

Call:

08457 344 345

Monday to Friday 8am to 6pm

Calls may be monitored and recorded for training and security purposes.

or visit us online:

www.newcastle.co.uk

Mortgages

Understanding your Mortgage Statement 2011

Principal Office: Portland House, New Bridge Street, Newcastle upon Tyne NE1 8AL.

Newcastle Building Society is authorised and regulated by the Financial Services Authority (FSA) and is entered in the FSA's register under number 156058.


Details are correct as at time of print (December 2011) RESI ADV066

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Understanding your mortgage statement

This typical mortgage statement shows you where to look for the most important information.



Newcastle
Building Society

Principal Office
Portland House, New Bridge Street
Newcastle upon Tyne NE1 8AL
Facsimile: 0191 260 2062
www.newcastle.co.uk

STATEMENT OF ACCOUNT AS AT 31/12/2011

A	Mortgage Account Number	MOA999999ABC
B	Interest Rate	0.00%
C	Remaining Term of Mortgage	99 Years
D	Mortgage Repayment Type	Capital Repayment
E	Interest Calculation Type	Daily Interest
F	Contract Type	Standard Variable Rate
G	Scheme Description	e.g. Fixed rate of interest up to and including 31 December 2012

INTEREST RATE CHANGES IN 2011

Date	Description	Change	New Rate
H	Starting rate this year		5.99%




REDEMPTION DETAILS (For INFORMATION purposes only - please read enclosed booklet)

I	Early Repayment Charge as at 31/12/2011	£9,999
J	Date at which early repayment charges cease to apply	dd/mm/yy
K	Redemption figure as at 31/12/2011	
	MOA999999ABC	£99,999.99
	MOA9999998ABC	£99,999.99
	MOA9999997ABC	£99,999.99
	Total	£299,999.97

Please note that additional charges, which could not be quantified at the date this statement was issued, may be payable in addition to the redemption figure above. If you intend to repay your mortgage you must contact the Society for an up to date redemption figure.


IMPORTANT INFORMATION

L If you are unable to make your regular payment you should contact the Society's Credit Control department at Principal Office on 0845 702 3083 between the hours of 9.00am to 8.00pm Monday to Thursday, 9.00am to 4.45pm Friday and 9.30am to 12.15pm Saturday.

Chief Executive J. H. Willers MBA, ACB.
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MOA9999999ABC

MORTGAGE AND PAYMENT TRANSACTIONS YEAR ENDING 31/12/2011

Date	Details	Payment Due	Credit	Debit
M 01/01/2011	Payment Due	£999.99		
N 02/01/2011	Payment Direct Debit		£999.99	
01/02/2011	Payment Due	£999.99		
02/02/2011	Payment Direct Debit		£999.99	
01/03/2011	Payment Due	£999.99		
02/03/2011	Payment chq		£999.99	
01/04/2011	Payment Due	£999.99		
02/04/2011	Payment Data Collection		£999.99	
O 01/04/2011	Ins Admin Fee			£5.00
P Total			£999.99	£999.99

ACCOUNT SUMMARY FOR YEAR ENDING 31/12/2011

	Credit	Debit
Q Balance Brought Forward at 01/01/2011		£999,999.99
R Interest Charged in year		£9,999.99
S Early Repayment Charges in year		£9.99
T Insurances debited during the year		
Legal Protection		£9.99
Options Contents		£99.99
U Sundries / fees charged during the year (see above for details)		£9,999.99
V Payments received during the year (see above for details)	£99,999.99	
W Total Balance as at 31/12/2011		£99,999.99
X Payment arrears as at 31/12/2011		£99,999.99
Y Offset Savings Balance		£99,999.99
Offset Account Balance		£9,999.99
Z Fees unpaid		£999.99

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Understanding your mortgage statement

Statement of account as at 31/12/2011

- A** This is your mortgage account number which you should quote in any correspondence with the Society.
- B** This is the interest rate charged as at 31/12/2011.
- C** This is the remaining term outstanding on your mortgage. This is based on the term requested on your application form (or which may have been since amended in accordance with a request from you), and may not necessarily coincide with the maturity date of any life policy/ies which you may be using as your repayment vehicle.
- D** This is the basis on which the monthly mortgage payment has been calculated. If this is **Capital Repayment**, you pay interest plus a portion of the amount you originally borrowed, each month, until the loan is completely repaid. If this is **Interest Only** your monthly payment will only cover the interest on your loan and will include any interest charged on insurance premiums. Your statement will tell you whether your payment to the Society also includes the cost of a repayment vehicle for the interest only element of your mortgage i.e. your endowment policy. If you do not have arrangements with the Society, you must ensure you have a repayment vehicle in place. Please see the Important Information section on your account statement. If this states **Interest/Repayment** then your mortgage is **Part Interest Only and Part Capital Repayment**, i.e. a combination of the two methods above.
- E** This is the type of interest which is charged on your account, i.e. Daily Interest or Annual Interest. **Daily Interest** is calculated on the balance of your account at the end of each day. This interest will be accrued daily and added to your account balance at the end of each month. **Annual Interest** is charged on the first day of each month for that month using the prevailing interest rate against the balance at 31 December from the previous year.
- F** This will state if the interest rate on your mortgage account is Fixed, Variable, Discount, Capped or Tracker.
- G** This is a description of the mortgage scheme which you are currently on.

