

Mortgages



Local banking
for Britain



How having a mortgage with TSB is different.

Having a mortgage with TSB isn't like having a mortgage with other banks.

Of course we offer all the kinds of mortgages you'd expect from a major bank.

But there's something else you get with TSB that no other major high street bank can give you.

TSB mortgage customers know that not a penny of the interest they pay goes towards investment banking, overseas speculation or big corporate finance.

Instead it stays right here in Britain, helping TSB do things like training its staff, keeping TSB the stable bank it is and most importantly of all, paying interest to all the TSB savers up and down the country whose deposits helped fund those mortgages in the first place.

So savers help borrowers, while borrowers help savers.

And local people helping local people, right across Britain and nowhere else is what lies at the heart of Local Banking for Britain.

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Getting to grips with the basics.

The journey to your new front door can seem a daunting one when you're just at the start, but the good news is that there's plenty of information and guidance to help you. Let's start at the beginning – with your mortgage.

So, what is a mortgage in the first place?

A mortgage is a loan which is secured against your property. So, if you don't keep up repayments on the loan, the lender can go to court and force the sale of your home to repay the loan. That's why all advertisements for home loans say: 'Your home may be repossessed if you do not keep up repayments on your mortgage'.



How does a mortgage work?

A mortgage has two parts:

- **The capital** – this is the money you borrow from the **lender** to buy the property
- **The interest** – this is a charge, consisting of a rate of interest that's applied to the capital you have borrowed.

Over the term of the mortgage, you have to repay the money you have borrowed, plus any interest that has accrued on the money you owe.

Paying it all off

There are two main ways to repay the money you have borrowed for a home – an **interest-only mortgage** or a **repayment mortgage**.

With an interest-only mortgage, you'll only pay the interest on your loan amount each month. At the end of the **mortgage term** – which is usually 25 years (but can be anything between 1 and 40 years) – you'll still owe the capital, which is the amount you initially borrowed, so you'll need to provide a **Repayment Vehicle** to show how you plan to pay this off at the end of the term.

With a repayment mortgage, each monthly repayment pays off part of the capital, as well as the interest, so your mortgage will be repaid in full at the end of the mortgage term, as long as you keep up the repayments.

The monthly repayments for a repayment mortgage are higher than for an interest-only mortgage, but this doesn't mean that interest-only is a cheaper option or that it'll help you afford a bigger mortgage. You'll also need to have a way of paying back the capital, so this needs to be taken into account when you work out what you can afford.

Interesting stuff

The interest on your mortgage will be worked out on a daily basis. Daily interest is usually better because each payment you make reduces the **balance** on which interest is paid from that day, rather than the end of the month or year.

What are your mortgage options?

The mortgage market. It's a big and confusing place with hundreds of mortgages on offer from all sorts of different providers. So it's good to know you can trust us to advise you on the right mortgage for you from our range.



YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Fixed

(The 'know where you stand' rate.)

Our fixed-rate mortgages are great if you need to know exactly where you stand. As your mortgage rate is fixed for an agreed period of time, your repayments won't change. Brilliant news if you're on a budget.

Tracker

(The 'follow a percentage against the base rate' rate.)

Tracker mortgage rates move in line with a fixed percentage against the Bank of England Base Rate (BBR), so your monthly repayments could go up or down as and when BBR changes.

Mixed

(The options to suit you.)

You could also go for a combination of different mortgages, such as putting a fixed rate and a tracker together, or mixing longer-term and shorter-term fixed rates. A Mortgage Advisor will assess your needs and circumstances, then advise on the right mortgage for you. Come and talk to us to find out more.

Find out about our range of mortgages

- Call** **03459 758 758** to book an appointment or **0800 056 1153** to speak to a Mortgage Advisor.
- Click** **[tsb.co.uk/mortgages](https://www.tsb.co.uk/mortgages)**
- Visit** **Drop by to see us in branch**

Meet your new mortgage expert.

Our local Mortgage Advisors all hold the CeMAP qualification (Certificate in Mortgage Advice and Practice) and are here to help, in branch and on the phone. With 1400 years of combined experience, they'll give you friendly advice and take you through the mortgage maze.

