



*We make your business our business*

# Existing Borrower

Product & Criteria Guide - 06 November 2009

**New: Fixed Rates  
reduced by 0.15%**

**2 year fixed rates  
from 5.19%**

**2 year trackers  
from 4.99%**

## **Consider our Offset range:**

- An alternative to low savings rates
- Savings offset against mortgage balance
- Unlimited overpayments

### Loan To Value (LTV)

We offer different Existing Borrower Transfer and Additional Loan products depending upon the LTV of your client's mortgage account, therefore before making a product selection we need to ascertain the current LTV. There are two different methods of establishing your client's LTV depending on whether they are undertaking an Existing Borrower Transfer or an Additional Loan.

#### LTV - Existing Borrower Transfers

The LTV is calculated using the outstanding mortgage balance compared to the estimated value of your client's property (LTV). We calculate this estimated value by using our House Price Index, which is recalculated every quarter, unless the borrower requests a revaluation.

A revaluation of the property can be instructed to ascertain the current loan to value, if the borrower believes their property's current value is different to the estimated valuation on our records. A non-refundable valuation fee of £75 is automatically added to the mortgage account and interest is charged on this daily. Borrowers can send a cheque for £75 at the time the revaluation is instructed to avoid being charged interest on the fee.

#### LTV - Additional Loans

The LTV is calculated using the total of the outstanding mortgage balance and the amount of additional borrowing, compared to the last valuation of the property that we have on record. Any additional loan that takes the total lending over 75% LTV, will be agreed only on a capital and interest repayment basis for the entire additional loan.

In all cases, a revaluation will be carried out, for which a non-refundable valuation fee of £75 is payable. This fee is automatically added to the mortgage account and interest is charged on this daily. Borrowers can send a cheque for £75 at the time the revaluation is instructed to avoid being charged interest on the fee.

### Product choice where revaluation instructed

Please note that by requesting a revaluation for your client you are not reserving any of our mortgage products or rates. Products can be withdrawn at any time and your client can only choose a product from the range available once the revaluation has taken place and the current valuation and LTV is confirmed.

### Product choice and LTV

You must select a product for your client from those applicable to their LTV i.e. you cannot select a 75% LTV product if your client's LTV is 85%.

### Portability

All Accord mortgages are portable from the original property to a new property should a borrower decide to move house, however when porting the current mortgage you will need to be aware of the following;

- **Criteria if no Top-up is required:** All of the last 3 months mortgage payments must have been made in full and on time, and there must be no more than 2 mortgage payments currently outstanding. Please note that if the account is self certified, and income verification can not be provided for the full loan, portability can only be allowed on the current mortgage to the same or lower loan size and LTV.
- **Criteria if a Top-up is required:** There must be no missed payments within the last 12 months. If the account is currently self certified and income verification can be provided for the current loan and the top-up amount required a top-up loan can be provided. If the account is currently self certified and income verification cannot be verified then a top up is not allowed.
- **In all cases:** A new valuation will be carried out for all portability applications, regardless of whether a top-up product is required to determine the new loan to value (LTV) of the lending. A non-refundable standard valuation fee is payable for this, and this fee will automatically be added to the mortgage account and interest charged on this daily. Borrowers can send a cheque for valuation fee at the time the valuation is instructed to avoid being charged interest on the fee.
- **LTV -** The LTV is calculated using the total of the outstanding mortgage balance and the amount of any top up borrowing required, compared to a new valuation of the property. Any top up borrowing that takes the total lending over 75% LTV, will be agreed only on a capital and interest repayment basis for the entire top up amount.

### Self Certification

Self-Cert - is aimed at borrowers who cannot evidence their income through payslips due to being self-employed, having commission based earnings etc.

- **Prime:** Borrowers previously on a Prime self cert product who can now fully prove their income can select a full status product. Borrowers previously on a Prime self cert product who cannot prove their income must select a self cert product.
- **Credit Repair:** Borrowers previously on a Credit Repair self cert product and who have made all their payments on time and in full within the last 24 months, and can now prove their income can select a full status prime EBT. Borrowers previously on a Credit Repair self cert product and who have made all their payments on time and in full within the last 24 months, and still can't prove their income must select a self cert prime EBT.

**Credit Repair Guarantee:** Credit Repair borrowers who have made all their payments on time and in full in the last 24 months will be eligible for our Prime Existing Borrower Transfer products when the initial period ends (subject to criteria).

### Existing Borrower Transfer Offers

Please note that Existing Borrower Transfer offers are valid for 14 days from the date of issue.

### Procuration Fee

Accords only pays a procuration fee on additional loans and any top up borrowing on portability applications (with the exception of any products priced at our standard variable rate).

