

our fees and charges explained

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GODIVA
mortgages

Contents

	Page
Description of charges	3
Valuation fees	3
Buy to Let valuation fees	5
Additional lending valuation fees	6
Other application fees	7
Mortgage service fees	9
Arrears	10
Redemptions and deeds enquiries	11
Calculation of interest	11
Repaying extra	12
Personal loans - fees and charges	13
Important notes	13
Here to help	14

We go further to keep you informed

This leaflet provides you with details of Godiva Mortgages mortgage fees and charges.

We reserve the right to review these fees and charges from time to time. If we change any of our charges, we'll give you reasonable notice of the changes.

If you have any queries or problems at all, we're only a telephone call away. Just phone our Customer Service Centre on 0845 1212567, our advisors are available Monday to Friday 8am-8pm, Saturday 9am-5pm and Sunday 10am-4pm.

Description of charges

Valuation fees

Basic mortgage valuation

An inspection carried out for the benefit of the Company to determine if a property forms good security for a loan. If you are purchasing a Buy to Let property, the valuation will also assess the rental return income that the property could reasonably be expected to achieve. The mortgage valuation is a limited form of inspection and should not be relied upon when deciding whether to purchase a property. **Only valuations instructed by us and conducted by one of our panel of valuers are acceptable.** A valuation fee may be charged at application stage, in accordance with the sliding scales shown on pages 4 to 7. This can be paid by Credit/Debit card or cheque. **This fee is not refundable.**

In certain circumstances we may choose to use alternative methods to ascertain the value of the property. If a fee is charged for using one of the alternative methods, we will let you know in advance.

Homebuyer's Report

This provides a more detailed inspection than a mortgage valuation and lists any major faults that are obvious to the valuer. However, it is not a full structural survey.

If you choose this option we will charge a fee covering the cost of the work involved in providing the report in accordance with the sliding scales below. The report will be issued directly to you. **This fee is not refundable.**

There is no obligation to use our valuer panel for a Homebuyer's Report. If you wish you can instruct a separate survey yourself. Any fees for this service will be agreed between yourself and the surveyor, and the report will be issued directly to you. In this circumstance, we will still instruct a valuer to provide a mortgage valuation to determine if the property forms suitable security for a mortgage. You will only pay for your Homebuyer's Report. Godiva Mortgages will cover the cost of the valuation.

Valuation fees

Purchase Price/Est. Value Not Exceeding	Mortgage Valuation Fee (including VAT)	Homebuyer's Report (including VAT)
£60,000	£100	£235
£75,000	£115	£285
£100,000	£130	£340
£125,000	£130	£340
£175,000	£160	£415
£200,000	£200	£415
£300,000	£250	£520
£400,000	£300	£620
£500,000	£355	£715
£600,000	£455	£815
£700,000	£475	£915
£800,000	£570	£1,015
£900,000	£615	£1,115
£1,000,000	£665	£1,220
£1,200,000	£815	£1,430
£1,400,000	£935	£1,630
£1,600,000	£1,060	£1,835

Valuation fees cont.

Purchase Price/Est. Value Not Exceeding	Mortgage Valuation Fee (including VAT)	Homebuyer's Report (including VAT)
£1,800,000	£1,180	£2,040
£2,000,000	£1,305	£2,250

For properties of £2,000,000 plus please ask for fee details.

Buy to Let valuation fees

Purchase Price/Est. Value Not Exceeding (including VAT)	Mortgage Valuation Fee (including VAT)	Homebuyer's Report
£60,000	£115	£235
£75,000	£125	£235
£100,000	£145	£285
£150,000	£175	£340
£200,000	£210	£415
£250,000	£240	£415
£300,000	£270	£520
£350,000	£300	£620
£400,000	£335	£620
£450,000	£360	£665
£500,000	£390	£720
£600,000	£455	£825
£700,000	£515	£925
£800,000	£580	£1,025
£900,000	£635	£1,125
£1,000,000	£700	£1,230
£1,200,000	£835	£1,440
£1,400,000	£955	£1,645

Buy to Let valuation fees cont.

