

Understanding your statement

1 Repayment type

This tells you how you're repaying your mortgage. If your repayment type says 'Capital and interest', your repayments cover both the interest and the amount you initially borrowed. 'Interest-only' means your monthly payments only cover the interest you're being charged; so when the agreement ends, you'll have to repay the initial amount you borrowed, plus any applicable charges, in full.

2 What we agreed

This describes the product you've taken out. It normally includes the interest rate, and what happens to the interest rate after any fixed-rate period ends.

3 Interest

This figure is how much interest has been applied to your account over the last 12 months. We calculate interest monthly.

4 Costs and charges

This figure includes any other charges that have been applied to your account over the last 12 months. You can find a list of what we charge for in our Tariff of Charges. Examples include Buildings Insurance (if you don't provide your own), and Account Management Fees (if you fall into arrears).

5 Payments received

This is the total payments you've made this year. It includes any regular monthly repayment, any overpayments, and any one-off payments you've made towards costs and charges.

Statement Summary		
Statement period: 13 th October 2017 to 12 th October 2018		
Customer name(s): Mr A N Other		
Account number:	10000001	Repayment type: Capital and Interest
Date of agreement:	13 th October 2016	Duration of agreement: 120 months
Mortgage end date:	13 th October 2026	Contractual term remaining: 96 months
2 What we agreed:	This is a variable rate agreement, the current interest rate is 8%	
3 Opening balance	£35,308.50	This was your balance at the start of the statement period.
Interest	£2,828.68 +	Interest applied to your account during the statement period.
Costs and charges	£50.00 +	Total costs and charges incurred during the statement period.
5 Payments received	£5,100.00 -	Payments we've received during the statement period.
Closing balance	£33,087.18	This is your balance at the end of the statement period.
If you decided to pay off ('redeem') your mortgage in full at the end of this statement period, the following fees would've applied:		
Closing balance	£33,087.18	Your balance at the end of the statement period.
Redemption Administration Fee	£150.00 +	This is charged when you pay off your mortgage.
Early Repayment Charge (ERC)*	£358.00 +	This is charged for paying off your mortgage in the ERC period.
Legal and Documentation Fee	£000.00 +	The cost of legal work involved in processing your application.
Legal expenses incurred	£000.00 +	the result of previous litigation action by third party solicitors.
Total	£33,595.18	This is what it would've cost you to pay off your mortgage.
* Different charges may apply for making overpayments on your mortgage. Your ERC period ends on 13/10/2025. For full details on your ERC please refer to your mortgage offer or call us on the number provided.		
10 Repaying your mortgage:	The outstanding amount on your mortgage shown above is only a snapshot of your account at the end of the statement period. If you'd like to repay your mortgage in full, please call us for a redemption statement.	
This will show a precise total of what you need to pay to redeem your account. It may include additional costs we haven't yet applied to your account. If this is the case, these will be itemised on your redemption statement. We'll also apply interest covering the period from your last payment to the 'Valid to' date given on your redemption statement.		
If you're having difficulty making payments on your mortgage please contact us, we are here to help. Our team are on hand to discuss your options. Missing or late payments may incur charges and additional interest which may mean your mortgage will not be repaid in time. You may also find it helpful to seek advice from free, independent services like Citizens Advice or the Money Advice Service.		
Important information:		
Since your agreement started, £50.00 of costs and charges have been applied to your account. These charges will still appear here for your information even if you have paid them. We charge interest on any unpaid costs and charges which is not included in this figure. Any unpaid costs and charges and associated interest at the end of this statement period are included in your closing balance. If you haven't done so already, you'll need to arrange separate payment of these, or increase your repayments, to ensure your mortgage pays off in time. We can help, and our team are on hand to discuss your situation and repayment options with you.		
Alternative payment arrangements		
If you've agreed a temporary repayment arrangement with us, the payment amount in the transaction summary shown overleaf will be your contractual monthly payment. If you pay less than the amount agreed as part of your arrangement, in most cases it will take you longer (and cost you more) to pay off your mortgage.		
Understanding interest-only mortgages		
Your mortgage payments don't include any costs associated with savings plans or other investments you've arrange to help repay the amount you borrowed. It's important you regularly check that any such savings plan or investments are on track to repay this mortgage at the end of the term.		
Understanding bridging loans		
As all or part of your mortgage is on an interest-only basis, it assumes that you pay back the total amount borrowed as a lump sum at the end of the mortgage term. It's important you regularly check that you are on track to repay this mortgage at the end of the term.		