## Existing Borrower Transfers Full Status

### Fixed Rates - Transfer Products

Please Note: Procurement Fees are **not** payable on these products

Max LTV	Product	Product code	Rate	Fee	End date	ERCs	Notes
75%	2 year fixed	6274	5.19%	£0	31/01/2012	4% to 31/01/12	<p><b>All products:</b> Minimum loan £10,000.</p> <p><b>Offset products:</b> Savings offset against the mortgage account. The full loan must be on offset products. Unlimited overpayments.</p>
	Offset 2 year fixed	0903	5.29%				
	3 year fixed	6278	5.84%	£0	31/01/2013	4% to 31/01/13	
	Offset 3 year fixed	0907	5.94%				
	5 year fixed	6279	6.34%	£0	31/01/2015	5% to 31/01/2013 4% to 31/01/2014 3% to 31/01/2015	
	Offset 5 year fixed	0908	6.44%				
85%	2 year fixed	6275	5.84%	£0	31/01/2012	4% to 31/01/12	
	Offset 2 year fixed	0904	5.94%				
100%	2 year fixed	6276	6.04%	£0	31/01/2012	4% to 31/01/12	
	Offset 2 year fixed	0905					
100%+	2 year fixed	6277	6.24%	£0	31/01/2012	4% to 31/01/12	
	Offset 2 year fixed	0906					

### Tracker Rates - Transfer Products

Please Note: Procurement Fees are **not** payable on these products

Max LTV	Product	Product code	Current Rate	Capped Rate	Collar Rate	Initial Rate Period	ERCs	Notes
				Applies for term of product				
75%	2 year tracker (BoE +4.49%)	1950	4.99% Variable	6.99%	3.00%	30/11/2011	4% to 30/11/2011	<p><b>No Fee</b> Min Loan of £3,000, Max Loan of £350,000</p> <p><b>Offset products:</b> Savings offset against the mortgage account. The full loan must be on offset products. Unlimited overpayments.</p>
	Offset 2 year tracker (BoE +4.59%)	1951	5.09% Variable	7.09%				

All mortgages revert to Accord Mortgages' Standard Variable rate at the end of the product term

### Existing Borrowers Full Status

Portability Top-up Only							
Please Note: Procuration Fees <b>are</b> payable on these products							
Max LTV	Product	Product code	Current Rate	Capped Rate	Collar Rate	ERCs	Notes
85%	Tracker for term (BOE +5.84%)	1956	6.34% Variable	8.34% for 2 years	3.00% for term	2% for 2 years	<b>No Fee</b> Min Loan of £3,000 <b>Offset products:</b> Savings offset against the mortgage account. The full loan must be on offset products. Unlimited overpayments.
		<b>Offset</b> 1957					

Additional Loans							
Please Note: Procuration Fees <b>are</b> payable on these products							
Max LTV	Product	Product code	Current Rate	Capped Rate	Collar Rate	ERCs	Notes
50%	Tracker for term (BOE +5.84%)	1963	6.34% Variable	8.34% for 2 years	3.00% for term	2% for 2 years	<b>£95 Fee</b>  Free valuation for 50% LTV products  Min Loan of £3,000  <b>Offset products:</b> Savings offset against the mortgage account. The full loan must be on offset products. Unlimited overpayments.
		<b>Offset</b> 1965					
85%		1964					
		<b>Offset</b> 1966					

### Existing Borrower Transfers Self Certification

Fixed Rates - Transfer Products							
Please Note: Procuration Fees <b>are not</b> payable on these products							
Max LTV	Product	Product code	Rate	Fee	End date	ERCs	Notes
75%	2 year fixed	6280	5.54%	£0	31/01/12	4% to 31/01/12	<b>All products:</b> Minimum loan £10,000.  <b>Offset products:</b> Savings offset against the mortgage account. The full loan must be on offset products. Unlimited overpayments.
	Offset 2 year fixed	0909	5.64%				
85%	2 year fixed	6281	6.04%				
	Offset 2 year fixed	0910	6.14%				
100%	2 year fixed	6282	6.24%				
	Offset 2 year fixed	0911	6.34%				
100%+	2 year fixed	6283	6.44%				
	Offset 2 year fixed	0912	6.54%				

All mortgages revert to Accord Mortgages' Standard Variable rate at the end of the product term

Existing Borrower Enquiries Telephone 0845 1 200 881

## Product Guide Notes

---

**Standard Variable Rate 5.34%** - At the end of the special rate period the mortgage will revert to our SVR rate currently 5.34%.

**Part and Part mortgages** - the mortgage or Additional Loan can be taken on two or more products. N.B. Offset and non-Offset products cannot be mixed.

**Loan to Value (LTV)** - See Criteria. A lower LTV than shown in the product information may apply dependent on loan size.

**Early Repayment Charges (ERC) & Overpayments** - unless otherwise stated, all products allow 10% overpayments per annum without ERC. ERCs apply on redemption or transfer (part or full) to another product during the ERC period.

**Product Withdrawal** - we aim to give 2 working days notice, but products may be withdrawn without notice. No further applications are accepted after withdrawal.

### Contact Details

To apply for one of these products, for an update on the processing of an Additional Loan or Existing Borrower Transfer please contact the Existing Customer Processing Team on 0845 1 200 891.

Or visit our website: [www.accordmortgages.com](http://www.accordmortgages.com)

## Fees Guide

---

**Product fees** - payable on completion, can be added to the loan. See individual products for details of fees.

**Valuation Fee** - payable on application or completion, can be added to the loan. The current valuation (or revaluation) fee is £75.

