

PORTABLE MORTGAGES - MAKING IT EASIER TO PURCHASE A NEW PROPERTY

As a portable mortgage can be transferred to a new property, it's a hassle-free way for your clients to purchase a new property with the reassurance of keeping their current mortgage rate and terms.

When your clients are ready to move, let us know if they wish to transfer their mortgage(s) over to their new property.

HOW MUCH CAN YOUR CLIENTS TRANSFER TO THEIR NEW PROPERTY?

Your clients can move all or a part of their portable mortgage to their new property, and we may be able to arrange further borrowing, subject to our current lending criteria. Our lending criteria includes the terms and conditions of the mortgage scheme, underwriting criteria and our current lending policy.

Smaller mortgage

It may be that they don't need as much money to buy their new property. In that case, they may like to use some of their existing mortgage funds to help with their new purchase.

In addition, if your clients transfer a minimum of £5,000 from any mortgage scheme attached to their current property, with no new borrowing, they may be able to obtain a refund of any early redemption charges payable on that mortgage scheme.

Bigger mortgage

Perhaps they're moving to a higher value property or need some extra money for their move. To help your clients, we may be able to top up their main mortgage scheme by up to £5,000.

If they're looking to borrow more than this, they can apply for the additional funds on one of our new mortgage schemes.

Same size mortgage

Your clients can transfer their total mortgage balance with no additional borrowing, to a property of the same value, subject to our lending criteria.

ARE ALL PORTABLE MORTGAGES THE SAME?

No, some types of portable mortgage have specific terms and conditions which are summarised below.

Offset mortgages

If your clients wish to move their Offset mortgage to their new home and borrow more money, all additional borrowing is added to their existing Offset mortgage scheme. Any additional borrowing is subject to our lending criteria and the maximum amount allowed on that mortgage scheme.

Residential Flexx for Term mortgages

If your clients wish to move their Residential Flexx for Term mortgage to their new home and borrow more money, they can choose whether to add to their existing mortgage scheme or take the extra on a new, additional mortgage scheme. This is subject to lending criteria and the maximum amount of borrowing allowed on their mortgage scheme.

Self-certification mortgages

If your clients wish to move their Self-certification mortgage, they can transfer up to their total outstanding mortgage balance to their new home. They may also be able to top up their mortgage scheme with an additional £5,000 to help with moving costs.

If they require a greater amount of money, their mortgage cannot be transferred and they will need to apply for a new Residential mortgage for the full amount required with proof of income. In this case, fees relating to their new mortgage and any early repayment charges from their Self-certification mortgage are payable and non-refundable.

Credit Impaired mortgages

If your clients wish to move their Credit Impaired mortgage, they can transfer up to their total outstanding mortgage balance to their new home. They may also be able to top up their mortgage scheme with an additional £5,000 to help with moving costs.

If they would like to borrow more than this, your clients' mortgage cannot be transferred and they will need to apply for a new Residential or Credit Impaired mortgage, where available. Fees relating to the new mortgage are payable.

MOREgage schemes

If your clients wish to move their mortgage to a new property and borrow more money, they can either add up to £5,000 to their MOREgage mortgage scheme or they may be able to borrow additional funds at our standard variable rate, subject to lending criteria.

Remember, the personal loan element of a MOREgage is not secured on their property and the amount borrowed and term of the loan cannot be changed. They can keep their loan when they move, but if they change their mortgage scheme, their loan rate will increase by 5%. Please refer to the original mortgage and loan documents for more details.

WHAT IF THERE IS A DELAY BETWEEN REDEEMING THE MORTGAGE AND BUYING THE NEW PROPERTY?

Don't worry, your clients can transfer their old mortgage to their new property up to six months after it has been redeemed.

Portability terms and conditions

The following terms and conditions apply to mortgage portability:

- The facility only applies to those mortgages that we designate as portable.
- The mortgage must be taken to a new property that your clients are purchasing, not one they already own.
- The new property purchase must be completed on a working day within six months of the mortgage redemption date.
- To receive a full refund of any early repayment charges, the purchase must be completed during the initial benefit period of the mortgage (such as the first three years of a 3 Year Fixed mortgage) and funded by:
 - the full mortgage balance, or
 - a minimum of £5,000 from each mortgage scheme attached to their mortgage and no new borrowing, or
 - the full mortgage balance plus a new mortgage scheme¹ (or increased funds in an existing Offset mortgage scheme).
- A booking fee will be payable.
- Arrangement fees may be payable.
- Our current lending criteria apply.
- We reserve the right to reasonably amend or vary these terms and conditions at any time.

¹ Does not apply to Self-certification mortgages.

www.coventryintermediaries.co.uk

All information is subject to change. Product information is subject to availability and may change. This information is for intermediaries only and is not intended for distribution to potential customers.

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