Later Life Fact Sheet

This fact sheet is available in large print. Please call **01282 440500*** or send an email to **mortgages@themarsden.co.uk** and we'll be happy to send you a copy.

This fact sheet is to provide you with a summary of important information your mortgage adviser will have talked to you about when you discussed your mortgage requirements. If you are unclear about anything listed within this fact sheet, please speak to your mortgage adviser or your advocate.

Loan Purpose	
Debt consolidation	If you have applied to take out a mortgage and use some of the advance to repay existing debts, you may well reduce your monthly outgoings initially but it may cost you more in the long term. If you have had payment difficulties with existing creditors it may be more appropriate to speak to them and come to an arrangement than take out a new mortgage. The Society will only allow one application for debt consolidation and any future request will be declined.
Capital raising	A mortgage is a long-term commitment, if you have applied for a loan to release capital for personal use, you will be required to make monthly mortgage repayments for the term of the loan.
Loan Repayment	
Capital and interest	If you select this option, you will gradually pay off the amount you borrowed (the capital) over the term of the loan, together with the interest. You will make one payment each month to us. In the early years, most of your mortgage payment goes towards repaying the interest, with a small part allocated against the capital. Over time, the balance switches, so you're paying off an increasing amount of the capital each month. As a result, you may find that you don't pay off much capital for the first few years. At the end of the mortgage term, assuming all contractual payments have been made, your mortgage is guaranteed to be repaid.
Interest only	If you select the interest only option, your mortgage payments only go towards the interest charged - you don't actually repay any of the money you originally borrowed (the capital). This means you need to make other arrangements for paying back the capital at the end of the mortgage term.
Negative equity	When taking out a mortgage, there is a possibility that you may experience negative equity. Negative equity can occur following a severe and prolonged drop in house prices and a borrower being unable to meet their mortgage repayments. Should the loan exceed the sale value of the house, the balance of the remaining loan will still need to be paid, for example, from savings or your estate, to repay the mortgage.
Repayments	Your ability to keep up with your mortgage payments may be affected if your income reduces, your outgoings increase or interest rates rise. As a mortgage is a long-term commitment, you should consider how this mortgage may impact your ability to afford any potential future needs, for example, any additional care in your lifetime.
Sale of property	If you have applied for an interest only mortgage, the proceeds from the sale of your home may be needed to repay your mortgage. This will reduce the value of your estate and the amount which your beneficiaries may inherit. We would recommend that you talk to your family, or others, who may benefit from your estate about your decision to take out this mortgage. If you have chosen the sale of your home as the repayment vehicle for the capital in order to downsize and purchase a smaller property, we ask you to consider whether the remaining available equity will be sufficient to meet your future needs.
Changes to Your Personal Circumstances	
Residential care/sheltered accommodation	During the term of the mortgage, it is possible that a party to the mortgage may need to move into residential care or sheltered accommodation. The cost of residential care/sheltered accommodation will depend on your personal circumstances at the time. In the event this happens and the mortgage becomes unaffordable, the property may need to be sold in order that the mortgage is repaid if alternative suitable finance cannot be obtained. You should make sure you have a plan in place should this become a necessity.
Death	Should the mortgage become unaffordable after the death of one borrower during the mortgage term, the property may need to be sold and the mortgage repaid.
Portability	If you wish to move to another property, we may consider transferring the product to the new house. The decision to do this will depend upon such factors as affordability, the loan to value ratio and whether we have such products available at that time.

Changes to Your Personal Circumstances (continued)	
Adult occupier	Should another party move into the property during the term of the mortgage (for example on marriage or the formation of a civil partnership, or where a family member is acting as a carer), this may affect their right to occupy the property in the event that you die and the property needs to be sold to repay the mortgage.
Entitlement to benefits	Taking this mortgage may affect your tax position and entitlement to benefits. You may wish to seek further information regarding how taking out a mortgage may affect you.
Lasting Power of Attorney	A Lasting Power of Attorney (LPA) is a legal tool that allows you to appoint someone to make certain decisions on your behalf. The appointed person can manage your finances for you in the future if you reach a point where you are no longer able to make decisions for yourself. This is something you should consider to ensure the mortgage payments and other aspects of your finances can continue to be dealt with in the event you lose your mental capacity during the term of the mortgage. The Society would ask you to discuss this with your advocate.
Wills	You may wish to consider reviewing your Will, or taking out a Will if you do not have one in place already.
Life Assurance	Although Life Assurance is not compulsory, if you want to make sure the mortgage is paid off or is reduced to a level that is affordable in the event that a party to the mortgage dies during the term, then it is worth considering. You should consider what would happen in the event of one party dying which results in the mortgage being no longer affordable for the surviving party. It may be necessary to sell the property to repay the mortgage if alternative suitable finance cannot be obtained.
Independent legal advice	You may want to consider taking independent legal advice before entering into a mortgage contract, to make sure that you fully understand the terms of the mortgage and any possible future implications.
Additional support	Customer vulnerability can have many different causes, from short-term illness to longer term disability. If you have a vulnerability, you may want to share this information with us so we can help and support you. You can do this by calling or emailing the Society and a colleague will discuss how we can help. Alternatively, you can provide brief details in the 'Notes' section below and a member of the team will be in touch.

Notes:

Once you have considered all the important information contained within this fact sheet, if you're happy to proceed, please **sign and return one copy of the document to the Society** at the following address:

Lending Services, Marsden Building Society, 6-20 Russell Street, Nelson, Lancashire BB9 7NJ.

Declaration

By signing this fact sheet I/we confirm that I/we have fully read and understand the important information provided and that I/we fully understand the nature of the commitment I/we are entering into. For joint applications, should the death of one of the borrowers occur during the mortgage term, we understand the implications on the survivor.

Signed	
Date	

Signed	
Date	

marsden BUILDING SOCIETY

TRUSTED BY YOU SINCE 1860

FOR GUERNSEY RESIDENTS ONLY. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.