

# A guide to our commercial mortgage fees and charges.

Effective 1 May 2016

## Valuation fees

### Why do I need a valuation?

When a mortgage application has been approved by the Society, we will obtain a valuation of the property. This will determine the amount we could lend secured upon the property. The valuation is for mortgage purposes only, you cannot rely on the valuation and you are advised to arrange your own professional survey and valuation.

VALUATION AMOUNT	FEE (INCLUDES VAT)
£100,000 - £200,000	£600
£200,001 - £300,000	£700
£300,001 - £400,000	£800
£400,001 - £500,000	£950
£500,001 - £600,000	£1,050
£600,001 - £700,000	£1,200
£700,001 - £800,000	£1,350
£800,001 - £1 Million	£1,500
£1 Million +	By Negotiation

Please note the fees quoted above are to be used as a guide, all fees will be confirmed to you upon application.

## Legal fees

### Separate Legal Representation

The Society will instruct our Solicitors to act on its behalf on all transactions. In addition to the Separate Legal Representation fee shown here, you will need to instruct and pay for a Solicitor to act on your behalf.

LOAN BAND	FEE (EXC VAT)
£75,000 - £100,000	£600
£100,001 - £200,000	£700
£200,001 - £300,000	£800
£300,001 - £400,000	£850
£400,001 - £500,000	£950
£500,001 - £600,000	£1,050
£600,001 - £700,000	£1,150
£700,001 - £800,000	£1,250
£800,001 - £900,000	£1,350
£900,001 - £1,000,000	£1,450
£1,000,001 - £2,000,000	£1,550
£1 Million +	By Negotiation

For investment properties, £150 should be added for the Society to consider each lease. For a leasehold title, £100 should be added for the Society to consider each lease. £300 for each additional title. First registration £150. Limited Company Borrowers an additional £75.

## Daily interest

The interest on your loan will be calculated daily and charged to your mortgage account at the end of each calendar month. This means that every payment you make will affect the amount of interest charged to your account and, if you make an overpayment now and then, this will reduce the balance on which interest is charged.

Please remember that this works the other way around too. If you underpay or miss a payment, this will increase the balance on which interest is charged. Also, if any fees, charges, insurance premiums or other sums are added to your mortgage account, these will increase the balance on which interest is charged.

## Annual Review Scheme

Please note that payments will be reviewed on 31st December each year and the reviewed payment will be payable with effect from March of the following year. Your monthly payments may also change at other times, for example when a fixed or discounted rate period ends.

## Early repayment charges

If you repay all or part of your mortgage early, you may be required to pay an early repayment charge. Whilst you should read all of the conditions set out in the Facility Offer and the Norwich & Peterborough Commercial Mortgage Conditions carefully, your attention is specifically drawn to the fact that additional interest will be payable in the event of early redemption of the mortgage and, in some cases, if a lump sum capital repayment is made.

## Fixed rates

In respect of a fixed rate loan, the additional interest will be payable in the event of full or partial redemption. With all Commercial fixed rate products an early repayment charge will apply to all overpayments. The early repayment charges will be detailed in your Facility Offer and discussed with you during your application.

## Variable rates

In respect of a variable rate loan, during the period of 4 years from the date of drawing the loan, you may make repayments during any calendar year which do not amount in aggregate to more than 50% of the balance of the loan at the start of that year. Any repayment resulting in the 50% limit being exceeded will mean that the early repayment charge, equivalent to 3% of the loan outstanding at the time of redemption, becomes payable on the whole amount repaid during the year.

Please refer to your Facility Offer for full details of any early repayment charges which will apply.

## Mortgage service charges (effective 1 May 2016)

If we make a charge for a service outside of this tariff, you will be advised of the cost of this on request or at the time the service is offered.

