A HELPING HAND WITH OWNING YOUR HOME.

WE UNDERSTAND HOW IMPORTANT IT IS TO HAVE THE RIGHT INFORMATION TO HELP YOU EVERY STEP OF THE WAY WHEN YOU MOVE HOME OR REMORTGAGE.

Mortgages & Insurance

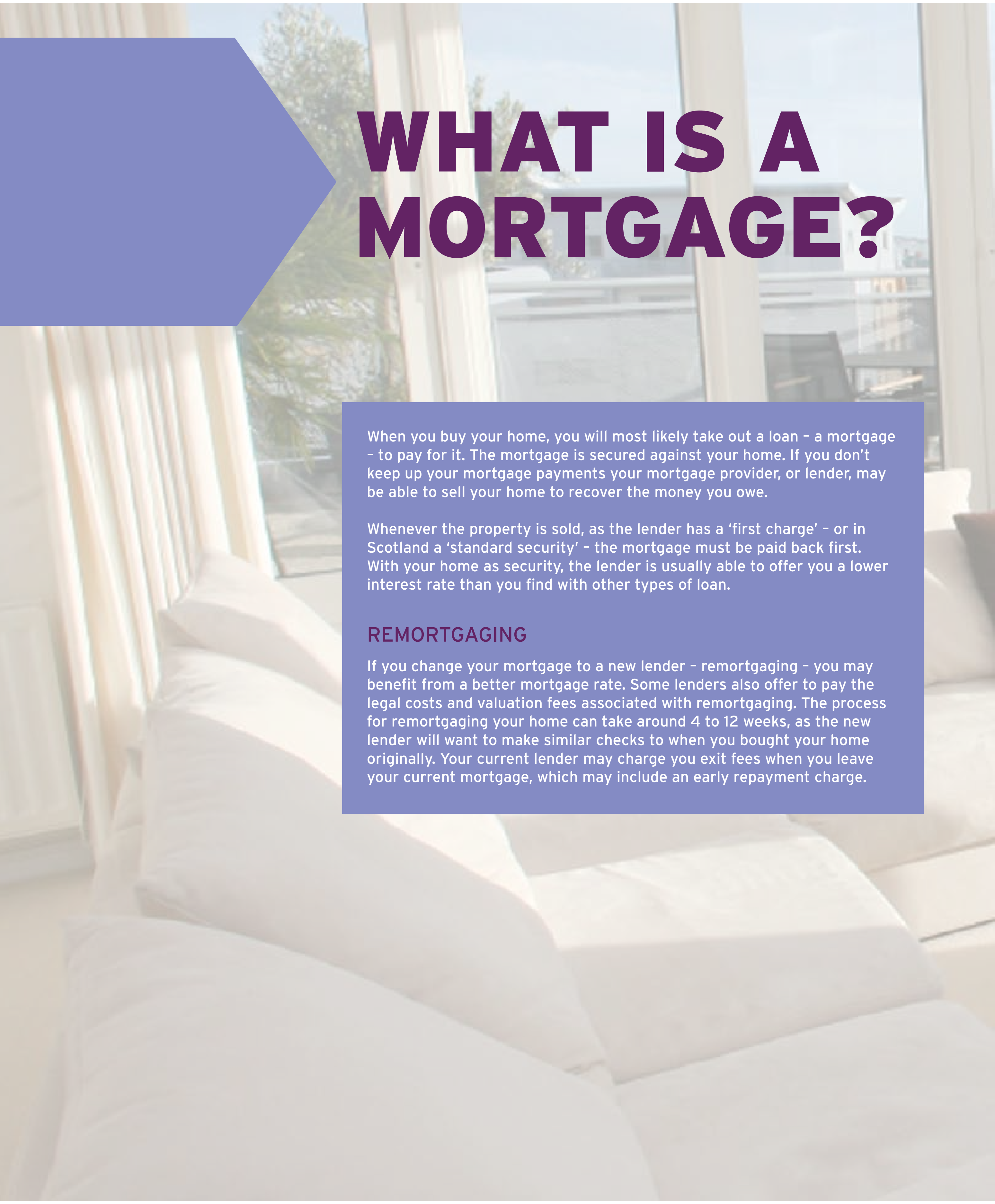
AT HOME MORTGAGES LIMITED

CONTENTS.

INTRODUCTION.

Buying a home is one of the biggest financial decisions you'll make in your life and it can sometimes seem a daunting prospect. That's why we have produced this guide to help you understand what you need to think about and the steps you need to take when buying your home and remortgaging. You'll find a range of information from what a mortgage is to the costs involved. There's also a useful step-by-step planner and important information on how to protect your home and family.

Your mortgage adviser is ready to help too. They're available to provide practical advice at every stage and save you time shopping around for a mortgage that best suits your needs and circumstances.



WHAT IS A MORTGAGE?