As a result of new rules in the mortgage market, buying a new home (or staying put and switching deals) can be a little harder. With the help of our Mortgage Advisors you'll know exactly what to expect, and get a friendly expert on your side who can make it all much more straightforward.



Find out about our latest rates

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YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

How we can help turn hopes and dreams into bricks and mortar.

Making it fit

You should feel right at home with your mortgage, so we'll work hard to advise on the mortgage that suits you, your finances and your new property.

Expert service – in person or on the phone

We'll help you get answers to all your burning questions about mortgages, quickly and simply. Just ask an advisor at your local branch – or if you can't get to a branch easily, you can speak to an advisor on the phone.

Keeping it flexible

We have adaptable mortgages that enable you to pay it off early, or apply to borrow more later on.

With some of our mortgages, you might need to pay an early repayment charge if you repay all or part of your mortgage early. You can normally repay up to 10% of the outstanding balance each year and an early repayment charge won't apply.

Mortgages for landlords

If you're building a property portfolio, talk to us. Our advisors can help you find the right mortgage if you want to buy property to rent. You can have a maximum of 3 non-main residence properties (including Buy To Let, Second Home and Consent

to Lease) or properties worth £2 million in total, whichever is achieved first, with TSB.

Knowing your limits

It always helps to know when 'enough' becomes 'too much'. So we'll help work out a sensible amount to borrow, based on things like your income, outgoings, age, credit history, the amount of deposit you have and the value of the property you'd like to buy.

Protecting the important things in life

No-one knows what's round the corner. And because you haven't got a crystal ball, we can help you protect your home in case the worst happens. Just talk to your Mortgage Advisor about buildings and contents insurance next time you're in branch.

TSB Home Solutions Insurance is available in branch, where you can talk to one of our advisors for a more personal service. Offering quality cover, you can protect your home and contents with the reassurance of unlimited sums insured (certain inner limits apply). Home Solutions is one of the most comprehensive policies available.

TSB Home Solutions is underwritten by Lloyds Bank General Insurance Limited and administered by Lloyds Bank Insurance Services Limited.

Buying for the first time: getting onto the property ladder.

There's nothing quite like the feeling of buying your first home. Of picking up the keys and stepping over the threshold for the very first time. For people from all walks of life, it's a dream we've been helping to make real.

While no-one can promise it'll be quick or hassle-free, at least there's a tried-and-tested path to get you from kerbside browser to property owner. Here's our pocket guide to making it happen.



Seven steps to your new front door.

1 Making a plan

At TSB, we'll normally ask that you can cover a deposit at a % of the property's value, depending on the type of mortgage. You'll also need enough to cover other expenses – from **Stamp Duty Land Tax** to conveyancer's fees – which can add up to several thousand pounds. We'll only lend what you can afford. The more you save, the more choice you'll have when it comes to your new home and your mortgage, so start saving.

When you apply for a mortgage, we'll look at your credit history to help us decide if we can lend to you – and how much we can lend. It'll help you if you're on the electoral register, are in steady employment (or have accurate income and tax records) and have a history of using credit sensibly. You can check your credit record through agencies like:

Experian – www.experian.co.uk

Equifax – write to Credit File Advice Centre, PO Box 1140, Bradford BD1 5US

Callcredit – www.callcredit.co.uk

The credit reference agencies usually make a small charge for this service. At this stage you should pull together useful paperwork like your last three months' payslips and bank statements. You'll need these when you apply for a mortgage.

Find out more

You can see how much you'll be able to save by using our online Savings Calculator.

Visit tsb.co.uk/savings

2 Working it out

Before you start looking for the mortgage that suits you best, work out what you can afford. This will help you to narrow your search and keep you on budget. Start by working out what your monthly outgoings are likely to be once you own your home. By taking this away from your income, you can see how much you have left for monthly mortgage repayments. You may have to estimate some of the items. For help, just ask friends and family who already own their own homes. It's also a good idea to plan for future changes such as interest rate rises, or an increase in food costs rather than budgeting solely on today's circumstances and prices.

