

the mortgage works 

# Your guide to mortgages

Your handy guide to everything you need to know about our range of mortgages and what they're like to live with.



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## Welcome to The Mortgage Works

The Mortgage Works is a specialist lender of Nationwide Building Society. We have been providing mortgages via intermediaries since 1989. Whether you're buying a new property or planning a remortgage, we offer a range of mortgage options, and pride ourselves on providing flexible solutions to meet your needs.

We realise that a mortgage is a big commitment. Which is why we believe that the best way for us to know if a mortgage is going to be right for you is to understand your needs.

## Our service

As part of our commitment to give the very best in customer service, our Customer Service team is made up of highly trained and experienced staff. We are strongly committed to the highest quality customer service. As part of this commitment we have established strict standards aimed at providing you with excellent service, efficient administration of your account, a personal and courteous response to your enquiries and absolute confidentiality.

## Our mortgage products

**For all BTL mortgages, if you fail to keep up with payments a 'receiver of rent' may be appointed and/or your rental property may be repossessed. You will be liable for further costs and interest. Further information regarding these can be found within the Tariff of Charges guide. Where these additional cost become due, you will be required to repay these in addition to your outstanding mortgage balance.**

**For all residential mortgages, your home may be repossessed if you do not keep up repayments on your mortgage.**

## Buy to Let mortgage

With many years of Buy to Let lending under our belt, we've built up an extensive knowledge of this market, so you can be sure of the support of one of the most experienced lenders in the business.

Whether a first time or experienced landlord, we offer a range of options that are designed to suit the needs of anyone looking to purchase property to rent out.

Please see our current Product Guide for details.

## Limited Company mortgage

Our Limited Company Buy to Let products offer flexibility for landlords who want to take out a mortgage in a company name rather than their personal name.

The products are only available for Special Purpose Vehicles (SPVs), that are set up solely for the buying, selling and letting of residential property. Companies must be registered in England, Wales or Scotland and we'll consider a maximum of two Directors/Shareholders in the company. All shareholders must be Directors and own 100% shareholding between them.

Please see our current Product Guide for criteria and products.

## Let to Buy mortgage

We recognise that choice is vital. If you're a first time or experienced landlord looking to remortgage your existing main residence as a Buy to Let property and purchase a new residential property, we can help.

Our range of Let to Buy products has been designed in response to your ever-changing financial requirements. Whether you want to retain your property as a long-term investment, relocating due to work commitments or simply wanting to move to a property that is easier to maintain, these products mean there is no longer any need for you to feel tied down.

With Let to Buy your solicitor will need to confirm the simultaneous purchase of a new residential property. Please see our current Product Guide for details.

## Consumer Buy to Let

Some Buy to Let loans will be defined as 'Consumer Buy to Let'. Your circumstances will determine whether you become 'consumers' and affected loans will become regulated.

We will treat all Buy to Let applications the same throughout the application process, and once the account is open with us, regardless of their regulatory status. Consumer Buy to Let loans are available both through our standard Buy to Let and Let to Buy product ranges.

For The Mortgage Works, the Consumer Buy to Let regulatory status will apply to:

"A borrower with no other let properties wishing to obtain a mortgage on a property that has either been inherited or has previously been occupied by the borrower or a related person at any time".

This means that the new status will only apply to remortgage applications. If you already let out any other properties at the time of the application, you won't be classed as a 'Consumer'; even if our definition applies to the property that you wish to obtain a mortgage on.

## Houses in Multiple Occupation (HMO)

TMW consider the following types of property as an HMO:

- A property occupied by five or more people or with five or more lettable rooms in an area commensurate with multi letting

Please see our current Product Guide for details.

## Residential

If you are considering converting the repayment method on your Residential mortgage, please note that TMW will not normally accept a conversion to interest only (or partial repayment) if you are currently on a repayment mortgage. If you wish to change your repayment method due to money worries, please refer to the additional information shown on page 9.

Please see our current Product Guide for details.

Further borrowing is not available on Residential mortgages.

