

Finding the right *mortgage*





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Whether you're remortgaging, sizing up or down, moving for work, embracing a change of lifestyle or for any other reason, there are bound to be interesting times ahead.

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The right *mortgage* for you

Buying a home might be the most substantial purchase you ever make, so it's vital that you have the right mortgage.

With so many lenders offering so many products, the choices can be bewildering. Your St. James's Place Partner will help guide you through the complexity of today's mortgage markets, making the process as straightforward as possible. Finding you not only the right kind of mortgage to suit your individual needs, but also one of the best rates from the most appropriate lender.

We review a vast number of products and offer a comprehensive range of first charge mortgages from across the market, which lenders make available to mortgage intermediaries. We also have access to exclusive offers not always available on the high street. Our level of service, flexibility, and competitive products ensure we are well equipped to help source the best mortgage for you.

Your home may be repossessed if you do not keep up repayments on your mortgage.



The *big* picture

Holistic advice means we won't look at your mortgage in isolation, and instead take a broader view. We seek to understand your financial needs in detail to ensure that your mortgage arrangements are consistent with a wider financial plan.

With a wealth of expertise at our disposal, we work with our clients to plan for the future. We can't prevent the unexpected from happening to you, but we can make sure that you are well prepared by offering expert advice to

provide financial security for you and your family.

One of the most important things to do before you look for a property or start the remortgage process is to establish precisely how much you can borrow. Your St. James's Place Partner is qualified to look at what's available from different lenders to suggest the best option. Partners frequently have access to mortgage products not available on the high street.

Here's a list of areas where your SJP Partner can help:

- ◆ Buying a home in the UK
- ◆ Remortgaging
- ◆ Mortgages for first-time buyers
- ◆ Family assistance mortgages
- ◆ Self-build and renovation mortgages
- ◆ Large mortgages
- ◆ Referral to commercial mortgage
- ◆ UK mortgages for expats*
- ◆ Mortgages for the self-employed
- ◆ Buy-to-let mortgages, including via a limited company
- ◆ Buying a holiday home in the UK
- ◆ Referral to buying a holiday home abroad
- ◆ Later-life lending and equity release mortgages**
- ◆ Offset and flexible mortgages.

We'll go into more detail on these various scenarios in this guide.

Your home or other property may be repossessed if you do not keep up repayments on your mortgage.

*Subject to certain terms and conditions being met.

**This is a lifetime mortgage or home reversion plan. To understand the features and risks associated with such products, please ask for a personalised illustration.

Some buy-to-let mortgages are not regulated by the Financial Conduct Authority.

Buying a home in the UK

Whether you're purchasing your first home, moving up the housing ladder, or downsizing, your individual needs will be unique. Lenders offer an array of interest rates with differing repayment schemes and terms, so it's important you find the option to best fit your own situation. Your St. James's Place Partner will help you do this.

Remortgaging

- ◆ How confident are you that your mortgage is the best for your circumstances?
- ◆ Do you want to reduce your mortgage payments?
- ◆ Do you want to raise additional finance, perhaps to extend your home?
- ◆ Would you ideally like to do both?

Whatever your answers to these questions, your St. James's Place Partner is qualified to make a comprehensive assessment of your personal circumstances in order to find the best result for you.

Mortgages for first-time buyers

Your St. James's Place Partner can help first-time buyers (FTBs) with mortgages, including those supported by government schemes. Many lenders have mortgage schemes specifically for FTBs which sometime have lower fees, free basic valuations or cashback.

As shown in the section on Family assistance mortgages, there are other options for those FTBs who need assistance from the Bank of Mum and Dad.

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Family assistance mortgages

Parents, grandparents and others can be a huge help getting younger relatives onto the property ladder. If this is something you're looking at, you'll be happy to learn that mortgage lenders offer various ways to facilitate this. Here's how:

- ◆ Gifting funds to a younger relative for a deposit.
- ◆ Taking out a mortgage in conjunction with a younger relative. This helps them to get a bigger mortgage. Only the younger relative would be on the deeds, so there's no Stamp Duty or tax implications for owning a second home.
- ◆ Setting up a Secured Deposit Account for extra security. This means the younger relative can get a lower interest rate, and thus lower monthly mortgage payments.
- ◆ If you have enough equity in your own home, a mortgage lender might be able to place a temporary charge on your property to help with a percentage of a younger relative's mortgage. This tends to have the same effect as placing funds in a Secured Deposit Account (see earlier).
- ◆ Setting up a family offset account connected to a younger relative's mortgage allows a younger relative to pay interest only on the net amount outstanding. You will still have control over your own funds.