And don't forget, our highly experienced Mortgage Advisors can help you work out how much you can borrow, in branch or on the phone.

How much money will you have for mortgage repayments?

You can use this table to work out what you can afford each month.

Home costs	£ monthly
Council tax This depends on the value of your home and where it is – for a guide go to www.gov.uk/council-tax	
Service charges You need to pay these in leasehold properties. They vary widely.	
Life/Income cover	
Buildings and contents insurance In a leasehold property, the service charge often includes buildings insurance.	
Energy and water bills Remember these may be different to what you pay now.	
Landline telephone, Internet, cable and/or satellite television Remember these may be different to what you pay now	
Total	

Personal costs	£ monthly
Food and groceries	
Car and other transport costs (including running and maintenance)	
Loan/hire purchase/credit and store cards	
Mobile phone bills	
Savings (instant access and long-term plans)	
Pension	
Life policies/health insurance	
Clothes/personal grooming	
Entertainment/going out	
Clubs/hobbies/memberships	
School/childcare	
Other	
Total	

Working it out	£
Fill in your monthly income	
Take away your home costs	
Take away your personal costs	
The most you could pay each month for your mortgage is:	

Find out more

Our online mortgage calculator can help you to crunch the numbers.

Visit tsb.co.uk/first-time-buyers

3 Searching for 'the one'

Once you've decided where you'd like to live, it's time to hit the road. Look at as many properties as you can to get an idea of what you like and how prices compare from street to street. Get in touch with a few local estate agents. Let them know what you're looking for, as well as your price ceiling. You'll get a list of your local agents from the National Association of Estate Agents (NAEA) at www.naea.co.uk or the Yellow Pages at www.yell.com

Take a look at your local newspapers, many of which include a weekly property section, and keep an eye out for properties being sold direct – not through estate agents.

You can save a lot of effort (and minimise the impact on your feet) by searching online. Reliable places to start include www.rightmove.co.uk, www.zoopla.co.uk and www.findaproerty.com

Take someone with you when you view, and try to do a couple of viewings at different times of day, in case you miss something first time round. It's good to talk to mortgage lenders at this stage, so you'll be in a strong position if you find a property you've set your heart on.

Find out more

It can help to take a viewing checklist with you.

Visit tsb.co.uk/the-right-place

If you're in Scotland...

Many solicitor firms are also estate agencies. Often, solicitors in a particular area will advertise property collectively through Solicitors' Property Centres. There are independent estate agencies in Scotland too, but they have a smaller share of the market.

4 Making an offer

Once it's time take a big, deep breath and make an offer through an estate agent, you'll need to have done a little homework. Before you make an offer, check you know:

- the maximum you can spend
- the size of your mortgage as a percentage of the property's value
- whether your mortgage is already arranged
- your timetable for the move
- whether you have any other outstanding offers
- how much you're willing to offer and whether you're willing to haggle
- which fixtures and fittings are included.

Making an offer is pretty straightforward. Just get in touch with the seller's estate agent and tell them how much you would like to pay for the property.

Sometimes, there's an agonising wait to see if your offer is accepted. If the seller doesn't go for it you can increase your offer, but make sure you don't pay more than you can afford or the property is worth. If it's a 'yes', you'll need to appoint a conveyancer (a solicitor or licensed conveyancer) straight away. They'll guide you through the process, speak to the seller's conveyancer, liaise with us at TSB and the estate agent, and make sure you understand the details.

You'll also need to get a mortgage agreement in principle, which outlines the amount you can borrow, and arrange to enlist a conveyancer. Then you'll be well on the way.

If you're in Scotland...

In Scotland, the sellers will often set a 'closing date' at which they invite any people who have formally expressed an interest in the property to make a written offer through a sealed bids system, with the highest offer usually being accepted. You cannot make the offer yourself and will need to instruct your solicitor to do this for you.

The offer will state a price above, below or at the asking price of the property and will include a date of entry, and a series of conditions. It is also possible to make an offer for a property where no closing date has been set; again you cannot make the offer yourself and will need to instruct your solicitor to do this for you.