Purchase Price/Est. Value Not Exceeding (including VAT)	Mortgage Valuation Fee (including VAT)	Homebuyer's Report
£1,600,000	£1,080	£1,845
£1,800,000	£1,200	£2,050
£2,000,000	£1,320	£2,260

For properties of £2,000,000 plus please ask for fee details.

Tax implications of Buy to Let

It is important that you understand the tax implications of owning a Buy to Let property.

Godiva Mortgages Limited are not able to provide tax information, nor should its documentation be relied on in this manner, therefore any information is provided for guidance only. If you have concerns about the effect of Buy to Let ownership on your tax status, it is your responsibility to ensure that you contact your local tax office or a suitably qualified financial advisor.

Scottish Landlords

All Scottish landlords must apply to register their details with the local authority for the area the property is located in, or at www.landlordregistrationscotland.gov.uk

Additional lending valuation fees

Present Day Valuation (PDV)

A valuation may be required when an application for additional lending is submitted. There are a number of ways we can determine the value of your property and when you apply for additional lending we will select the valuation type most appropriate to your application. **Only valuations conducted by our panel of valuers are acceptable.** Amounts are inclusive of VAT. **Any fees paid are not refundable.**

For **MORE**gage and Buy to Let additional lending applications, a Present Day Valuation will always be required. **Any fees paid are not refundable.**

Additional lending valuation fees

Estimated Value Not Exceeding	Present Day Valuation fee (including VAT)
£100,000	£90
£250,000	£145
£500,000	£230
£1,000,000	£335
Over £1,000,000	minimum £340

Buy to Let additional lending valuation fees

Estimated Value Not Exceeding	Present Day Valuation fee (including VAT)
£100,000	£100
£250,000	£155
£500,000	£240
£1,000,000	£345
Over £1,000,000	minimum £340

Other application fees

Arrangement Fee (please refer to your Mortgage Offer)

A number of our mortgage schemes include an Arrangement Fee, which covers the cost of providing the mortgage funds. The fee may vary depending on the type and terms of the scheme offered and this fee is normally charged on completion of the mortgage and should not be enclosed with your application. You can choose to pay this amount in one go or you can add it to the mortgage.

If you add this fee to your loan you will be charged interest on it during the term of the loan and it will be included in the mortgage amount on which the Mortgage Offer is based.

If you choose to pay the fee in one go, it will not attract interest or affect your monthly mortgage payments. **You must pay this amount into your mortgage account immediately after completion to avoid incurring future interest charges on the fee. This fee is not refundable.**

Booking Fee (please refer to your Mortgage Offer)

A Booking Fee is charged to cover some of the costs associated with the mortgage application on certain types of mortgage schemes. The amount depends on the type of scheme applied for and will be contained in your Mortgage Offer. The application will not be processed until the fee is received by us. This can be paid by Credit/Debit card or cheque. It cannot be added to the mortgage. **This fee is not refundable.**

Re-inspection Fee

£35.00

A charge is incurred and paid for by us when a valuer is sent out to re-inspect a property to ensure that any work required by the original mortgage valuation has been completed. If more than one re-inspection is required we will inform you of the cost. This can be paid immediately or added to your mortgage on completion. **You should pay this amount into your mortgage account immediately after completion to avoid incurring interest charges on the fee. This fee is not refundable.**

Mortgage service fees

These are costs which relate to additional administration work involved on an account. These are normally charged to the mortgage account.

Letting your property

£100.00

A customer whose residential mortgage is with Godiva Mortgages may let the property for a maximum of 12 months, providing our written consent is obtained. A fee of £100.00 will be charged for the work involved in processing and approving the application to let. In addition, the interest rate on all accounts except secured personal loans, will be increased by 1% whilst the property is let and will be removed when it is re-occupied by the customer or converted to a Buy to Let mortgage.