When you buy your home, you will most likely take out a loan – a mortgage – to pay for it. The mortgage is secured against your home. If you don't keep up your mortgage payments your mortgage provider, or lender, may be able to sell your home to recover the money you owe.

Whenever the property is sold, as the lender has a 'first charge' – or in Scotland a 'standard security' – the mortgage must be paid back first. With your home as security, the lender is usually able to offer you a lower interest rate than you find with other types of loan.

REMORTGAGING

If you change your mortgage to a new lender – remortgaging – you may benefit from a better mortgage rate. Some lenders also offer to pay the legal costs and valuation fees associated with remortgaging. The process for remortgaging your home can take around 4 to 12 weeks, as the new lender will want to make similar checks to when you bought your home originally. Your current lender may charge you exit fees when you leave your current mortgage, which may include an early repayment charge.

PROTECTING YOUR HOME AND FAMILY.

FIRST TIME BUYERS

Buying a home is a big commitment, so it's important to arrange with your adviser for the right insurance cover for you and your family. That way you can help ensure your mortgage will continue to be paid, should the worst happen.

REMORTGAGING

If you're remortgaging or moving home, it's a good time to review your existing insurance arrangements to make sure you have sufficient cover.
Please go to page 18 for full details on how you can protect your home and family.

COSTS OF BUYING YOUR HOME

APPLICATION/ARRANGEMENT FEES

Most mortgage lenders will charge you an application or arrangement fee. Typically we charge a maximum fee of £500 for arranging a mortgage , however the actual fee will depend on your circumstances and will not exceed 1% of the mortgage amount. The fees may be waived subject to the terms of the fee waiver agreement.

SOLICITORS FEES

As well as paying a solicitor or licensed conveyancer for the work he or she does, you'll have to pay the cost of land registry charges and local search fees. If your lender has their own solicitor acting for them, you may have to pay their fees as well.

VALUATION AND SURVEY FEES

You may need to pay for a valuation or survey. The amount you pay will depend on the type of valuation or survey you choose. See page 17 for more information on types of survey.

MORTGAGE ADVICE FEES

Some advisers may charge a fee for the advice they give you. Your adviser will explain any fees they may charge and confirm this in writing. In some instances an adviser fee may be charged even if your mortgage doesn't go ahead.

STAMP DUTY

This is a tax paid by you when you buy a property worth £125,001 or more. The amount you pay will depend on the value of the property you're buying. Please note this information is correct at the time of printing.

BAND	NORMAL RATE	ADDITIONAL PROPERTY
* An additional property purchased for less than £40k will attract 0% tax. For purchases from £40k to £125k the rate will be 3% on full purchase price.		
less than £125k	0%	3%*
£125k to £250k	2%	5%
£250k to £925k	5%	8%
£925k to £1.5m	10%	13%
rest over £1.5m	12%	15%
For a single property purchase, no SDLT will be paid on the first £125,000. Between £125,000 and £250,000 buyers will pay 2% within this band, 5% on the portion between £250,000 and £925,000, 10% within the next band up to £1.5 million and 12% over that. For additional property, such as buy to let or second homes, there is now a 3% surcharge applied to all bands.		

REPLACING A MAIN RESIDENCE

In most cases someone already owning a buy to let property, who wishes to move house, should not be liable for the higher SDLT rate. This is becauase there is no retrospective tax to pay on the existing buy to let property, and the owner plans to replace their main residence.

Similarly a property investor who already owns multiple buy to let properties should not be liable for the the higher rate of stamp duty if they decide to move. Again this is because the owner plans to replace their main residence and there is no retrospective tax to pay on their existing buy to let portfolio.

An individual who owns a buy to let property, and who has sold their main residence, will have up to 36 months to buy a new one without paying the higher stamp duty rate. This is because ultimately they will have replaced their main residence at the end of the moving process. The grace period has been increased from the 18 months to 36 months to reflect "moving in difficult circumstances".

MARRIED COUPLES & CIVIL PARTNERS

The higher rate of tax will apply to married couples and civil partners if one person in the relationship already owns a property.
In this scenario people who are married or in a civil partnership are treated as a single entity for SDLT purposes.
Married couples living separately, who are separated in circumstances that are likely to be permanent, will not be treated as individuals and not as one entity.

UNMARRIED COUPLES & JOINT PURCHASERS

The higher rate of tax will apply to married couples and civil partners if one person in the relationship already owns a property.
In this scenario people who are married or in a civil partnership are treated as a single entity for SDLT purposes.
Married couples living separately, who are separated in circumstances that are likely to be permanent, will not be treated as individuals and not as one entity.

LIMITED COMPANIES

The SDLT surcharge will generally apply to additional property being purchased by limited companies. This applies to both existing companies and newly formed companies for the purpose of purchasing additional property.

We recommend you complete the table overleaf with your adviser to help you work out what you may have to pay when you buy your home.