## Taking out a new product

If you are thinking of taking out a new product – maybe you are currently on our variable rate, or your existing rate is coming to an end – please visit our website at [tmwdirect.co.uk](http://tmwdirect.co.uk) where you will be able to find details of the products on offer.

Alternatively, if you are unsure of your requirements and want to get some financial advice before taking out a new product, you can go to [www.unbiased.co.uk](http://www.unbiased.co.uk) to find details of the independent intermediaries based in your local area.

If you apply online, you will be taken, via easy to follow steps, to a formal offer. You should read this offer carefully, paying particular attention to the early repayment charges, which may be due if you take a new product and then repay part of your loan early or move to another lender.

If you do decide to go ahead, you will be able to accept the offer online. You will then be advised what your new payment will be and when it will start.

You should have a good payment history before applying for a new product. Also, if you have had a fixed or tracker rate with us in the past, we will need to check the original terms and conditions of that rate before we can offer you any further products. For further details, please refer to our website [tmwdirect.co.uk/oms](http://tmwdirect.co.uk/oms).

## Your mortgage

The financial implications of choosing a mortgage will mean that your personal situation and requirements will need to be carefully considered. Early repayment of a mortgage or a change to your personal circumstances (e.g. long term sickness or relationship breakdown) can have adverse financial consequences.

There are three methods by which you may be able to repay your mortgage, as described below. **(Some products are available as repayment only - see our current Product Guide for details).**

With a repayment mortgage you make a payment every month for the length of the mortgage which covers both interest and repayment of capital. By complying with the terms and conditions of your mortgage, at the end of the term you will have repaid your mortgage in full. The Mortgage Works' repayment mortgages capitalise the interest monthly unlike the more traditional method of capitalising interest once a year. This saves you paying any unnecessary interest on the outstanding capital.

The proportion of the capital repaid increases as the term progresses.

## Interest only mortgage

With an interest only mortgage you pay interest on a monthly basis. You can then decide how you wish to invest your money to pay off your mortgage at the end of the term. If you have an interest only mortgage a repayment vehicle must be in place in all cases. Remember to make regular checks to see that your investment(s) remains on target to do this.

By complying with the terms and conditions of your mortgage, you will have re-paid all interest due, however the capital borrowed will remain outstanding.

**It is your responsibility to make sure that the policy or plan will result in you having enough funds to repay the loan at the end of the mortgage term. We cannot accept responsibility for any policy or plan you choose. If the policy or plan does not provide enough to repay the whole of the loan at the end of the mortgage term, you will still be responsible for paying, whatever balance remains.**

## Combination of repayment methods

On selected products you can choose to split your mortgage in two and have a portion as repayment and a portion as interest only. (See our current Product Guide for details).

## If you have the switch to fix facility

If you have selected a tracker product that offers the switch to fix facility, you can switch to a current new business fixed rate within the same product range without incurring early repayment charges. To find out more about this facility, please visit our website at [tmwdirect.co.uk](http://tmwdirect.co.uk) for details.

## Interest rate options

We offer a variety of interest rate options. Please refer to our current Product Guide for the latest rates.

## Other things you should know about

### Property

We will require a first charge over the property being used as our security. Your conveyancer will be responsible for checking that the tenure of the property is acceptable to us depending on where the property is located.

Further information detailing our lending criteria relating to the security property can be found within the Lending Criteria. This is confirmed at the beginning of the application process.

You must arrange insurance of the property and keep it insured at your own expense, for its full rebuilding cost. We may need to approve the insurance, risk and terms of insurance. You do not have to take out insurance with the Nationwide Building Society Group.

TMW Customers aren't allowed to live in the Buy to Let property at any time and will be in breach of the terms and conditions of the mortgage contract should they choose to do so. Where this is the case, TMW's policy is to give the customer a period of time in which to vacate the property, or instead remortgage to a residential loan. If a customer fails to comply with these terms, this may lead to legal action being taken against them, which could ultimately result in TMW taking possession of the property.

### Mortgage charges

The following information is about the charges that will be involved in setting up your new mortgage. Please refer to our Mortgage Tariff Guide for current details together with the other services we provide.