Your solicitor will be able to tell you more about the purchase process in Scotland and you should make sure that you discuss your mortgage arrangements with them prior to submitting an offer.

5 The legal process

The legal work to transfer a property is called **conveyancing**. If you are buying a property with a mortgage you will need to have a **conveyancer** (a solicitor or licensed conveyancer) to do this for you. They will guide you through the process, speak to the seller's conveyancer, liaise with your mortgage lender and the estate agent, and make sure you understand the details. You can find a conveyancer in your area through www.lawsociety.org.uk or www.conveyancer.org.uk or why not ask for personal recommendations from friends and family, or perhaps from your mortgage lender or estate agent?

The paperwork

Once your offer on a property is accepted, you'll need to get a formal **mortgage offer** sorted out quickly. If you already have an agreement in principle, getting a formal offer should be more straightforward, assuming everything is fine with the **valuation** of the property.

At TSB, our Mortgage Advisors will start by talking through your individual circumstances. They'll usually give you an idea of how much you can borrow – and our decision will be based on what you can afford, taking into account all of your income and your financial commitments (and how these might change in the future).

What's a Key Facts Illustration?

Before you can apply for a mortgage, the lender must first provide you with a **Key Facts Illustration**. This tells you:

- the level of advice the lender gave about the type of mortgage to take
- how much they will lend you
- how much the mortgage might cost
- the rates of interest that apply to the mortgage loan
- whether you will need to pay any fees and
- whether you will have to pay any charges if you want to repay your mortgage early.

Valuations and surveys

Before your purchase offer price is accepted, we'll do a valuation on your behalf to make sure that the property is worth at least the amount we're lending you. And unless you're buying a new home, it makes good sense to pay a little extra for a more detailed survey and avoid any unexpected surprises once you move in.

A more detailed building survey - either a **Homebuyers Report and Valuation** or a Structural Survey - should show up any problems such as subsidence or roof damage. This is important because these can be expensive to fix and you won't have any comeback about problems that come to light once the property is yours, meaning you will need to pay for these additional costs.

Here's what you get with the two main types of survey on offer:

	Homebuyer's report and valuation	Structural survey
What is it?	A survey of the property's condition and market value.	A comprehensive survey.
What type of property is it suitable for?	Conventional properties up to 150 years old in reasonable condition.	Listed buildings, older or unusual buildings, properties with extensive renovations.
What does it look at?	Urgent matters that need attention.	All accessible parts of the property – and any areas that you have concerns about.
What will it tell you about the property?	The general condition, including major faults that may affect the value and urgent problems that should be seen to before you sign a contract. It will give you an estimated cost of rebuilding the property and tell you the value of the property.	All major and minor faults, estimated repair costs and whether any special reports are needed.
What won't it tell you?	Any detailed or minor issues with the property.	The value of the property.
When should you have it done?	Before you sign a contract to buy.	Before you sign a contract to buy.
Who pays?	You pay.	You pay. This is more expensive than a homebuyer's report.

If you're in Scotland...

In Scotland, a seller must arrange for the preparation of a **Home Report** pack. If you have expressed an interest in the property, you should be given a copy. It comes in three parts – a **Property Report**, an **Energy Report** and a **Single Survey** – and tells you about the condition and value of the property. Your solicitor will be able to tell you about the various options which are available should you wish to instruct your own survey.

6 Exchanging and getting ready

When your mortgage finance is in place, the survey results are in, the solicitors have done their stuff and you've given your deposit to your conveyancer, it's time to **exchange contracts** with the seller.

Once your conveyancer has all the details they need, they will send you a **pre-contract report** and a copy of the **registered title**. If you are happy with everything, you need to approve the contract by signing it.

Then, when your conveyancer has your signed contract and the seller's conveyancer has the seller's signed contract, the two will swap or 'exchange' contracts. Your conveyancer will also transfer your **deposit** (the money that you pay at exchange) to the seller's conveyancer from your own funds and arrange a date for **completion**.

At this stage you're legally bound to buy the property, and if you pull out after this point, you could lose your deposit.