This table should only be used as a rough guide and in some cases the expenses may be more than the amounts agreed between you and your adviser. For example, if you're also selling a home, there will be other costs such as estate agents fees. Also if you have an existing mortgage, your current lender may charge you exit fees when you leave your current mortgage, which may include an early repayment charge. Please note: This chart is for an indication of your "upfront" costs. In addition to these, you will need to take into account the regular cost of the mortgage and insurance payments.

EXTRA COSTS	ESTIMATE FOR YOUR PROPERTY
Stamp duty	
Solicitor/conveyancer fees	
Land registry	
Mortgage adviser fees (if applicable)	
Lender's application/arrangement fees (if applicable)	
Lender's valuation	
Survey fee	
Buildings and contents insurance	
Removal firm	
Other	
TOTAL	

Risk: If you add any fees to your loan, interest will be charged on these amounts during the term of the mortgage. Some fees will not be refunded even if your mortgage doesn't go ahead.

HOW MUCH CAN I BORROW?

HOW MUCH YOU CAN BORROW DEPENDS ON:

- Your income, outgoings and any expected changes to these.
- Your credit history.
- Whether you're able or prepared to make changes to your lifestyle that may reduce your other outgoings.
- How much deposit you can afford.

You will need to find out how much you can borrow before making an offer on a property. Some lenders will work out how much they'll lend you before you find a property – this is called an approval in principle. This will help you know the maximum offer you can make on a property and will also speed up the mortgage process.

Lenders usually base their calculations on your guaranteed earnings such as basic pay, but most will also consider some or all of any regular overtime or bonuses. They'll usually want to see proof of your income.

CONSOLIDATING DEBTS

If you have existing debts, it may be possible for you to add these to your mortgage rather than continue with your existing repayment arrangements. This is not suitable for everyone and you'll need to carefully consider this with your adviser. When you add loans to your mortgage, it is important that you understand the risks:

- Adding short-term loans to your mortgage means you will repay them over a longer term. This is because unsecured loans are generally paid back over a shorter term than mortgage loans. So, while the interest rate on your mortgage may be lower than you currently pay on your loans, by adding them to your mortgage you're likely to pay more overall. Therefore it may not be appropriate to consolidate small or short-term debts.

- Your existing debts might not be secured on your property. By adding them to your mortgage they become secured on your property.

Think carefully before securing other debts against your home. Your property may be repossessed if you do not keep up repayments on your mortgage.

If you're having difficulty paying your loans, it's worth speaking to your creditors to see if you can negotiate better terms before considering adding them to your mortgage.

FURTHER ADVANCES

If you need to borrow more money in the future it may be possible to do this by way of a further advance. Your adviser will have more information on this if you're interested.

HOW LONG WILL MY MORTGAGE LAST?

(TERM OF YOUR MORTGAGE)

Mortgages usually have a term of between 5 and 40 years. A mortgage should normally be for the shortest term you can afford as this keeps the overall cost down. A longer than necessary term means you'll pay more interest to your lender.

It's always advisable for your mortgage term to end before you retire, as your mortgage may not be affordable using your retirement income.

WAYS TO REPAY YOUR MORTGAGE.

THERE ARE TWO STYLES OF MORTGAGE REPAYMENT – 'REPAYMENT' AND 'INTEREST ONLY'.

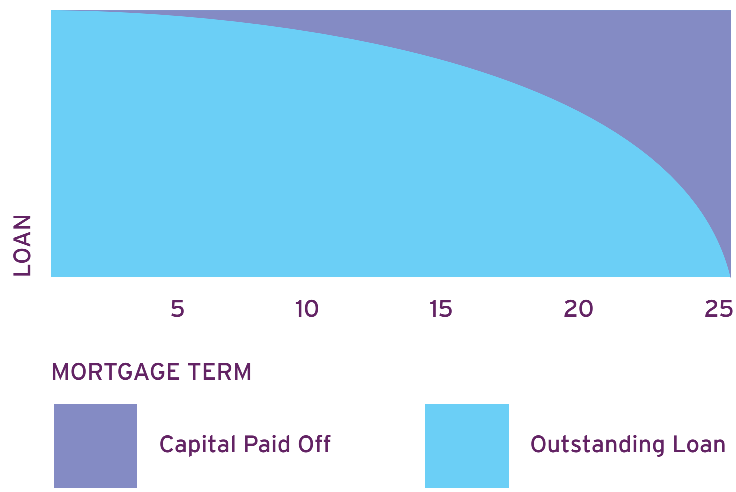
REPAYMENT MORTGAGES

With a repayment mortgage, your monthly payments to the lender go towards reducing the amount you owe as well as repaying the interest they charge. This means that each month you're paying off a small part of your mortgage.

The advantages: It's a clear approach – you can see your mortgage getting smaller and provided you maintain the required payments, you also have the certainty that your mortgage will be repaid at the end of the term.

The disadvantages: Initially, the majority of your payments go towards interest on your mortgage, which means in the early years, the amount you owe won't reduce by very much.