Valuation charges are paid with the application. Other charges can be added to the loan and interest will be charged.

### Valuation

When you have applied for your mortgage we will arrange for a standard valuation to confirm the property is a suitable security for the mortgage. Valuation charges are based on the purchase price of the property, or in the case of a remortgage, the estimated valuation.

The mortgage valuation is a limited report prepared solely for us to assess the value of the property for mortgage purposes and to enable us to decide how much to lend and on what terms. The report is not a survey and we do not ask the valuer to carry out a detailed examination of the structural condition of the property. Given the limitations of the mortgage valuation, we strongly recommend you to consider obtaining your own, more comprehensive inspection or a structural survey.

The valuation may indicate works are required to the property, or additional investigations are needed. Where this is the case, we will inform you, and you will be responsible for obtaining the additional information we require. This may give rise to additional costs.

We will be given a figure for insurance purposes by the valuer. Even if you do not take buildings insurance with us, this is the minimum amount the property must be insured for. This is often a different figure from the market value.

## Product fees

Our products may carry a product fee. Please see the Mortgage Tariff Guide and Product Guide for details.

## Early Repayment Charge and capital repayment facility

If you decide to repay all or part of your mortgage, an early repayment charge may be applicable. This is determined by the type of product you have, the amount you are repaying and the date you took out your mortgage. If applicable, these will be clearly shown on the Illustration you receive before making an application and on the Offer of Mortgage.

All our mortgages come with an option to repay up to 10% (20% on selected products) of the capital remaining each year, without incurring any early repayment charges (minimum repayment £500). On completion of your mortgage we will send you a guide explaining how to exercise this option in the future. A part redemption administration charge may apply.

If you wish to reduce your mortgage balance by a minimum of £500, all you need to do is send us a cheque made payable to The Mortgage Works (UK) plc followed by the account holder's name(s)

e.g. The Mortgage Works (UK) plc – Mr A. N. Other with a letter quoting your mortgage account number or contact us on **0345 606 40 60** to discuss other methods.

We will reduce your mortgage balance upon receipt of the payment, which will also change the amount of interest you are charged each month. Your future payments will reflect the lower balance. Your monthly payments will be updated subject to the terms and conditions of your mortgage offer. Your mortgage balance and the interest charged will have still reduced but will show from your next monthly payment.

With the majority of our mortgages you may pay off up to 10% of the capital remaining each year without early repayment charge. Please check your mortgage offer for specific details relating to your mortgage account. You cannot carry over any portion of the 10% remaining into the following year. If more than 10% is paid off, the early repayment charges detailed in your mortgage offer are payable on the amount in excess of 10% of your balance.

Please see our Mortgage Tariff Guide for further information.

## Other charges

We may charge for other services such as altering the names on your mortgage and dealing with mortgage redemption. Full details of these charges are listed in our Mortgage Tariff Guide. If we make any changes to the charges outlined in your Offer a new copy of the Mortgage Tariff Guide will be sent to you with your annual statement.

## Moving house and your mortgage

Any mortgage you take with us is secured on an individual property (unless you have a Buy to Let mortgage where we have agreed a portfolio of properties). So if you move house you will have to repay your mortgage and start another one for your new home. However, all our TMW mortgages are portable, so if you take out a mortgage for the same or a greater amount then you can keep the interest rate you previously had for that portion of the new mortgage without paying an early repayment charge. This is subject to meeting our lending criteria at the time of applying for the new mortgage. Additional funds can be covered by our range of products applicable at the time. Please contact us on **0345 606 40 60** to discuss your individual needs in more detail, or speak to your independent financial adviser.

## Paying off your mortgage

If you want to redeem your mortgage you can find details on the following webpage:  
**[tmwdirect.co.uk/existing-customers/pay-off-your-mortgage](http://tmwdirect.co.uk/existing-customers/pay-off-your-mortgage)**.

## Money worries

If you find yourself in money worries and think that you may not be able to make your mortgage payment, the most important thing to do is to keep us informed. We will listen to your case sympathetically and make arrangements to help you sort the problem out. We have staff who are specially trained to help you and, if the problems are ongoing we will discuss a long-term plan with you. To discuss any difficulties you may be having please call our Arrears Team on **0800 212 508**.