**Higher Lending Charge** - Where a loan exceeds a certain percentage of the purchase price or valuation (whichever is the lower) there is increased risk to us. To cover against this risk, a Higher Lending Charge (HLC) is payable. Where the LTV is 90% or above the HLC is payable by you. However, on selected products in this factsheet we will pay this HLC for you.

**Other Fees** - a Redemption Administration Fee or Mortgage Fee is payable on redemption of the loan depending on when the loan was taken out. The borrowers original mortgage offer or latest Existing Borrower Transfer offer will confirm the amount of the fee applicable.

## Criteria Guide

---

### Maximum borrowing

Accord mortgages uses affordability to calculate how much can be borrowed, and not standard income multiples. For further details please contact our Regulated Sales Team on:

**0845 1200 891**

### Types of Income Allowed

**Regular bonus / overtime** - 50%, providing cumulative figure not more than basic income

**Commission earnings** - 50% of sustainable commission, total not to exceed basic income.

**Second jobs** - 50% of income

**Shift / car / rent allowance** - 100% of regular allowance

**Directors** - salary plus dividends.

CSA judgement or a solicitor's letter confirming payments or bank statement to evidence latest payment.

**Pay rise** - any confirmed increase due in next 3 months or next increment if due in 12 months.

**Self-employed** - income multiples applied to net profit in last trading year must be sufficient to support the mortgage.

**Tax Credits and Child Benefit** - 100% of Working Tax Credit, Child Tax Credit and Child Benefit accepted. The annual notification letter is required as evidence of the award.

### Deductions From Income

- Regular maintenance payments being made with 12 months or more left to run.
- Outstanding mortgage balances
- Annual cost of loans regardless of remaining term.
- 36% of outstanding credit card balances
- Childminding, nursery or school fees.
- Any other significant outgoings.

**Maintenance payments** - all payments under a court order /

## Criteria Guide (continued)

### Existing Accord Mortgage

#### Acceptable Arrears for Additional Loan applications:

- None in the last 12 months

#### Acceptable Arrears for Existing Borrower Transfer :

- No more than 2 months mortgage payments in arrears
- Loans in total.

### Loan Terms

#### Purpose of Loan:

- Home improvements.
- Capital raising for any purpose up to 85% LTV (excluding business).

### Term

The minimum term is product specific, eg: the remaining term of the part(s) being transferred or the Additional Loan must be sufficient to cover the term of the new product.

### Repayment Methods

*Different repayment methods can be mixed and matched.*

- Repayment (capital & interest)
- Interest only:
  - Only available up to 75% LTV
  - Type of repayment vehicle must be stated
  - 'General investment' is acceptable.
  - Policies are not deposited/assigned

### Age Requirements

Additional Loans only;

Maximum Age	
Up to 85% LTV*	Repayment by age 75 (both applicants)

\*LTV subject to product availability

### Release of Funds

#### Additional Loans

Where the total debt including the Additional Loan is below 85% of the current value of the property (i.e. before any work is carried out), the money can be released as soon as the loan is approved. A final inspection is required for applications above this level, the fee for which is payable by the borrower. The total loan cannot exceed 85% of the property value when it is reinspected.

### Paperwork Required (Employed)

- Latest pay slip

Evidence of income (as above) is required for all EBTs regardless of LTV where the applicant is transferring from a self-cert to a full status product

### Paperwork Required (Self-employed)

- A letter from a recognised accountant confirming the turnover & net profit figures for the latest 3 years.

- If a recognised accountant is not used, the latest 3 years account are required, accompanied by:

- Last 6 months' business bank statements
- Latest self assessment documents:
- Either SA302 (Tax Calculation Summary) or
- SA310 (Revenue Acknowledgement)

- If the applicant does not have an accountant, the following must be submitted:

- Last 3 years' tax returns
- Evidence of payment tax liability for each of the returns
- Last 6 months' business bank statements
- Latest self assessment documents:
- Either SA302 (Tax Calculation Summary) or
- SA310 (Revenue Acknowledgement)

**Salaried Directors:** if the shareholding is 25% or more, last 3 years accounts are required.

Evidence of income (as above) is required for EBTs regardless of LTV where the applicant is transferring from a self-cert to a Full status product

#### Recognised Accountants

- Institute of Chartered Accountants (FCA/ACA)
- Association of Chartered Certified Accountants (ACCA/FCCA)
- Chartered Institute of Public Finance Accountants (CIPFA)
- Institute of Company Accountants (ASCA/FSCA)
- Association of Authorised Public Accountants (FAPA/AAPA)
- Institute of Chartered Accountants in Ireland (ICAI)
- Chartered Institute of Management Accountants (CIMA)

Applications subject to standard lending criteria and all loans subject to status. Accord Mortgages Limited is authorised and regulated by the Financial Services Authority. All communications with us may be monitored/recorded to improve the quality of our service and for your protection and security. BT landline calls to 0845 numbers cost no more than five pence per minute. Other service provider charges may vary, mobile calls usually cost more.

Accord Mortgages Limited is registered in England No. 2139881  
Registered office 1 Filey Street Bradford BD1 5AT