REPAYMENT MORTGAGE



INTEREST ONLY MORTGAGES

With an interest only mortgage you only pay the interest charged on your loan, so you're not actually reducing the loan itself. You'll need to have some other arrangement or plan in place to repay your loan at the end of the term. For example – investments, savings plan, downsizing (where you sell your property and buy a cheaper one using the equity to repay your loan), making lump sum payments or changing to a repayment mortgage.

The advantages: If the savings or investment plan you choose performs well, then you could pay off your mortgage earlier compared to a repayment mortgage. At the full mortgage term there may be a lump sum available after the mortgage has been repaid.

The disadvantages: Very few investments or savings plans are guaranteed to repay your mortgage in full. At the end of the mortgage term, you're responsible for repaying the mortgage in full. If your savings or investment plan doesn't cover the full amount, you'll be responsible for paying the difference. Your mortgage lender can demand repayment, and they'll charge you interest on any outstanding balance until it's repaid.

Lump sum payments or changing to a repayment mortgage may not be possible if your circumstances change and you can no longer afford the increased amounts.

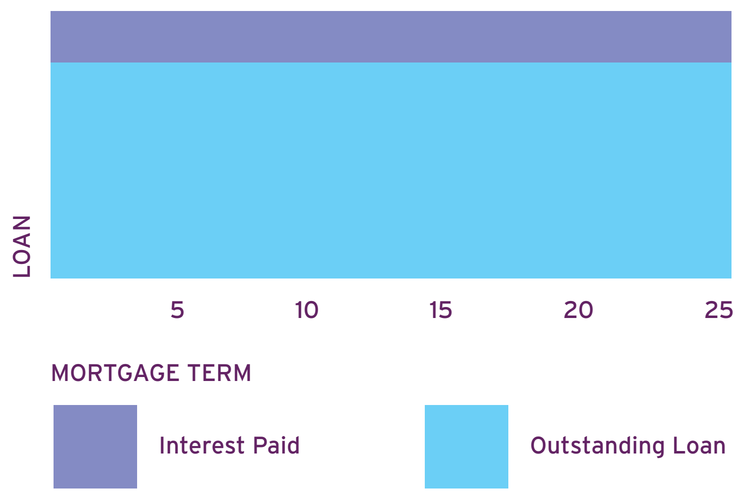
Downsizing is not a guaranteed method of repaying your loan as, even if you have enough equity now, house prices could fall and may leave insufficient equity to repay the loan. It is not advisable to rely on house prices increasing as this might not happen.

Some people may hope to rely on inheritance. However, there are several risks associated with this: people can change their Wills and, therefore, your inheritance is not guaranteed; the amount you receive may be different to what you expect; you may not have inherited by the time your mortgage term ends or you retire and there can be a delay in receiving funds from an estate.

Many lenders will only accept certain plans to repay an interest only mortgage. Your adviser will be able to guide you.

Please note: the diagram below is for illustration purposes only and assumes a fixed rate of interest over the term of the mortgage.
In reality, interest rates fluctuate.

INTEREST ONLY MORTGAGE



COMBINATION MORTGAGE

It may be suitable for you to pay your mortgage by a combination of repayment and interest only.

HOW IS INTEREST CHARGED AND PAID?

STANDARD VARIABLE RATE

This is a standard interest rate, which a lender will set and can go up or down in line with market rates (such as the Bank of England's base rate).

ADVANTAGES:

- You have more flexibility and can usually repay your mortgage without any early repayment charges.

DISADVANTAGES:

- Your monthly payments can go up and down and this can make budgeting difficult.
- Standard variable rate mortgages are not usually the lowest interest rates lenders offer.

DISCOUNTED RATE

Some lenders offer mortgages where the initial interest rate is set at an amount below their standard variable rate for a set period of time. At the end of your discounted rate period, your lender will usually change your interest rate to their standard variable rate (SVR). It's a good idea to review your mortgage at this stage because the lender's SVR may not be the best deal around.

ADVANTAGES:

- Your payments should cost you less in the early years, when money may be tight. But you must be confident you can afford the payments when the discount ends.

DISADVANTAGES:

- Your monthly payments can go up or down which can make budgeting difficult.
- If you want to repay the loan early, there could be early repayment charges.

FIXED RATE

With a fixed rate mortgage, your monthly payment won't change for a set period. At the end of your fixed rate, your lender will usually change your interest rate to their standard variable rate (SVR). It's a good idea to review your mortgage at this stage because the lender's SVR may not be the best deal around.

ADVANTAGES:

- You know the exact amount you'll need to pay each month, which makes budgeting easier.
- Your monthly payment will stay the same during the fixed period, even if other interest rates increase.

DISADVANTAGES:

- Your monthly payment will stay the same during the fixed period, even if other interest rates decrease.
- If you want to repay your loan early, there could be early repayment charges.

There are lots of different interest rate options offered by lenders to suit many different purposes. Below is our guide to the most popular ones. The initial lump sum that you put into buying your home (not including the money you're borrowing) is known as the 'deposit'. The bigger your deposit, the more likely you are to get a better interest rate.