## Additional information

### Direct debit

We will collect your mortgage payments by direct debit automatically from your bank account on a monthly basis. Paying by direct debit also means that, should your payment change, we can make the adjustments for you without having to fill in another form. You will of course be advised before any alterations are made.

Your Direct Debit and any fixed overpayments must be paid from a personal account held in your name. For example if your mortgage is under 'Mr John Smith' your bank account will need to be held under the same name. We cannot accept monthly payments from someone who isn't named on the mortgage, we can only accept payments from limited company accounts if the payments are being applied to your limited company mortgage.

The first payment is due following the month after completion on the anniversary date unless specified differently and will also include the accrued interest owed. Regular payments will be collected the month after the month the first payment is made and will be made on the same day every month unless requested otherwise. Please check your completion letter for details.

## Changing your payment date

You are able to change your payment date by notifying us in writing or calling our Customer Service Centre on **0345 606 40 60**. Please ensure notification is received by us 10 working days prior to your next payment date. If it is not received within the stipulated timescale, your payment date will not be amended until the following month.

Initially, we may need to collect a larger amount to allow for the additional interest owed for the period between the original collection date and the new one. After this your payments will return to normal.

## Setting up a new direct debit mandate

If your account number begins with a 1 and is 8 digits long, you're able to change your bank details directly with your new bank or by following the steps outlined on the webpage [tmwdirect.co.uk/existing-customers/payments](https://tmwdirect.co.uk/existing-customers/payments).

## Overpayments

For details about overpayments go to [tmwdirect.co.uk/existing-customers/overpayments](https://tmwdirect.co.uk/existing-customers/overpayments).

## Interest

### Daily Rest – Interest is calculated daily and capitalised monthly

This means that interest is calculated on the mortgage balance at the end of the previous month, adjusted by the value of transactions applied during the month.

### Monthly Rest – Interest is calculated daily and capitalised monthly

This means that interest is calculated on the mortgage balance owing at the end of the previous calendar month.

The value of transactions applied during that month will be debited in the following month's interest calculation.

### Annual Rest – Interest is capitalised annually and applied monthly

This means that interest is calculated on the mortgage balance at close of business on the 31st March of each year and 1/12th of that interest is debited to the account at the start of each of the next 12 months. The mortgage balance will be reduced by the value of any capital repayment from the day after it is made. The interest charged will also be reduced from the day after any capital repayment is made.

**Your annual mortgage statement will confirm which type of mortgage you have.**

## Changes to interest rates

The interest rate which applies to your account may change from time to time. We will notify you in writing whenever the interest rate changes and advise you of your new payment. You can also call our Customer Service Centre on **0345 606 40 60** to check your current interest rate.

## Duplicate statement

The Mortgage Works' statements are issued annually on the anniversary of the start of your mortgage, with the exception of our annual rest mortgages which are issued on 31st March. Duplicate statements are available on request by calling our Customer Service Centre on **0345 606 40 60**.

## Certificate of interest paid

If you've had a certificate of interest before, we'll post one automatically to you once a year.

To request a certificate of interest, if you've never had one before, email

**SLDirect.Debits@nationwide.co.uk**. Please include your account number, name and dates required in the subject line of your email.

## Letting out your residential property

Before letting out your residential property, you'll need to speak to us to see if this is something that we'll agree to. To find out more about our requirements for consent to let, please call us on **0345 606 40 60** and press 1 for existing mortgages. Or if you're calling from abroad please call us on **+44 1793 774239**.

## Deeds

For properties in England and Wales, you can request copies of the property deeds from HM Land Registry by calling them on **0300 006 0411**. For properties in Scotland, you need to call Registers of Scotland on **0800 169 9391** and for properties in Northern Ireland, you need to call Land & Property Services on **0300 200 7803**.

## Changes to terms and conditions

If our terms and conditions change we will notify you in writing prior to the changes becoming effective.