The property on which a mortgage is secured may be repossessed if payments are not maintained.

We recommend that guarantors get legal advice to ensure they fully understand their obligations regarding the mortgage.

Some lenders offer combinations of the above. Your SJP Partner can help you find the best options for you and your family.

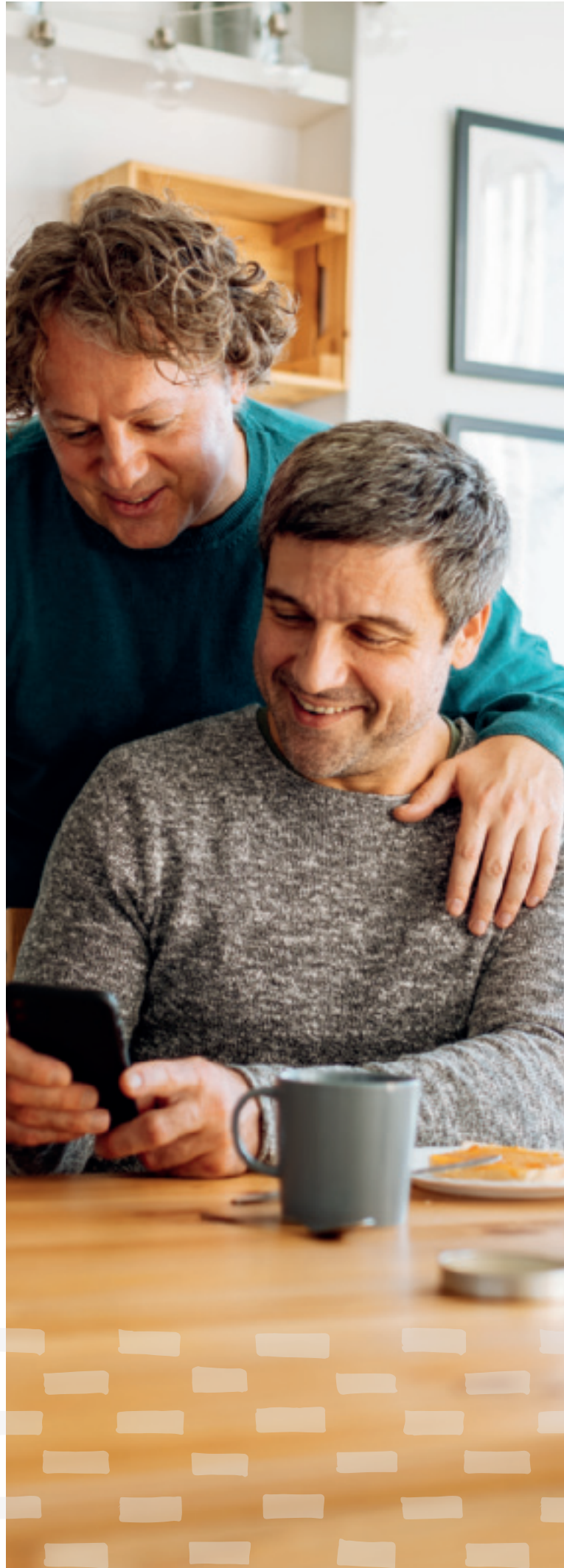
Self-build & renovation mortgages

The Government has set objectives for self-build and custom-build properties to account for around 30% of new housing in England. Many lenders will provide this kind of funding, but this is specialist lending and the criteria are different. Because of this, it takes longer to set up.

You'll need to consider whether a land purchase is involved; and therefore whether you need to stay in your current home while the new property is being built. Other factors that may influence your choice of mortgage may include the construction materials of the property, whether funding is needed in advance or in arrears, and budgeting.

Your SJP Partner has access to a panel of lenders who specialise in this type of lending. They can guide you through the process and help you with your budget.

