



# About your mortgage

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## 1. Purpose

This Booklet is provided to explain your mortgage offer. Please read through the information in conjunction with your mortgage illustration and mortgage offer.

Where we refer to 'loan' we mean a loan secured by a mortgage. Where we refer to 'we' or 'us' we mean Masthaven Bank Limited.

**Your property may be repossessed if you do not keep up with payments.**

We recommend that you read this before signing your mortgage offer and keep for future reference.

Masthaven Bank Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Further information on Masthaven Bank Limited can be found on the Financial Conduct Authority's website: [www.fca.org.uk/firms/financial-services-register](http://www.fca.org.uk/firms/financial-services-register) or by contacting the FCA on 0800 111 6768. Our firm reference number is 719354.

## 2. Our promise to you

We promise that we will at all times:

- Act fairly and reasonably in all our dealings with you.
- Provide information to help you understand the financial obligations of your loan and how your account works.
- Correct errors and handle complaints in a fair and timely manner.
- Treat all cases of financial hardship fairly, sympathetically and positively.

## 3. Your obligations

The following represent a summary of the obligations you agree to comply with when entering this agreement:

- Making your monthly payments to us on time.
- Ensuring your property is adequately insured at all times.
- Ensuring the property is kept in good repair, and is not extended or structurally altered without our permission.
- Not parting with possession, sharing possession or letting your property without our consent, unless at the time your loan is taken out the property is an investment property, whereby you agree that you will provide updated evidence of tenancy if requested.
- Not act in any way that would devalue the property.

## 4. Your broker

Your broker's contact details are set out in section 2 of your mortgage illustration. Your broker may have given you advice and recommended this mortgage to you. We are not responsible for any advice given to you by your broker, and the broker is not an agent of Masthaven Bank Limited.

## 5. Fees and commissions

Details of any fees paid or due to be paid to your broker and/or introducer are set out in section 2 and section 4 of your mortgage illustration.

Details of any commission or fees due to be paid by us to your broker and/or introducer are set out in section 2 of your mortgage illustration.

By signing and returning the mortgage offer you acknowledge and authorise the payment of the commission and fees that have been added to or are due to be deducted from your loan.

## 6. Your mortgage offer explained

Your mortgage offer provides a summary of the details of your loan, which should be viewed in conjunction with your mortgage illustration. In the basic details, fees and charges section we set out the parties to the loan, and details of the property that the loan will be secured against. You will also find information on the total amount you are borrowing, the term and interest rate of your loan, and the monthly payment you will be expected to make. Your mortgage offer also sets out the terms and conditions of your loan, which all parties are bound by if you proceed with the offer.

## 7. Comparing the cost of your loan

You can compare the cost of your loan against other loans, using the annual percentage rate of charge (APRC) which can be found in section 4 of your mortgage illustration. This is an industry standard calculation and takes in to account the interest rate charged and the fees that you have to pay.

## 8. Repaying your loan

Your repayment method is set out in section 3 of your mortgage illustration and section 9 of your mortgage offer.

If you have chosen to repay your loan on a **capital repayment** basis, you gradually re-pay the money borrowed over the term of your mortgage. Part of your monthly payment goes towards repaying the capital owed, and part goes towards the interest charged by us.

If you pay each monthly payment (including any changed payment due to an interest rate change) on time and in full, and no costs or disbursements are added to your loan, your loan will be repaid in full by the end of your loan term. If you have chosen to repay your loan on an **interest-only** basis, your monthly payment only covers the interest charged by us.

If you have chosen to repay your loan on a **part and part** basis, you will re-pay the capital element of the repayment part over the term of your mortgage as well as the monthly interest charged on the interest-only element.

**If you have chosen to repay all or part of your loan on an interest-only basis, the interest-only amount borrowed will still be outstanding at the end of your loan term, and therefore you must ensure that you have sufficient resources to repay the capital owed**

## 9. Your monthly payment

Your monthly payment is set out in section 6 of your mortgage illustration and section 8 of your mortgage offer.

Interest on your loan is due monthly in advance and regular monthly payments are due on the first of each month. When your loan completes, you will be charged an amount to cover the number of days of accrued interest between completion and the next payment due date, plus your first full month's payment.

The first payment will be taken from your account on the first business day of the month following completion unless completion is either within 10 business days from the end of the month or on the first of the month, in which case we will take the first payment 10 business days after completion.

We will advise you of the exact amount of your first payment and the due date when the loan completes.