## Changes to security

If you require legal work to be undertaken due to changes to the security or account you will need to instruct a solicitor to act on your and The Mortgage Works' behalf in accordance with the UK Finance Mortgage Lenders' Handbook and the mortgage terms and conditions. The transaction must in no way adversely affect our security. Any costs associated with this must be paid for by you.

## Historic multi-property accounts

TMW's multi-property portfolio proposition (where rental income and LTV was averaged across the portfolio) was withdrawn in December 2008.

Additional borrowing is no longer accepted, however properties can be released and substituted from the portfolio.

## Release of property from your portfolio

For details about the release of property from your portfolio go to **[tmwdirect.co.uk/existing-customers/release-of-property](http://tmwdirect.co.uk/existing-customers/release-of-property)**.

## To substitute a property on your portfolio

For details about the substitution of property from your portfolio go to **[tmwdirect.co.uk/existing-customers](http://tmwdirect.co.uk/existing-customers)**.

## How to complain

### Making a complaint

We have very high standards but we are the first to admit that sometimes we make a mistake. If this happens please tell us straightaway and give us the chance to put things right.

### First things first

If you haven't already told us your concerns, please contact us using one of the methods below.

We'll need to know:

- your name and address;
- what's gone wrong and when it happened;
- your best daytime contact number;
- what you'd like us to do to put it right;
- your account details;
- any other relevant information



Phone us:

The Mortgage Works  
(TMW) **0345 606 40 60**



Write to us at:

Northampton Administration Centre,  
Kings Park Road,  
Moulton Park,  
Northampton,  
NN3 6NW.

### What happens next?

If you feel something's not gone as you expected, please visit the following page to make a complaint - **[www.tmwdirect.co.uk/contact-us/complaint](http://www.tmwdirect.co.uk/contact-us/complaint)**

### An independent view

If you're unhappy with our decision and wish to take it further, you can ask the Financial Ombudsman Service (FOS) to look at your complaint. This is a free independent service for resolving disputes.

While you can refer your complaint to the FOS at any time, they will need our consent to investigate complaints where we haven't had the chance to put things right and the 56-day regulatory timescale hasn't expired.

Once we've investigated your complaint and issued either a Summary Resolution Communication or Final Response, you'll have up to 6 months, from the date on the letter, to refer your complaint to the FOS.

## Contacting the Financial Ombudsman Service

The Financial Ombudsman Service  
Exchange Tower, London E14 9SR

Telephone: **0300 1239 123**

Email: **complaint.info@financial-ombudsman.org.uk**

Website: **www.financial-ombudsman.org.uk**



You can order all our publications in large print, Braille, audio cassette or CD. Your local branch will arrange this for you or you can contact us on **0345 730 20 11**.

If you have any hearing or speech difficulties and use a **textphone**, you can call us via BT Text Relay. Dial **18001**, followed by the phone number you want to ring.

For more information, please speak to your financial adviser or call our Customer Service Centre on

**0345 606 40 60**

**Mortgages are secured on your home. You could lose your home if you do not keep up payments on your mortgage.**

**The Mortgage Works (UK) plc** (Company No. 2222856) is a wholly owned subsidiary of Nationwide Building Society and is authorised and regulated by the Financial Conduct Authority (FCA) under registration number 189623. You can confirm our registration on the FCA's website [fca.org.uk](http://fca.org.uk).

**The Mortgage Works (UK) plc** also acts as agent and mortgage administrator for Derbyshire Home Loans Ltd (Company No. 2628265, FCA No. 302586) and for E-Mex Home Funding Ltd (Company No. 02124900, FCA No.305370). All three companies are wholly owned subsidiaries of Nationwide Building Society, are registered in England and Wales with their registered office at Nationwide House, Pipers Way, Swindon, SN38 1NW and are authorised and regulated by the FCA.

Most buy to let mortgages aren't regulated by the FCA.

Northampton Administration Centre, Kings Park Road,  
Moulton Park, Northampton, NN3 6NW.

Telephone: **0345 606 40 60**

Please note that for our mutual protection and to improve service standards, we may monitor and/or record telephone calls.

**the mortgage works** 