TRACKER MORTGAGE

With a tracker mortgage, the interest rate charged by your lender is linked to a rate such as the Bank of England base rate. This means your payments can go up or down.

ADVANTAGES:

- The rate you pay tracks another headline rate (for example, the Bank of England base rate or the lender's base rate). If the headline rate changes, your tracker rate changes by the same amount. So normally your interest rate will be following trends in the marketplace.

DISADVANTAGES:

- Some lenders impose a collar which means the interest rate won't fall below a certain level, even if the rate it's tracking continues to reduce.
- Your monthly payments can go up or down which can make budgeting difficult.
- If you want to repay the loan early, there could be early repayment charges.

OFFSET MORTGAGE

With an offset mortgage, your main current and/or savings accounts are linked to your mortgage and are usually held with the mortgage lender. Each month, the amount you owe on your mortgage is reduced by the amount in these accounts before working out the interest due on the loan. This means that as your current account and saving balances go up, you will pay less mortgage interest. As they go down, you will pay more. Linked accounts that are used to reduce the mortgage interest payments do not attract any interest.

ADVANTAGES:

- These products allow flexibility and can encourage you to save.
- Mortgage payments can be reduced as the level of savings increase, or you may be able to continue paying the same and pay your mortgage off early.
- You usually pay tax on your savings. However, if your savings are automatically used to offset your mortgage, you won't pay income tax on these savings – this is particularly beneficial if you're a higher rate taxpayer.

DISADVANTAGES:

- These types of mortgages are normally only suitable if you have savings over a certain level.

CAPPED RATE OR CAPPED AND COLLARED RATE

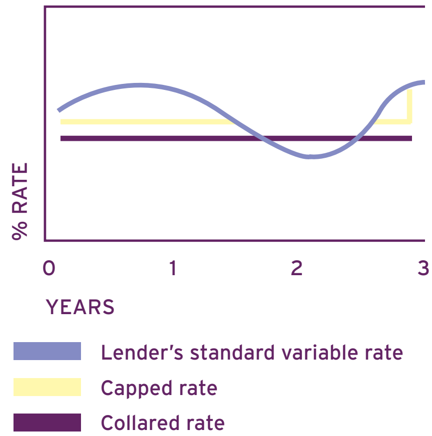
With this type of mortgage, the interest rate is linked to your lender's standard variable rate but with a guarantee that it won't go above a set level (called the 'cap') for a set period, but equally won't go below a set level (called the 'collar') for an agreed period of time. It's possible to have a capped rate without a collar.

ADVANTAGES:

- You know the maximum and minimum you'll pay for a set period of time making budgeting easier.
- These products are useful if you want the security of knowing that your payments can't rise above the set level (the cap), but could still benefit if rates fall during the set period.

DISADVANTAGES:

- Even if other rates fall, your interest rate for the set period will not go down below the level of the 'collar'.
- If you want to repay the loan early, there could be early repayment charges.



WHICH LENDER IS RIGHT FOR YOU?

Your adviser is on hand to talk you through many different lenders and the range of products they offer. However, in some circumstances your choice of lenders may be restricted.

OVERLOOKED BY THE HIGH STREET

Some lenders might not lend to you if your personal circumstances are out of the ordinary, or you have a poor credit history. But there are lenders that can help you in these situations. They take individual circumstances into account when assessing an application – ask your adviser for more information.

Be realistic about what you can afford
You must never overestimate your earnings to help you buy a property. If you don't have enough income to meet the repayments, you could risk losing your home and having a bad credit record. It is a criminal offence to deliberately give false information to your mortgage adviser or lender to obtain a mortgage.

COMMON FEATURES OF A MORTGAGE

FACTS WHEN BUYING A HOME

Here are some useful terms and facts. The specific features of your mortgage are shown in your Key Facts Illustration (which your adviser will give to you). This is an important document which you must read as it highlights any conditions that apply to your mortgage.

ARREARS AND REPOSSESSION

If at any time you are unable to meet your mortage payments, you should speak to your lender straight away. Repossessing a property is generally a last resort – your lender will try to reach an arrangement with you to enable you to keep your home. If your lender sells your property after repossessing it you'll be responsible for any shortfall including fees associated with the sale.

ANNUAL PERCENTAGE OF CHARGE (APRC)

As well as telling you the rate at which they will charge you interest, lenders must also calculate the APRC of your mortgage. This is the total cost of the loan, including interest and fees shown as a percentage rate. The APRC is intended to help you compare different types of mortgages from different lenders. In calculating the APRC, lenders assume you'll pay the mortgage for the full term. All lenders will tell you what their APRC is before you sign up with them. Generally, the lower the APRC, the better the deal, assuming you stay on the same mortgage product throughout the term of your mortgage.