Missed or returned payments

£20.00

A charge is made in the event of a Direct Debit, standing order or cheque being returned unpaid.

Money transfer fee

£35.00

A charge is made when transferring mortgage funds electronically to you or your solicitor.

Transfer of Equity

£150.00

If you make a request for an amendment to the name or names on your mortgage held with us, e.g. where a party wishes to be added to or released from the mortgage, a fee of £150.00 will be charged on application.

Transferring your mortgage to a new scheme (Scheme Release Fee)

When you transfer your mortgage to a new scheme, a Scheme Release Fee will be payable (where applicable) to recover the cost incurred by us for the initial benefit you received on your current mortgage scheme. The amount of the fee will be determined by the terms and conditions of your current mortgage scheme. For details of these fees please refer to your Mortgage Offer. See also page 11, 'Redeeming/part redeeming a mortgage with Early Repayment Charges'.

Unpaid ground rent**£50.00**

Where a mortgage is secured on a leasehold property it is usual for the freeholder to charge ground rent or other fees as part of the lease. If the agreed ground rent or other related charge is not paid, we will investigate any claim made by the freeholder and may settle the outstanding amount by debiting your mortgage account. A fee is charged to cover the work involved in processing this investigation.

Arrears

If you fall behind with your mortgage repayments you will be in arrears and may be subject to charges. If you find yourself getting into financial difficulties, please contact us immediately on 0845 1246601 and we will do all we can to help.

Arrears notification**£20.00**

When a mortgage falls into arrears we will write to advise you of the situation. In the event that further arrears accumulate and reach two months' payments a charge will be made. No charge will be made when you have agreed an arrangement with us to repay any arrears.

Arrears review**£20.00**

If we have been unable to contact you within a reasonable period of time, we will undertake a review of the case to determine next actions and notify you of this. A charge of £20.00 will be made.

Arrears arrangement breakdown**£25.00**

This fee will be charged if an arrears arrangement between Godiva Mortgages and yourself is broken by you.

Placing an arrears account with a solicitor**£90.00**

This charge covers the costs incurred by us in preparing the papers prior to court proceedings, and the instruction of a solicitor to act on our behalf. The costs of our appointed solicitors and enquiry agents will vary and will be charged in addition to this fee. We will pay the charges and add the amount to your mortgage account.

Warrant fee**£95.00**

This covers the costs of monitoring a case as a result of instructing our solicitors to enforce a Court Order.

Reposessed properties

£260.00

When a reposessed property is sold by Godiva Mortgages and a net surplus remains, a charge will be made to cover the cost of administration.

Redemptions and deeds enquiries

Redemption fee

On the redemption of a mortgage we charge a redemption fee, as shown in your Mortgage Offer. This is fixed for the term of your mortgage, except where you ask us to arrange a further advance, product transfer or transfer of equity (when, if applicable, it will change to the prevailing fee at the time).

This fee is refundable if you take your next mortgage with us within six months of redeeming the original mortgage account. This fee will not be charged if there is less than one year left to run on your entire mortgage at the time of redemption.

Redeeming/part redeeming a mortgage

When a mortgage is repaid/part repaid using cleared funds, e.g. by telegraphic transfer or by payment from a Coventry Building Society investment account, no charge is made in respect of cheque clearance. If a mortgage is repaid/part repaid by cheque there is a charge equal to seven days' interest (for cheque clearance and postal delay).

Redeeming/part redeeming a mortgage with Early Repayment Charges

If you redeem all or part of your mortgage, you may be required to pay Early Repayment Charges. These charges are made to recover any costs incurred by the Company in setting up your product and vary dependent on the scheme chosen. For details of these fees please refer to your Mortgage Offer. See also page 9, 'Transferring your mortgage to a new scheme'.

