period.

**Please note: the quoted discount payment rate will not go below a floor rate of 2.50% during the discounted period.**

All new property must be subject to a NHBC or equivalent certificate issued by a registered builder or, alternatively, the construction must have been designed and supervised by a suitably qualified chartered architect or chartered surveyor who has produced written confirmation of carrying professional indemnity insurance for at least the value of the finished property, and will produce the RIBA/RICS standard New Build Professional Consultants Certificate on completion of construction.

The Society requires that all new builds are subject to an appropriate insurance/certification scheme covering the buildwork of 10 years. These include:

- Premier Guarantee
- LABC New Home Warranty
- BLP (Building Life Plans)
- Build-Zone
- Castle 10/Checkmate
- Zurich New Build (Zurich withdrew from the market on 30 Sept 2009)
- Build Assure
- Global Home Warranties
- International Construction Warranties (ICW)
- Advantage HCI
- Aedis
- Protek
- Q Assure.

Professional Consultants Certificates (PCCs) issued by certain professional consultants may be accepted subject to them being in standard Council of Mortgage Lenders (CML) format, where the property has been built/converted within the last 10 years.

In relation to non-standard methods of construction the Society has NOT yet approved schemes such as the Buildoffsite Property Assurance Scheme (BOPAS).

**Applications must be submitted together with:**

- Valuation Fee (based upon end value)
- Arrangement fee £1,500
- Plans
- Planning permission
- Builders' estimates
- Usual personal documentation for mortgage assessment e.g. 3 years' accounts if self-employed, P60s, payslips, 3 months' bank statements (business and personal) and mortgage statements
- I.D. (passport or driving licence)
- Evidence of savings to start project.

**FOR FURTHER ENQUIRES PLEASE CONTACT THE MORTGAGE TEAM ON 01482 881510**