Then there's more legwork for you. You'll need to confirm the **completion date**, arrange to move your stuff, contact your utility providers and local authority, arrange redirection with Royal Mail... and start packing for the big day.

If you're in Scotland...

If your offer is successful, the seller's solicitor will reply in writing with their own conditions. This exchange of letters – or **missives** – continues until everyone's happy with the conditions.

The final missive, when all points are agreed, is when the contract becomes binding. This means neither you nor the seller can back out without having to pay compensation and can often happen at a relatively early stage in the transaction. So it's essential that your mortgage is fully approved before this stage and you should discuss this in advance with your solicitor at the time you make your offer.

7 Completing and moving

Once you have exchanged contracts, your conveyancer will make the final preparations for **completion**. Make sure that you ask them exactly what you need to do – and when.

Having sent you details of the title for the property at the start of the process, they'll now do a final check to make sure that nothing has changed in the meantime. They'll also prepare a **Transfer Deed** before completion and send it to the seller's conveyancer. This records you as the new legal landowner.

Your conveyancer will also make the final arrangements for payment, including drawing down the mortgage money for you. They'll also prepare **Final Accounts** for you. These will include details of any further money needed to complete. Make sure you have enough money to cover these costs and that it's in an account you can access easily.

Nearly there... quite a lot happens on completion day before you can collect your keys, so set aside a few hours or take time off to help make sure it all goes smoothly. While the money transfers are happening behind the scenes, and you're moving boxes, don't forget to read your meters.

Now... where's the kettle?

If you're in Scotland...

Your solicitor now prepares several documents. These include a **Disposition** which will transfer ownership of the property to you. This is the stage when your solicitor will need all the funds to cover the whole purchase price, any **Stamp Duty Land Tax** and title registration fees.

When you can't go it alone...

If property prices in your area mean that you can't afford to go it alone, don't be disheartened. There may be other options around that can help you get that all-important first step on the ladder.

Two's company

The first thing to consider is whether you can buy with a partner or a friend. With two incomes coming in, you can usually borrow more and build up a deposit faster. Before you buy with someone else, make sure you have a formal agreement in place, just in case anything goes wrong. A conveyancer can help you with this.

Newer ways for older generations to help

It's not a new thing for first-time buyers to have a little leg-up from their parents or other family members – and it's becoming much more common.

Shared ownership schemes

Shared ownership through housing associations are popular schemes that work by enabling you to buy a share of your house, while the housing association owns the rest.

Find out more

To learn more about shared ownership schemes in your area, go online to: www.gov.uk/affordable-home-ownership-schemes/shared-ownership-schemes

Remortgaging: when you're staying put.



It makes sense to review your mortgage from time to time, to make sure you're getting what's best for you. You may find that you can do better with us at TSB – and that's where remortgaging comes in. With remortgaging, you can switch the mortgage on your home from one lender to another and onto a new deal – without all the kerfuffle of actually moving house.

Just think of it as the same house, just with a different mortgage that fits you even better. No packing tape, no dismantling the flat-packed furniture and no broken crockery. Bliss.

Should I remortgage?

There are plenty of great reasons to consider remortgaging – and chances are you'll find that dealing with a bit of extra paperwork can be well worth the effort.

The most common reasons for remortgaging are:

- getting a better rate or lower monthly repayment
- moving your monthly repayments to a fixed rate of interest
- borrowing more to fund home improvements
- getting a mortgage that's more flexible.

Your existing lender may charge early repayment fees if you switch during a promotional period.

Getting there in seven smooth stages.

1 Meet and greet

First, meet one of our Mortgage Advisors for a quick review at your local branch or over the phone. Just let us know some basic details about the loan you need – such as how much you would like to borrow and how long you'd like your mortgage to last.

2 Ins and outs

We'll ask detailed questions about your income and outgoings to work out whether we think you can afford the loan you want. We'll also make a further allowance for your average day-to-day living expenses. Like all lenders, we use credit searches and credit scoring to help us assess your application and make a decision on whether to lend.