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Large mortgages

For mortgages in excess of £1m, many lenders have specialist large lending units offering different criteria to their standard ranges. In addition, your SJP Partner has access to a panel of private banks who offer bespoke and flexible lending solutions to high net worth clients.

Access to commercial mortgages

There are a number of different commercial mortgages available; for individuals, partnerships, limited companies, trusts, pension schemes or complex company structures. You can even get one for a property that's owned by, or to be purchased in the name of, the directors and rented to their business. Your SJP Partner has access to a panel of lenders who specialise in this type of complex lending, who can guide you through the process.

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Advice on Commercial Mortgages necessitates the referral to a service that is separate and distinct to those offered by St. James's Place. Commercial mortgages are not regulated by the Financial Conduct Authority.

*Please note this is subject to certain terms and conditions being met.

Mortgages for expats buying or remortgaging in the UK*

We live in a 'global village', where working abroad is commonplace. If you want to keep your UK home – either for family to use or to rent it out – while you're away, we've got you covered. Your SJP Partner's specialist lending panel includes options not available on the high street.

Mortgages for the self-employed

If you're self-employed, lenders will look at your income in a different way. They might make decisions based on a combination of net profit, your salary and the dividends you draw from the company, for example. It's important your mortgage lender assesses your income correctly. Your SJP Partner is ideally placed to help you find the best option.

Buy-to-let mortgages

If you're planning on renting out your property, you'll be assessed based on its rental income rather than your personal income. It can be a complex process, but we can help you find the right lender whatever your circumstances, whether you're an 'accidental' or professional landlord, or whether the property is owned by an individual or limited company.

Buying a holiday home

There's plenty to get your head around if you're buying or refinancing a holiday home, either to use yourself or to rent out. You'll need to be aware, too, that if your mortgage isn't in sterling, then exchange rates can increase the amount of your debt. Do get in touch with your SJP Partner, who can help to find the best mortgage for you, either here or overseas. For holiday homes overseas your Partner has access to a panel of lenders who specialise in this type of mortgage.

Later-life lending and equity-release mortgages*

We're living longer and retiring later – and mortgages are reflecting this

change. Often we're able to fund a mortgage well into retirement, and sometimes for the rest of our lives. You might want to make repayments on an interest-only mortgage, pay off an outstanding interest-only mortgage or give younger relatives a leg up onto the property ladder. Or maybe you want to fund home improvements or a special holiday. Whatever the reason, we can help you find the best options.

Offset and flexible mortgages

This solution involves setting up one or more savings accounts with your lender. These sit alongside the mortgage and offset its interest. For example, if your mortgage is £150,000 and you have £30,000 in your offset savings account, you would pay interest on £120,000 of the mortgage. The more money you have in the offset, the less interest you pay on your mortgage. Yet you can take money out of the account whenever you like. You may also have the opportunity to reduce your mortgage term by paying the full mortgage payment every month.

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Some buy to let mortgages are not regulated by the Financial Conduct Authority.

Know your *responsibilities*

For many of us, buying a home will be the biggest financial commitment we'll ever make. So it's important to understand the protection you should have in place to buy a home, and the options available to provide peace of mind. This will be entirely dependent upon your personal circumstances but may include:

- ◆ Life and/or critical illness cover to repay your mortgage in the event of your death or earlier diagnosis of a critical illness (e.g. cancer, heart attack, stroke, etc.) during the term of the mortgage.
- ◆ Income protection which will provide you with a regular income if you are unable to work for a prolonged period through illness or injury.
- ◆ Mortgage payment protection which might pay your mortgage for up to two years in the event of accident, sickness or unemployment.
- ◆ Buildings and contents insurance for the property.
- ◆ We would also strongly recommend that you have an up-to-date Will* in place.

None of these is compulsory except for buildings insurance. It will be a condition of the mortgage that you put this in place in time for the exchange of contracts (or completion in the case of a remortgage). However, your mortgage lender will make it clear in the offer that it is your responsibility to pay your mortgage in all eventualities, so it is wise to consider the options available to you above.

*The writing of a Will involves the referral to a service that is separate and distinct to those offered by St. James's Place. Wills are not regulated by the Financial Conduct Authority.





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