Payments will be collected by Direct Debit from your nominated account. Alternative payment methods may be agreed with you if this is more appropriate for your circumstances. You must satisfy yourself that you will be able to maintain the payments on your loan, as well as existing mortgage and other regular commitments if your circumstances or interest rates were to change.

If you wish to change your payment date, please contact us after the initial payment has been collected.

## 10. Interest on your loan

If you have chosen to take a discounted or lifetime tracker product, the interest rate may vary. The rate payable is linked to the Masthaven Bank Administered Variable Rate (MBAVR) as detailed in your mortgage illustration. If changes are made to the MBAVR, the rate of interest you pay will increase or decrease accordingly.

We may, from time to time, vary the rate of interest on your loan to take account of movements in the Bank of England base rate, changes in our cost of funding or other costs related to the operation of our business.

If you have chosen to take a fixed rate product, the interest rate will not vary during the fixed period. Thereafter, the interest rate may vary. The rate payable reverts to the reversion rate as detailed in your mortgage illustration. The reversion rate is linked to the MBAVR. If changes are made to the MBAVR, the rate of interest will increase or decrease accordingly.

We will give you at least 30 days' notice if the interest rate on your loan changes.

## 11. Overpayments

If you have opted for a Lifetime Tracker, discounted or fixed interest rate product, overpayments in your incentive period exceeding 10% of your mortgage balance in a mortgage year will be subject to the applicable early repayment charge as set out in your mortgage illustration. The 10% overpayment is calculated using the balance of your mortgage at the time it completes. Only the overpayment above 10% of your mortgage balance will be subject to an early repayment charge. The mortgage year is each 12-month period starting on the day your mortgage completes.

## 12. Lump sum payments

Lump sum payments can be made, subject to a minimum of £5,000.

If you wish to exercise this right, you must tell us in advance. We will then discuss whether you wish to allocate the payment to the capital owed and reduce the term, or whether you wish the monthly payment to be recalculated.

## 13. Valuation of your property

If a mortgage valuation has been obtained as part of your application, the report is solely for our use. If you have opted for a Homebuyers report, subject to your consent, a copy will be sent to us.

We are not responsible for the accuracy of the valuation or the contents of any report.

## 14. Property insurance

Your property must be adequately insured at all times. We may, from time to time, ask for evidence of your cover which you agree to provide.

If you change your cover, you must notify us so that we can satisfy ourselves that the new cover is adequate and that our interest in your property is adequately protected.

## 15. Occupation and possession of the property

Unless the property is an investment property at the time your mortgage is taken out, you must not let any part or all the property without our prior written consent. Any letting without our consent would constitute a breach of the mortgage offer conditions. A fee may be charged if we consent to the property being let.

Where the property is an investment property, there are further conditions stated in your mortgage offer regarding letting of your property.

Furthermore, you must not give over possession of the property without our prior written consent.

## 16. Annual mortgage statement

On the anniversary of your loan until your loan has been repaid in full, we will send you a mortgage statement detailing:

- Payments made on your account.
- Interest added to your account.
- Details of any costs and fees added to your account.
- Balance outstanding on your account.
- Repayment method.
- Remaining term.

## 17. Fees and charges

Where fees or charges are payable by you, they will be added to your account at the time of being incurred. Interest will be charged on these fees and charges from the point of being incurred, as set out in our Tariff of Charges booklet.

If there is cause for any fee or charge to be made, you will be notified in writing.

A full breakdown of our fees and charges can be found in our Tariff of Charges booklet.

## 18. Payment difficulties

If your personal circumstances change, and you are experiencing difficulties in making your payments to us, please contact our Collections and Servicing Team immediately on 020 7036 2012. We aim to provide you with information and support.

We will work with you to reach an appropriate course of action agreeable to both you and us. It is important therefore that you provide us with all the relevant information regarding your situation.

If we have been unable to contact you to discuss your account, we may ask a Field Agent to visit you to discuss your account. As a last resort, we would consider legal action.

FCA research shows that 50% of UK adults display one or more characteristics of being vulnerable, whether this is due to health, a significant life event or financial difficulties. We have experienced, trained staff available to discuss any concerns you may have with regards to your mortgage. We will also be able to provide details of where you can seek further advice based on your circumstances.

You could also contact the Money Advice Service at: [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk) or by calling 0300 500 5000.