3 Decisions, decisions

To help us make our decision, we'll assess your situation and let you know if we've got a mortgage suitable for you. We'll let you know all the details in writing, including your likely monthly repayments, the overall cost of your mortgage, and what fees are payable.

4 Application and valuation

Next, we'll process your application and carry out a property valuation. At this stage you might want to look at life assurance to make sure you're properly protected.

5 Yes or no

If we agree your mortgage, we'll send you a mortgage offer in writing. If it's a 'no', we'll let you know and then offer to sit down with you to discuss next steps and see how we could help.

6 Contracts and agreements

Next, there'll be some legal work that needs to be done. Who does the work, and who pays for it, will all depend on what kind of mortgage deal you have.

7 Done and dusted

Finally, we'll send the money to repay the mortgage with your old lender, and your new TSB mortgage will begin. And you can sit back and relax without having to lift a finger, never mind a packing crate.



Getting the foundations right.

The Financial Conduct Authority recently implemented new rules under the Mortgage Market Review, which has meant lots of changes to the mortgage sales and application process. These new rules will mean changes to the questions we ask when you apply for a mortgage and also the level of important information we provide during your application.

It's reassuring to know that our Mortgage Advisors are here with advice and support whenever you need it, to help make the whole thing as pain-free as possible.

Learning the lingo.

Buying or selling a property can sometimes trap you in a blizzard of jargon. To get you off to a flying start, here's a handy glossary of home moving terms to help get you from **Advance** to **Vendor**, hopefully avoiding **Gazumping**.

Advance

The amount you borrow from the lender.

Agreement in principle

This is a provisional agreement from your lender to grant you a mortgage, subject to a few conditions being met. It's the stage before a formal mortgage offer.

Balance

The amount you owe, at a given point in time. This is sent to you through regular statements and will give you the outstanding balance, (the debit which consists of the amount you have borrowed and the interest that has accrued) and will detail the credits you

have made (your repayments) to reduce the debit.

Buildings insurance

Covers you financially against damage to the house you are buying – and should be taken out from the day you exchange contracts or, in Scotland, usually from the date of entry.

Building survey

A full inspection of the property by a surveyor, on your behalf, which you're responsible for paying for.

Capital

The amount of money you originally borrowed to purchase the property and

would – in simple terms – be the amount consisting of: the purchase price of your property, plus the fees you have to pay to purchase the property (solicitors fees, for example), less the deposit you have paid.

The capital accrues interest over the term of the mortgage loan.

Collateral / Security

This is the property itself. The lender can take possession and sell it if you don't keep up the mortgage repayments.

Completion

The final legal transfer of ownership of the property – when the property becomes yours. It's also the start of the mortgage, also known as 'drawdown'.

Contents insurance

Cover to replace the contents of your home – including furniture, appliances and personal items – in the event of damage, loss or theft.

Contract / Contract race

In England and Wales a contract is the written, legally binding agreement between you and the seller of a property to transfer ownership. A contract race is where the seller has received two or more offers on the property and will sell to the buyer who is ready to exchange contracts first.

Conveyancer

A solicitor or licensed conveyancer who deals with the legal aspects of buying or selling land or property.

Conveyancing

The legal work involved in buying or selling land or property, carried out by the conveyancer.

Daily interest

Interest calculated daily on the outstanding mortgage. This is usually better than annual interest as it's a more accurate reflection of the mortgage balance, while annual interest will result in adjustments at the end of the year.

Deposit

The deposit is the amount of money you have to pay upfront to secure the mortgage. Almost all mortgage products have a loan-to-value, which is a percentage of the property value the lender will lend to you. The remainder you must pay as a deposit.

For example, if your chosen home is valued at £150,000 and the mortgage has a loan-to-value of 80%, you must pay the remaining 20% deposit which equates to £30,000.

Disposition

The document which, the solicitor will draw up, to transfer the ownership of the property to you in Scotland. Similar to a Title Deed used in England.

Drawdown date / Drawdown deadline

Drawdown is the date when the mortgage starts. The drawdown deadline only applies to some mortgages. It is the date by which the mortgage must start, if you are to benefit from a particular rate or mortgage deal.