SERVICE	CHARGE
<b>Arrangement Fee</b> To set up the mortgage. <b>A minimum fee of £300 will apply.</b>	Minimum 1% of loan amount
<b>Agreement to letting</b> Where consent is given for the property to be let.	£150
<b>Mortgage reference</b> When we provide standard financial information to your auditors or a proposed second mortgagee.	£27
<b>Telegraphic transfer</b> When we send funds by electronic means.	£30
<b>Issue of title deeds and property documents to your conveyancer (for reasons other than redemption)</b> Where we issue title deeds or other property related documents to your conveyancer at your request.	£38
<b>Property queries</b> When you ask to inspect the deeds or other property related documents at our Lynch Wood office or an N&P branch office.	£25
<b>Photocopying</b> When you ask us to provide photocopies of the deeds or other property related documents.	£30
<b>Returned cheque</b> Each time a cheque paid onto the mortgage account is returned unpaid from the paying bank.	£12

<p><b>Returned direct debit</b></p> <p>Each time a direct debit is returned unpaid.</p> <p>Please note: if you make your mortgage payment by Direct Debit and this payment is returned unpaid, we will not attempt to take the payment again. If this should happen, we will notify you and you will be responsible for arranging an alternative payment. If an alternative payment is not made, your mortgage may go into arrears and additional fees may be applied to your account.</p>	£2
<p><b>Replacement/interim mortgage statement</b></p> <p>A mortgage statement is provided free of charge each year and this fee will be charged when you request a replacement or interim statement.</p>	£11
<p><b>Ground rent/service charge</b></p> <p>When we have to communicate with you and/or your landlord regarding outstanding ground rent or service charges in order to protect the security for the loan.</p>	£63 or the fee applicable when you took out the mortgage
<p><b>Change of mortgage term (1 year or less)</b></p> <p>This fee will be charged when we extend the term of your mortgage for up to a year at your request.</p>	0.1% of outstanding mortgage balance
<p><b>Short term interest only concession ( 6 months or less)</b></p> <p>This fee will be charged when we review your mortgage and agree to an interest only concession for a period of up to 6 months at your request. <b>A minimum fee of £50 will apply.</b></p>	0.1% of outstanding mortgage balance
<p><b>Review and change of product interest rate</b></p> <p>When the product interest rate on your mortgage is amended.</p>	0.5% of outstanding mortgage balance
<p><b>Transfer of equity (adding or removing someone's name)</b></p> <p>Where a party is either added or removed from your mortgage.</p>	£160
<p><b>Sale of part security</b></p> <p>When we release part of the property from our security.</p>	£150
<p><b>Redemption administration charge</b></p> <p>When your mortgage is repaid in full.</p>	£90 or the fee applicable when you took out the mortgage
<p><b>Second mortgage questionnaire</b></p> <p>When we provide standard title and financial information to another lender or proposed second mortgagee.</p>	£40

Fees effective from 1 May 2016 and are subject to change in the future.

## Arrears and Possession Fees

### Arrears administration fees

Mortgage payments are due on or before the 25th day of each month. Any customer whose account is one or more monthly payments in arrears may be subject to a monthly arrears administration fee. You will be advised of the charge before it is applied to your mortgage account.

### Debt counselling fees - up to £100

Sometimes it is necessary to instruct a debt counsellor to visit you at your home in order to discuss your mortgage account and obtain payment proposals.

### Address confirmation - up to £100

This fee will be charged where it is necessary for N&P to instruct an agent to trace your current whereabouts.

### Additional costs - variable

If we need to instruct our Solicitors to recover any missed payments or to commence court proceedings to obtain possession of your property, or to enforce any other security for your loan, you will be liable for their fees, costs and disbursements. If we obtain possession of your property, you will be liable for our Solicitor's and agents fees, associated costs and disbursements in connection with the sale. In addition if we need to instruct third party agents to carry out investigative work you will be liable for costs incurred. You will also be liable for the fees and expenses of any receiver we appoint.

**ANY PROPERTY USED AS SECURITY, WHICH MAY INCLUDE YOUR HOME, MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE**

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