CASH BACK

With a cash back mortgage, your lender pays you a lump sum when you complete your mortgage. The cash back can be a fixed amount or can be worked out as a percentage of your mortgage. You should be aware that if you move to another lender in the early years, in other words within the early repayment charge period (see overleaf) then you'll have to repay some or all of the cash back received.

CREDIT SCORING

When you apply for a mortgage (or any sort of credit) the lender will usually 'credit score' your application. This helps them decide whether to accept your application, the amount of money they're prepared to lend to you and what rate of interest you'll pay.

Credit scoring works by awarding points based on your circumstances. Each lender has their own scoring system. You'll generally score more points if you've been in your job longer, own your own home and have paid all of your loans on time in the past. Having a good credit history will improve your chances of getting the best rate mortgage.

You can get your individual credit report by contacting Experian (www.experian. co.uk) or Equifax (www.equifax.co.uk). This will help you understand your credit file and what aspects lenders use to make a credit decision.

EARLY REPAYMENT CHARGE

This is a charge that you may have to pay if you want to pay off your mortgage before the end of a set period. Some charges may apply only for as long as the set period lasts. In other cases, they can extend beyond this.

FREE LEGALS

Some lenders offer arrangements that include the cost of completing the legal work involved in arranging a mortgage and buying a home. These arrangements vary but they all reduce the amount you'll need to pay at the outset.

HIGHER LENDING CHARGE

Lenders sometimes charge a fee if your mortgage is a high percentage of the property's value. This fee is used by your lender to buy insurance that protects them if they repossess your property and sell your home for less than the amount outstanding on your mortgage. This insurance does not protect you. You would still be responsible for any shortfall after the sale of your property.

ENERGY PERFORMANCE CERTIFICATES

Energy Performance Certificates (EPCs) are required by law for all homes bought, sold or rented. They give information on how to make your home more energy efficient and reduce carbon dioxide emissions.
If you're a landlord or homeowner and need to provide an EPC, you'll need to contact an accredited domestic energy assessor. They will carry out the assessment and produce the certificate. You can use the energy performance certificate register website to search for an accredited domestic energy assessor, search online or look in the phone book.

EPCs contain:

- information on your home's energy use and carbon dioxide emissions
- a recommendation report with suggestions to reduce energy use and carbon dioxide emissions

EPCs carry ratings that compare the current energy efficiency and carbon dioxide emissions with potential figures that your home could achieve if energy saving measures were put in place.
It's using a grade from 'A' to 'G' where 'A' rating is the most efficient.
The price of an EPC is set by the market and will depend on the size and location of your property.
EPCs are valid for ten years.

For more information please go to **http://www.direct.gov.uk/en/HomeAndCommunity/BuyingAndSellingYourHome/Energyperformancecertificates/index.htm**

HOME REPORTS FOR PROPERTIES FOR SALE IN SCOTLAND

Houses for sale in Scotland now have to be marketed with a Home Report. This is a pack of three documents: a Single Survey, an Energy Report and a Property Questionnaire. The Home Report will be made available on request to prospective buyers of a home. The Single Survey contains an assessment by a surveyor of the condition of the home, a valuation and an accessibility audit for people with particular needs. The Energy Report contains an assessment by a surveyor of the energy efficiency of the home and its environmental impact. It also recommends ways to improve energy efficiency. The Property Questionnaire is completed by the seller of the home. It contains additional information about the home, such as Council Tax banding that will be useful to buyers. For more information please go to **http://www.scotland.gov.uk/Topics/Built-Environment/Housing/BuyingSelling/Home-Report**

LOAN DRAWDOWN

When your mortgage is confirmed, your lender may agree to lend you a pre-agreed amount of extra money without having to go through a formal application process. This is known as a drawdown facility. You may also be able to borrow back the amount of any overpayments that you've previously made.

NEGATIVE EQUITY

If the value of your property falls below the amount you owe on your mortgage this is called 'negative equity'. If this happens, and you need to sell your property, you'll still be responsible for repaying the full amount of the mortgage.

PORTABILITY

Some lenders let you move your mortgage to a new property when you move house.

OVERPAYMENTS

Most mortgages now offer you the option of increasing your monthly payments. When you do this, you'll be paying an additional amount off your mortgage each month. Making overpayments can help you to repay your mortgage before the end of the term.

UNDERPAYMENTS AND PAYMENT HOLIDAYS

Some mortgages allow you to reduce the amount you pay each month, or to stop making monthly payments, if you've previously overpaid. Lenders only normally allow you to make underpayments or take payment holidays for a limited period. This can be useful if your income falls for a period of time. In both cases you'll be paying less than the normal monthly payment so the amount of your mortgage will increase.

UNSECURED BORROWING

Some lenders will give you a mortgage that allows you to borrow additional amounts on an unsecured basis. This means it's not secured against your property. An unsecured loan generally costs more as the lender has no security that they can use to repay some or all of the loan if you're not able to pay it back. The Consumer Credit Act covers unsecured borrowings.