Exchange of contracts

In England and Wales, this is the point when both you and the seller are legally bound to the transaction. You should take out buildings insurance from this date.

First mortgage repayment

Your first repayment will be higher than your usual monthly repayment. It's because your monthly repayment normally covers the whole month in which it's due – but you may move into your new property part way through a month. So if you move in to your property on 15 May, we'll normally take a repayment in June to cover 15 to 31 May, as well as all of June.

Freehold

Outright ownership of the property and the land on which it stands.

Gazumping

When the seller accepts an offer but then accepts another, higher offer from someone else before contracts are exchanged.

Ground rent

A charge payable by a leaseholder to the freeholder/landlord.

Homebuyer's Report

A surveyor's report on a property. This is less extensive than a building survey and is paid for by you as the buyer.

Interest-only mortgage

In this mortgage, you only pay the interest each month. The original capital balance will remain outstanding for the mortgage term and must be repaid at the end of the mortgage term.

Land Registry fee

A fee paid to the Land Registry to register ownership of a property.

Leasehold

The right to occupation, but not ownership, of a property for an agreed period of time. Ultimate ownership remains with the freeholder/landlord.

Lender

The bank or building society where you have your mortgage.

Lessee / Lessor

The lessee is the person to whom a lease is granted – the tenant. The lessor is the person who grants a lease – the landlord.

Life assurance

An insurance policy that pays a lump sum on death. It's often taken out with a mortgage to provide enough money for the loan to be repaid if you die during the term.

Local authority search

Questions a conveyancer will ask the local authority about your property including plans for new road building, planning permission for any building work already carried out and connection to the mains sewer.

Mortgage

Has a specific meaning in law but has come to mean a loan secured against a property, which may be repossessed by the lender if the mortgagor does not repay the loan.

Mortgagee / Mortgagor

The mortgagee is the bank or building society that lends money in return for an interest in the property. This interest comes in the form of a mortgage, granted by you, the borrower. You're known as the mortgagor.

Mortgage term

The period of time over which you agree to repay the loan.

NHBC guarantee

A 10-year guarantee, provided by the National House Building Council (NHBC), that the builder will put right any serious defects affecting a newly-built property. Premier Guarantee offers a similar guarantee.

Repayment mortgages

With this type of mortgage, you pay interest and repay part of the capital every month, so your mortgage will be paid off completely at the end of the mortgage term, assuming all repayments are made on time.

Specialist report

If the survey finds defects at the property you're buying, such as serious structural movement or dry rot, the lender might ask for a specialist report before they'll agree the mortgage.

Stamp Duty Land Tax

A government tax on the sale of properties over £125,000. You will pay this on completion of the purchase – and the amount you'll pay depends on the price of the property.

Subject to contract

The phrase used before exchange of contracts, which allows either the buyer or seller to withdraw without paying a penalty.

Surveyor / Valuer

A professional valuer qualified by the Royal Institution of Chartered Surveyors to carry out valuations and surveys of properties.

Transfer deed

In England and Wales, a form providing details of the transfer of ownership of a property, to be entered on the Land Registry register.

Valuation

An inspection arranged by the lender to check that the property is acceptable as security against the mortgage loan. As the buyer, you may have to pay for the valuation.

Vendor

The person or people from whom you're buying your new home.



Other ways we can help...

For everything from current accounts and loans to savings and credit cards, we're here to help. Just go online, ask a member of our team or pick up a brochure in branch.

Call 03459 758 758
Click tsb.co.uk
Visit Drop into your local branch

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT
KEEP UP REPAYMENTS ON YOUR MORTGAGE.**

If you'd like this in another format such as large print, Braille or audio please ask in branch.

If you have a hearing or speech impairment you can contact us using Text Relay (previously Typetalk) or Textphone on **0345 835 3843** (lines are open 24 hours a day, seven days a week).

Important information

Calls may be monitored or recorded. If you need to call us from abroad, or prefer not to use our 0345 number, you can also call us on **01452 890 225**. Not all Telephone Banking services are available 24 hours a day, seven days a week. Please speak to an advisor for more information.

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Information correct as at June 2014.

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