## 19. Porting your loan

You may have the right to transfer your loan to another property – refer to your mortgage illustration for terms and conditions. Please note an administration fee is payable, which is detailed in our Tariff of Charges. You will also need to pay a valuation fee for the new property, and a legal fee for the cost of our solicitor's work.

## 20. Settlement of your loan

You can settle your loan at any time, subject to repaying the amount owed to us in full. This may include an early repayment charge as well as any fees or charges that have been added to your account, together with any interest.

If you are selling the property during the term of your loan and the loan cannot be transferred to another property, you must ensure that the sale price is sufficient to repay the monies owed to us including any early repayment charges, otherwise we will not agree to release the security to enable the sale to complete.

Details of the charges applicable to settling your loan are set out in your mortgage illustration.

## 21. Transferring your loan

Your loan with Masthaven may be transferred and/or assigned to another lender. If your loan is assigned or transferred to another lender, you will be notified in writing but the terms of your loan will remain unchanged.

## 22. Data Protection

We are registered with the Information Commissioner's Office, our registration reference is ZA164738. The Data Protection Act 2018 and General Data Protection Regulation requires us to tell you:

- Why we need to use your information
- How we use it
- How we store it
- Who we share it with and why
- What your rights are

You can find detailed information about the above points and more on our privacy notice at:

<https://www.masthaven.co.uk/site/privacy-notice/>

## 23. Complaints procedure

We always aim to provide the highest level of service. However, we recognise that even with the best processes and procedures things can go wrong. When this happens, recovering the situation and providing a rapid resolution is of the utmost importance to us.

Our commitment is to:

- Keep you informed of progress.
- Acknowledge when a mistake has been made.
- Provide temporary solutions during issues.
- Deal with issues consistently each time.

What will we do?

- Make it easy for you to raise your complaint.
- Listen to your complaint.
- Consider how you would like us to resolve your complaint.
- Make sure you are satisfied with how your complaint was handled.

## How and where to complain

If you are not satisfied with any aspect of your product or the service we have provided you can contact us via:

**Email:** [complaints@masthaven.co.uk](mailto:complaints@masthaven.co.uk)

**Tel:** [0207 036 2000](tel:02070362000)

**Address:** Masthaven Bank, 90 Long Acre, London, WC2E 9RA

## How long will it take?

Our aim is to resolve your complaint straight away. If we are unable to resolve your complaint immediately, we will carry out a full investigation by gathering the information needed to properly review your complaint. This may mean that we will ask you for more information or papers to assist us in the investigation.

## Immediate resolution

For any complaint that we resolve within 3 business days from date of receipt, we will issue a Summary Resolution Letter giving details of the complaint and how we have resolved it together with details of the Financial Ombudsman Service.

## Responding within 5 business days

We will endeavour to fully investigate your complaint and respond to you within 5 business days of receipt. If we cannot respond to your complaint within 5 business days, we will write to you to explain why we are not yet able to address the matters raised and indicate when we will make further contact.

## Keeping you informed after 4 weeks

If we have not been able to resolve your complaint within 4 weeks, we will contact you again to update you with our progress and tell you how much longer we anticipate it will take.

## Providing a final response within 8 weeks

In exceptional circumstances, where your complaint is particularly complex matters may take up to 8 weeks to resolve. After 8 weeks, you may wish to contact the Financial Ombudsman Service to discuss your complaint. They may be able to look in to your complaint and help you reach a satisfactory conclusion. If your complaint is not resolved within 8 weeks then we will write to you requesting more time as well as advising that you are able to refer your complaint to the Financial Ombudsman Service if you are not satisfied with the time being taken to resolve your complaint.

## What happens if we cannot reach agreement?

We are a member of the Financial Ombudsman Service and if we cannot reach agreement with you we will always send you a final response letter. This will clearly set out our position with regard to your complaint and if you are not satisfied with our response, we will advise you on how to contact the Financial Ombudsman Service if you wish them to review your case. Any referral to them should be made within 6 months of the date of our final response. They will not consider your complaint if you have not given us a chance to resolve it first.

## 24. The Financial Ombudsman Service

The Financial Ombudsman Service offers a free independent service and they can help with most complaints about products and/or services. There are however some limitations on what the Financial Ombudsman Service can consider. Further information can be obtained from them directly.

You can contact them at:

**Tel:** 0800 0234 567

**Address:** Exchange Tower, Harbour Exchange Square Isle of Dogs, London, E14 9SR

**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

**Your property may be repossessed if you do not keep up repayments on your mortgage.**