



PROGRESSIVE
BUILDING SOCIETY

FOR BROKER USE ONLY

November 2019

FAMILY ASSIST MORTGAGE

How the Family Assist Mortgage works:

- The Family Assist Mortgage enables the purchaser to obtain an affordable mortgage with as little as 5% deposit. Minimum purchase price £75,000. Maximum LTV up to 95%.
- A family member provides security to the mortgage by opening a 2 year Family Assist Savings Account with an amount of 10% of the purchase price of the property.

Borrowers deposit %	Family Assist Savings Account %	Rate	Fees
5% of the purchase price/value	10% of the purchase price/value	1.94% variable for 2 years (SVR of 5% less 3.06% for 2 years)	No valuation fee No arrangement fee
5% of purchase price/value	10% of purchase price/value	2.39% fixed for 2 years	No valuation fee No arrangement fee

- Family members include children, step-children, spouses, civil partners, parents, brothers, sisters, grandparents, grandchildren, aunts, uncles, nieces or nephews.
- Borrowers and Saver(s) must be over 18 years at commencement of the mortgage.
- The family member(s) earn(s) interest on their savings during this period and will gain full access to their savings after 2 years, depending on the mortgage performance.
- Available for first time buyers or home movers (not available for self build applications).

Requirements:

- Borrower(s) minimum deposit - 5% of purchase price / value.
- Saver(s) deposit into a Family Assist Savings Account – 10% of purchase price / value. Variable savings rate of 1% for a 2 year term.
- Affordability Assessment for the mortgage will be based on the total of the Society mortgage e.g. purchase price/value less the borrower(s) deposit amount.
- Normal mortgage underwriting conditions apply.
- Monthly payments to the mortgage must be by Direct Debit.
- The savings account will earn interest and the account will be for a 2 year period.
- Interest on the Savings Account is paid annually on 1st January.
- A Guarantee and Charge over Savings Account will be taken – the saver(s) must take independent legal advice.
- Competitive Product Switch rates available from Family Assist Product Range at end of current deal, subject to mortgage performance.

Benefits for Borrowers and Savers:

For Borrowers

- As little as 5% deposit of the purchase price of the property required.
- No Mortgage Arrangement fee.
- No Valuation fee.
- Help to Buy: ISA funds can be used as deposit.
- Variable rate (10% required in Family Assist savings account)
- Fixed rate (10% required in Family Assist savings account)

For Savers

- Giving a helping hand to family member(s) buying a property without having to give the money as a gift.
- A competitive variable savings rate on the funds held in the Family Assist Savings Account (see full Terms & Conditions of Family Assist Savings Account).
- A return of savings and interest after 2 years (subject to performance of the linked Family Assist Mortgage – see full Terms & Conditions).

Release of the Guarantee and Charge over Savings Account:

The Guarantee and Charge over the Family Assist Savings Account will be removed, and the funds in the savings account will be available for withdrawal in full, when the earliest of the following happens:

1. The expiry of 2 years from the date of the Mortgage unless any one of the following circumstances has occurred:-
 - i. Where we have taken any steps to enforce the Mortgage or where our power of sale under the Mortgage becomes exercisable we will continue to hold the Savings Amount until it is determined whether there will be a Shortfall on Sale; or
 - ii. Where a sole Guarantor dies or where there is more than one Guarantor, the surviving Guarantor dies, the Savings Amount will be released on receipt by us of satisfactory evidence of death.
2. If the Debt has been repaid in full.

For further information please contact your local branch or visit our int website at www.progressiveforintermediaries.com