TAX AND WILLS

In some circumstances you may need to think about the tax implications of buying your property. Your adviser can't give you any advice about the tax implications and if you're unsure about this in any way you should get advice from a tax specialist.

When you buy a property, we strongly recommend that you ensure your Will is up to date. This means that your assets, including your property, are given out in line with your wishes.

VALUATIONS AND SURVEYS

There are three types of valuations and surveys – valuation reports, homebuyer's reports and building surveys:

- Basic valuation report – This is a basic report paid for by you, but completed by the valuer for your lender. Your lender will use this report to help them decide whether they'll lend you the amount of money you need to buy your property.

- Homebuyer's report – This is a more detailed report that a surveyor completes for you. There's an important difference between a basic valuation report and a homebuyer's report. The valuation report belongs to the lender and the valuer completes the report for them. With a homebuyer's report, the surveyor works for you and they're responsible to you if they fail to spot things. Whilst this costs more than a basic valuation, you should consider asking for a homebuyer's report as it will give you a lot more information about your property. It's particularly useful if you're buying an older property. Your lender will normally use the homebuyer's report to help them decide whether to lend on your property, so you won't normally need more than one report. Your lender can arrange this.

- **Building survey previously known as a full structural survey** – This is the most detailed type of survey that's completed by a surveyor working for you. The surveyor is responsible to you if they fail to spot things. Building surveys are normally asked for by those who are looking to buy:

- an older property;

- one which needs substantial refurbishment; or

- where there have been structural problems in the past.

This has to be arranged by the buyer.

Additional surveys or reports may be needed by your lender before they'll make you a mortgage offer.

OTHER WAYS ONTO THE PROPERTY LADDER.

If you're having difficulty getting onto the property ladder, here are some options you might like to consider:

BUYING WITH FRIENDS OR FAMILY

Buying with friends or other members of your family is one way of getting on the property ladder sooner. It also means that you'll be living with people you know and trust. That said, it's still a sensible idea to get legal advice before choosing this option.

GOVERNMENT HOME OWNERSHIP SCHEMES

There are a range of government backed schemes set up to help buyers onto the housing ladder. These include:

- Right to buy – This allows council house tenants to buy their property if they're eligible.
- Right to acquire – This allows eligible housing association tenants to buy their property.
- Social HomeBuy – This offers eligible housing association or council tenants the chance to buy a share of the market value of their current home.

You can get more information on all of these schemes from the government website – www.direct.gov.uk (please see the 'Useful websites' section).

GUARANTORS

If your lender doesn't think you can afford a mortgage on your own, you could consider asking your parents or other close family to be 'guarantors'. A guarantor legally agrees to be responsible for the mortgage payments if you're unable to make them. This is usually a short-term option and, if your lender agrees, you can get a guarantor removed at a later date if your circumstances change. Guarantors should get their own independent legal advice.

PROTECT YOUR FUTURE.

Once you've had your mortgage approved, the next step is to think about protecting your home and family. The mortgage isn't usually the only payment we need to make each month. What about covering everyday bills and expenses? Utility bills, food shopping, travel costs, childcare... the list could go on.

It is not a pleasant thought, but...

- How would one partner cope financially with the death or critical illness of the other?
- Could you cope maintaining your current lifestyle?
- Could you continue to raise your family?

In the current economic climate, it's even more important to consider protecting yourself and your family. Protection products can help provide financial peace of mind when it's needed most. They're designed to provide you with a cash sum or monthly benefit (depending on the plan chosen). They are payable, for example if you die or are diagnosed with a terminal or specified critical illness during the policy term and are eligible to claim.

Please note that none of our protection products have any cash in value at any time.

Depending on the products chosen, they could help you to:

- Maintain your standard of living
- Pay your monthly bills and meet your daily living costs
- Pay off your debts
- Afford to stay in your family home rather than have to downsize.

HOW MUCH WILL IT COST ME?

Premiums are based on:

- Your age
- Other factors such as health and whether you smoke.

Usually, the younger you are, the less you'll pay.

We all want security for our future, a chance to maintain the financial stability we have worked so hard for. That's why it's so important to look ahead and plan for all eventualities.

WHO SHALL I COVER?

It's also important to remember that it's not just the main wage earner that you may need to consider when working out the right cover. What about the work a full time houseperson does – how would you replace them if they were to die or be diagnosed with a critical illness?
In 2011 we conducted some research into the amount of time spent on domestic tasks by women and men in the home.
The value of domestic work undertaken by women is £30,032 a year and for men it's £21,306 a year.

WHAT YOU CAN DO TO GET COVERED

From time to time we all need to stop and think about our current finances and future needs. With the number of protection products available these days this can be daunting for some. Wouldn't you feel better knowing you were getting professional help to find your way to the right protection product? By reviewing your finances with a financial adviser they could help you protect yourself and your partner's/family's future. As with all protection policies limitations will apply.

HOW CAN AN ADVISER HELP YOU?

- They'll help to fully identify your protection needs and make recommendations that are specific to your circumstances.

