

General Mortgage Information

Before you take out a mortgage with the Vernon please take a little time to read our general mortgage information below.

Type of Mortgages

The Vernon offers mortgages for the purpose of purchasing, re-mortgaging (including capital raising) and providing further funding for home improvements against residential property on a first charge basis. The Vernon offers a range of different types of mortgages listed below with terms of between 5 and 35 years. There may be times when a specific type of mortgage is not offered. A list of our current mortgage deals is available on our mortgage products page.

Fixed Rate Mortgages

From time to time the Society offers mortgages where the rate of interest is fixed until a specified date, giving you the security of knowing what your mortgage repayments will be for the specified period. At the end of the fixed rate period, the interest rate will revert to the Society's standard variable rate.

Discount Rate Mortgages

With a discount mortgage the interest rate is the Society's standard variable interest rate less a discount for a specified initial period. This can help you by reducing your repayments in the first few years of your mortgage. If the Society's standard variable interest rate changes during the discounted period, these mortgages will be affected, but with the agreed discount being maintained. On the expiry of the discounted period the payments will increase to the Society's standard variable rate applicable at the time.

Offset Mortgages

An offset mortgage combines savings you may have with your mortgage. Mortgage interest is calculated on the amount owed less the balance of your savings account. This can result in substantial savings in mortgage interest over the term of the loan. The interest rate is usually variable, as with the discount mortgage.

Repayment Options

The Vernon offers mortgages on a capital and interest (repayment) basis, an interest only basis and a combination of both repayment & interest only. Mortgage customers who choose Interest only as a repayment option have the responsibility to ensure the capital is repaid at the end of the loan. These customers are advised to regularly check the performance of any investment that is to be used as a repayment vehicle. Mortgage payments are to be made on a monthly basis by direct debit over the specified mortgage term.

Criteria Restrictions

- The Vernon does not provide Foreign Currency mortgages
- The Vernon only lends on residential properties in England and Wales

Representative Example

A mortgage of £144,000 payable over 25 years on our current standard variable rate of 5.20% would require 300 monthly payments of £858.67.

The total amount payable would be £258,226 made up of the loan amount plus interest (£113,601) and valuation fee (£205), solicitor fees (£250), Funds Transfer Fee (£15) and a Mortgage Exit Fee (£155).

The overall cost for comparison is 5.4% APRC representative.

Mortgage Charges

The Society offers a range services to mortgage customers. For those services that are chargeable the Society issues a tariff of mortgage charges. These charges are not included in the total cost of the mortgage. The mortgage charges are available on this website or a copy is available on request from any of the Society's branches.

Valuation

All mortgage approvals are subject to the property having a mortgage valuation carried out by the Vernon. Depending on the mortgage product on offer at the time of application, a fee may be payable.

Insurances

There are no compulsory insurances that have to be taken out through The Vernon however buildings insurance must be in place prior to completion of the mortgage.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE

Vernon Building Society
19 St Petersgate
Stockport
SK1 1HF