



Family Guarantee Mortgage.

New product for applicants with insufficient deposit, available up to 100% LTV

January 2012: issue 1

CHANGES IN THIS ISSUE:

New 2 year fixed rate at 5.98%

3 year fixed rate reduced to 5.98%.

Please also refer to the following information leaflets:

Family Guarantee Mortgage Broker Information leaflet - giving you further product information and including a list of Frequently Asked Questions

Family Guarantee Mortgage Applicant and Guarantor Information leaflet - designed for Applicants and Guarantors and including a list of Frequently Asked Questions

Convert more business now.

Call **0333 321 1000**

or visit aldermore-mortgages.co.uk

expertise. applied



Credit Status	Mortgage Arrears	None
	CCJs / Defaults	None
	Bankruptcy Order / IVA	None
Maximum LTV		100%

2 year fixed	Initial rate	5.98%
	Booking fee*	£299
	Completion fee**	£999
3 year fixed	Initial rate	5.98%
	Booking fee*	£299
	Completion fee**	£999

Reversion rate	5.73% AMR + 0.75%
----------------	----------------------

Aldermore Managed Rate (AMR)	4.98%
------------------------------	-------

Broker fee	0.40%
------------	-------

Early repayment charges	Year 1	Year 2	Year 3
2 year fixed	5%	4%	
3 year fixed	5%	4%	3%

Overpayments by the applicants and/or guarantors up to the maximum amount of the guarantee can be made during the early repayment charge period without incurring an early repayment charge. Overpayments totalling more than the maximum amount of the guarantee by the applicants and/or guarantors will incur the early repayment charge detailed above. Please also refer to the section below headed 'Release of the guarantee and collateral charge', for fees applicable where the guarantee is repaid in full.

*Booking fee will be payable on application and is none-refundable.

**Completion fee will be deducted from the advance on completion and cannot be added to the loan.

Valuation fees	
Property value	Standard valuation fee
£75,000 - £100,000	£255.00
£100,001 - £150,000	£290.00
£150,001 - £200,000	£330.00
£200,001 - £300,000	£405.00
£300,001 - £400,000	£475.00
£400,001 - £500,000	£540.00
£500,001 - £600,000	£595.00
£600,001 - £700,000	£655.00
£700,001 - £800,000	£710.00
£800,001 - £1,000,000	£765.00
£1,000,001 - plus	£955.00

Where a more detailed report is required, the Valuer will collect the additional fee direct from the applicants. The valuation fee is not refundable once the valuation has been carried out.

Applicant criteria

Purpose

Purchase only

Borrower Type

First or second time buyers

Repayment Types

Repayment only

Term

Minimum 10 years

Maximum 25 years

Loan Size

Minimum loan £25,000

Maximum loan £250,000 to 100% LTV

Note: Aldermore will require legal representation on all loans through its nominated Solicitor at a cost of £480 including VAT. This fee covers the cost of the conveyance and registration of the collateral charge, but does not include disbursements. Applicants can choose to use the same Solicitor and benefit from competitive conveyancing costs, or take independent legal advice.

Existing Mortgage

Proof of conduct required for all mortgages

Maximum Applicants

2

Minimum Age

21 years (first time buyer 25 years)

Maximum Age

70 years at end of mortgage term (*The maximum mortgage term cannot extend beyond the stated retirement date*)

Employment/Self Employment

Employed – minimum 12 months history (*last 3 in the same occupation*)

Self employed – minimum trading period 2 years

Income Verification

Employed – P60 and last 3 months payslips (*or employers reference*)

Self Employed – SA302 or certified accounts covering the last 2 years

State benefits are not acceptable

Income

Minimum income £10,000

Applicants must be able to afford the full mortgage amount - please refer to the Aldermore Residential affordability calculator

Property

Located in England or Wales

Minimum valuation £75,000

Freehold or leasehold (*with 60 years unexpired at completion and 40 years at end of mortgage term*)

New build and newly converted flats, freehold flats and Ex Local Authority flats are not accepted

Non-standard construction are not accepted

Guarantor criteria

Maximum Guarantors

2, one of which must be a parent, step parent or grandparent

Minimum Age

21 years

Maximum Age

70 years at end of guarantee period (*The maximum guarantee period will be 10 years and cannot extend beyond the stated retirement date*)

Employment/Self employment

Employed – minimum 12 months history (*last 3 in the same occupation*)

Self employed – minimum trading period 2 years

Income Verification

Employed – P60 and last 3 months payslips (*or employers reference*)

Self Employed – SA302 or certified accounts covering the last 2 years

Retired – in receipt of personal / company pension income

Income

No minimum income

Whilst guarantors will not be actively pursued in the event of repayment arrears, they will be liable for any shortfall in the event of repossession and sale of the mortgaged property, up to the maximum amount of the guarantee. Guarantor income will therefore be assessed as part of the underwriting process.

Guarantee

A guarantee will be required from a parent, step parent or grandparent for the amount of mortgage above 75% LTV. Note: *All secured debt including the new mortgage, guarantee and any first mortgage or other secured debt on the guarantor property cannot exceed a maximum combined LTV of 75% across both properties.*

The guarantee will be secured by a collateral charge on the guarantors' residential property and the amount of guarantee will be capped at the original agreed amount. The maximum guarantee period will be 10 years, at which point it will expire (*and the charge against the guarantors property will be released*) unless demand has been made under it and moneys remain outstanding, in which case it will expire when outstanding money is paid in full.

Independent legal advice

The guarantors will be required to take independent legal advice

Release of the guarantee and collateral charge

The guarantee can be repaid at any time by payment of an amount equivalent to the maximum guarantee. The guarantee (*and collateral charge*) will also be released (*if no money has been demanded under it that remains outstanding*) once the loan to value falls to 75% or lower, upon request and subject to an acceptable revaluation of the mortgaged property at a cost of £100 and a release of land / collateral fee of £95. Fees may change and will be detailed in the Aldermore mortgages Tariff of Charges.

Guarantor Property

Located in England or Wales

Minimum valuation £75,000

Freehold or leasehold (*with 60 years unexpired at completion and 40 years at end of mortgage term*)

New build and newly converted flats, freehold flats and Ex Local Authority flats are not accepted

Non-standard construction are not accepted

A valuation will be carried out on the guarantors residential property. The report will be paid for by Aldermore and will not be disclosed to the guarantor(s) or applicant(s).