- They'll answer any questions and concerns you may have.

- They can continue to review your requirements on a regular basis, taking into account any changes to your commitments or lifestyle.
  For more help and advice talk to your financial adviser today.
  It really is worthwhile thinking about protecting your partner/family's future.

YOUR HOME INSURANCE IN SAFE HANDS

Once you've secured your mortgage, it's important to look at home insurance. Your adviser can offer you Home Insurance at a competitive price, giving you the peace of mind that your treasured possessions can be covered.

HOME INSURANCE – PROTECTING YOUR BUILDING AND CONTENTS

Finding the right home insurance can be complicated, but your adviser can help you choose a policy that's tailored to meet your individual needs, with a wide range of optional extras. Plus, if you insure both buildings and contents under one policy, you may receive a discount on your premium (subject to minimum premium).

BUILDINGS INSURANCE: WHAT'S COVERED?

Your home is probably your biggest single purchase, so it's important you have adequate buildings insurance in place.

Buildings insurance covers your home and its fixtures and fittings against loss or damage caused by events such as fire, storm, flood and subsidence. It also covers less common causes of damage such as theft, vandalism or damage to your property caused by vehicle collision.

CONTENTS INSURANCE: WHAT'S COVERED?

Contents insurance covers your household goods and personal belongings against loss or damage caused by risks such as fire, theft, storm and flood.

STEP-BY-STEP PLANNER.

BUYING A HOME

Visit an adviser to discuss your mortgage and protection needs. Your adviser can apply for an 'approval in principle' early in the process so you've an idea of the amount you can borrow.

Register with estate agents, check property websites and look in local papers to find a property you want.

Make an offer via your estate agent.

When your offer's accepted, complete a mortgage application with your adviser and submit to the lender:

- The lender will undertake credit searches.
- The lender will instruct a valuation. It's also a good idea to have a survey done so you'll need to decide which type you want.

Instruct a solicitor or licensed conveyancer who will undertake all the legal work required throughout the process of you buying your home. (Your lender may be able to provide access to these facilities.)

The lender will issue an offer detailing any conditions that apply.

STEP-BY-STEP PLANNER.

BUYING A HOME

Your solicitor will draw up contracts and arrange a date for them to be exchanged. At this point you're legally committed to the contract. If any deposit is due, it will need to be paid at this point.

At the same time the date of exchange is agreed the date for completion will also be decided.

Buildings insurance will need to be in place (on risk) from exchange. It may be appropriate for some of your other protection needs to be in place at exchange – if not, your adviser will arrange for them to be on risk for completion.

You can arrange to collect the keys to your new home on your completion date.

For estate agents, surveyors and solicitors we act as introducers only.

REMORTGAGING

Visit an adviser to discuss your remortgage and protection needs. Complete a mortgage application form with your adviser and submit to the lender:

- The lender will instruct a valuation.
- The lender will undertake credit searches.

Unless your lender offers free legal services, instruct a solicitor or licensed conveyancer who will do all the legal work required throughout the remortgaging process.

Your lender will issue an offer letter detailing any conditions that apply.

Your solicitor will give you a completion date and ensure funds are transferred appropriately so your existing mortgage is repaid and any surplus funds passed to you.

Your new lender will correspond with you on your new loan.

BUYING A HOME IN SCOTLAND

Visit an adviser to discuss your mortgage and protection needs. Your adviser can apply for an "approval in principle" early in the process so you've an idea of the amount you can borrow.

Register with estate agents, check property websites and look in local papers to find the property you want. Scottish properties are usually marketed on an "offers over" basis, where the property is put on the market below its value to attract interest.

Hire a solicitor who is familiar with Scottish property laws who will undertake the legal work throughout the process of buying your home. Once you've found the right property you'll need to arrange a valuation or survey.

Make a formal offer via your solicitor. Once your offer is accepted then you're committed to proceed to conclusion of "missives".

When the offer letter is sent, the solicitors from both parties will be able to conclude "missives". These are a series of letters that pass between the solicitors addressing the finer details of the purchase.

A date of entry will then be arranged for the keys to be collected. It is at this point that the full purchase price must be paid. You should ensure your insurance and protection policies are 'put on risk' from this date.

USEFUL WEBSITES.

www.moneyadviceservice.org.uk
The Money Advice Service is an independent service set up by the government to help people manage their money.

www.cml.org.uk
Website of the Council of Mortgage Lenders. It provides a range of general consumer information including downloadable guides on home buying and selling, and mortgage payment protection insurance. They also provide a list of frequently asked questions about mortgages, a mortgage calculator and mortgage repayment tables for consumers who want to calculate their mortgage costs.

www.naea.co.uk
The National Association of Estate Agents. Provides help and advice on buying and selling property as well as a property search facility.

www.direct.gov.uk
Public services website provided by the Government. Gives information about tax credits, the government home ownership schemes and state benefits.

CONTACT US.

www.athomemortgages.co.uk

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