6 RAF

This fee is applied when you pay off your mortgage. It covers the costs associated with closing your account.

7 ERC

Some of our products have Early Repayment Charges. These apply only during a fixed period at the beginning of your agreement. If you repay your agreement within that fixed period, we'll charge you a percentage of the outstanding balance.

8 Legal and Documentation Fee

You incur this fee when you take out a loan or mortgage with us, but we don't apply it to your account until you pay off the account. Doing it this way means you're not charged any interest on this fee.

9 Legal expenses incurred

If your statement shows a line for 'Legal expenses incurred', this is because historical solicitors' costs – relating to your financial difficulty – have been added to your account. We don't collect these until your account is paid off.

10 Repaying your mortgage

The Closing balance shown on your statement may not include everything you need to pay to pay off your loan in full. For instance, you may have incurred Early Repayment Charges if you've previously made overpayments on your account, and these charges are only added to the total when you request a redemption figure.

Frequently asked questions

What if the interest charges are greater than my monthly repayment?

This can happen if you are (or have been) in arrears, and/or if charges have been added to your account. It's important to check your statement to make sure that your monthly repayments are enough to repay your mortgage at the end of the term. If not, you'll need to increase your monthly repayments to ensure you pay off your mortgage on time.

If you need any more information about interest charges, or if you would like to speak to our team, contact us on the number provided and we'll be happy to help.

The covering letter says that my monthly repayments won't pay off my mortgage in time; why is this?

This can happen if you are (or have been) in arrears, and/or if charges have been added to your account, and/or you have made payments late. Additional interest then accrues on any arrears, charges and/or late payments. These amounts were not anticipated as part of your original agreement, so your monthly repayment does not cover them.

To make sure your mortgage is repaid in time, you can:

- Increase your monthly repayments, or
- Make a one-off payment to clear any additional charges and/or interest.

If your mortgage is not repaid in time you may start to incur additional charges. We're here to help, so please call us to discuss the options available to you.

Please note, if you've already increased your repayments, the covering letter will still reference that your mortgage may not be repaid in time until such a time that your mortgage is back on track.

Can I make regular overpayments to repay my mortgage early?

Yes. You can repay the mortgage at any time, but a charge for repaying early (whether in full or in part) may apply. Please refer to your original agreement for the terms and conditions of repaying your mortgage early, or contact our Customer Service team.

How do I check if I have to pay an Early Repayment Charge (ERC), and how much it is?

Some of our mortgage products have ERCs, and some don't. So it depends on the mortgage you have.

To check, refer to your original mortgage agreement. If your product include ERCs, the cost will be outlined in your terms and conditions – it may be percentage rather than a fixed sum. If you're unsure, just give us a call.

What can I do if I'm experiencing difficulties in making my mortgage repayments?

If you're experiencing financial difficulty, please contact us on 0161 333 7404 as soon as possible. We're here to help. During the phone call, we'll ask questions to help us better understand your situation, and we'll use this information to discuss your repayment options.

If you've missed a payment or it looks like you may be in financial difficulty, we'll try to get in touch by text message, phone and letter.

Why are there charges shown relating to Buildings Insurance?

It's a condition of your agreement that your property has adequate Buildings Insurance. If you haven't provided us with evidence that you've arranged your own cover, we will (as a last resort) arrange insurance for you on our own policy.

If that's the case, we'll charge you for this insurance. Please note, our policy protects our interest in the property, but doesn't provide you any insurance protection. We suggest you arrange your own cover as soon as possible.

Who do I speak to if I have a complaint?

We hope you're happy with the service we provide, but we understand that errors happen from time to time. If you have a complaint, please direct it towards us in the first instance – we'll do our very best to resolve it. If we can't, you can then refer your complaint to the Financial Ombudsman Service. It's important to note they won't intervene in any case where you've not given us the chance to resolve it first.

If you have any questions that we haven't answered here, please call us. You can find our number on any correspondence we've sent you.