Calculation of interest

Daily Interest

Interest is charged to the account on the first of each month based on the number of days in the coming month and the balance outstanding on the last day of the previous month. The interest charged each month is adjusted to reflect any credit or debit transactions, e.g. the receipt of monthly payments, inclusive of the day on which they occur. The

adjustment will be based on the amount of the payment and the number of days remaining in the month. For example, if a payment is received on 20 January, 12 days' interest credit will be given.

Other transactions, such as the debiting of fees and charges, will not affect the interest charged until the following month when they will be included in the balance used for calculating interest (unless they are paid in the month they fall due).

Repaying extra

Many of our customers make regular or one-off overpayments on their mortgages. The amount you choose to overpay will determine how we apply your overpayment to your mortgage.

Overpayments of at least £1,000 or the equivalent of 3 monthly payments (whichever is greater)

We will automatically treat this as a capital repayment. Depending on the type of mortgage you hold, the following will apply:

If you have an interest-only mortgage, your additional payment will reduce the balance of your mortgage. This in turn will reduce the interest we charge and therefore the amount of your regular mortgage payments will be less from the following month onwards.

If you have a repayment mortgage, your additional payment will reduce the balance of your mortgage and this in turn will reduce the interest we charge. You then have the option to either choose to reduce the amount of your regular mortgage payments from the following month onwards or, you can reduce the term of your mortgage, which means you will pay off your mortgage in a shorter period of time.

If you have a part repayment/part interest-only mortgage, or if you have more than one sub-account on your mortgage, please give us specific instructions on where you wish to make your overpayment. If we do not receive any instructions from you, the overpayment will automatically be allocated to the repayment element of your main mortgage account.

Overpayments that are less than £1,000 or the equivalent of 3 monthly payments (whichever is less)

If your mortgage interest is calculated daily we will credit this to your mortgage account straightaway, which means you will be charged less interest overall. However, we will not treat this as a capital repayment unless you specifically ask us to and the terms and conditions of your mortgage allow it.

If your mortgage interest is calculated annually or half-yearly, when we receive your overpayment your mortgage balance will be reduced straightaway. However, the interest will not be recalculated until 1 January for annual interest accounts or for half-yearly interest accounts either 1 January or 1 July, whichever is the following capitalisation period.

Please note, if you have an interest-only Flexible Drawdown mortgage, any additional payment over £500 will automatically be treated as a capital repayment.

Please remember that lump sum overpayment options are subject to your existing mortgage terms and conditions which may include Early Repayment Charges. If your mortgage account is in arrears, payments may be processed differently from the methods described above.

If you are considering making an overpayment and are unsure which option is best for you, please contact us.

Personal loans - fees and charges

If you already have a **MORE**gage product, the following also applies to the unsecured loan part of your mortgage.

Missed or returned payments

£20.00

A charge is made in the event of a Direct Debit, standing order or cheque being returned unpaid.

Important notes

If we ever need to make a charge, you must pay it separately from your normal monthly payment.

Here to help

If you are in financial difficulties, or cannot pay your full monthly amount, please contact us right away on 0845 1246601. The sooner we discuss the matter, the easier it will be for both of us to find a solution. We will develop a plan with you for dealing with your situation.

You can also get free help and advice from debt counselling organisations such as the Citizens' Advice Bureau, Money Advice Centres or the Consumer Credit Counselling Service.

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

Mortgages are only available for properties in England, Wales, Northern Ireland and mainland Scotland.

The information in this leaflet is provided for your information only. Legally binding terms and conditions can be found in your specific mortgage product terms and conditions. For specific guidance please speak to an advisor by phone.

Our advisors are available Monday to Friday 8am-8pm, Saturday 9am-5pm, Sunday 10am-4pm. Contact your service provider for details of call charges, as costs may vary. To maintain a quality service, calls made to and from Godiva Mortgages Ltd may be monitored and recorded. Information correct at time of going to print (March 2012).

For further details, call our
Customer Service Centre on

0845 1212567



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