Interest Rate Changes in 2011

- H** This section contains details of **any** interest rate changes applicable to your mortgage account during 2011.

Redemption Details (For INFORMATION purposes only - please read enclosed booklet.)

The Society is required by the Financial Services Authority to provide a redemption figure for your account as at 31/12/2011.

- I** For the purposes of your statement, as we are required by the FSA to provide a redemption figure **for information purposes** as at 31 December 2011, we need to show any early repayment charges which would have been added to your balance had you redeemed at this date. If any early repayment charge is shown, this will be in accordance with the terms and conditions of your current mortgage scheme as at 31 December 2011*. The charge has **not** been added to your mortgage balance. The early repayment charge, calculated on your balance, will **only** be added in the event of you deciding to repay your mortgage before the date on which any early repayment charge ceases to apply.
- *NB** If your mortgage scheme was due to change on or after 01/01/2012, confirmation of whether an early repayment charge will apply can be ascertained by contacting our team on 08457 344 345.
- J** This is the date at which any early repayment charge will cease to apply, where applicable.
- K** This section contains details about the amount which would have been required to redeem your mortgage on 31/12/2011, including any early repayment charges and our current mortgage exit administration fee (please refer to summary of fees) which may apply to your account.

If you are in our Homeowners Scheme (formerly known as our Account Retention Scheme), the Financial Services Authority still requires us to show a redemption figure on your statement, Again, this is for **information purposes only** and will include our mortgage exit administration fee (where applicable).

Important Information

- L** This section will contain any important information which relates to your account. Should your mortgage be interest only or include funds borrowed on interest only terms this section will tell you whether or not the cost of any savings plan, investment or policy which you may have arranged to repay your interest only loan are included in your mortgage payments to the society.

Mortgage and payment transactions year ending 31/12/2011

- M** The Payments Due are those payments held on the Society's records at the due date. Should any payments have been amended and backdated after the due date, this will not be reflected in your statement but separate notification will have been provided at the time the amendment was made.
- N** The main payment methods used by our borrowers are Direct Debit, Cheque, Cash, Standing Order and Transfers from other NBS accounts. Standing Order payments are shown as Payment Data Collection.
- O** Any fees which have been charged to your account will be shown.
- P** This is the total amount credited and debited to your mortgage account during 2011 including mortgage payments and any fees.

Account Summary for year ending 31/12/2011

- Q** This is the balance brought forward as at 01/01/2011
- R** This is the interest charged on your mortgage account during 2011. For any new loans, including further advances, completed during 2011, accrued interest charged in the month of completion will be included here.
- S** Where applicable, any early repayment charges which have been applied to your account as a result of you making a capital repayment will be shown here. You will have been formally notified in writing of this charge when you made the capital repayment.
- T** This is the amount of any insurance premiums charged during 2011.
- U** This is the total amount of any fees debited during 2011. A full list of our current fees can be found on page 12-13 of this booklet.
- V** This figure is the total of all mortgage payments received, including any insurance premiums, fees, charges or sundries received by us during 2011.
- W** This is the amount owing on your mortgage account as at 31 December 2011.
This is not a redemption figure.
- X** If there were arrears outstanding on your account as at 31 December 2011 the amount will be shown here. The payment arrears figure may include accrued interest, which has been debited to your account, and has not been paid
- Y** If your account is an offset account then details will be shown here:-
Offset Savings Balance - The amount held in your offset savings accounts as at 31/12/2011.
Offset Account Balance - The amount as at 31/12/2011 on which interest is charged after offsetting the mortgage account balance with the savings in your offset investment account.
****Offset Savings Limited Exceeded (See Booklet)**** - This message will only be displayed if the balance in your offset savings account has exceeded the maximum permitted under the terms of the mortgage scheme. If this message is displayed, you are advised to contact us on **08457 344 345** immediately as you may not be exercising the maximum benefit for your savings.
- Z** This figure will only appear if fees are unpaid. If shown, this figure may include unpaid fees from previous years. Should you wish to clear unpaid fees, please contact the Society. Unpaid fees will continue to show as outstanding on future annual statements. For the avoidance of doubt, unpaid fees **are included** in the total balance shown above.

If you have any queries please contact our Mortgage Statement team on 08457 344 345.
Our lines are open 8am - 6pm Monday to Friday

Making payments to your mortgage

The easiest and most convenient way to pay your mortgage is via Direct Debit. Choosing to pay by Direct Debit gives you the peace of mind of knowing your loan will be paid automatically and payment dates will not be missed.

If you pay by Direct Debit we normally collect your payment on the first day of each month (or the next working day). If this is not convenient for you however, we do have 3 other collection dates available if required. To change your direct debit collection date, simply send a signed request by letter to our principal office address. We will credit the payment to your account on the same day we collect it. If your monthly payment changes for any reason we will give you advance notice of your new payment date or amount. You have the right to cancel your Direct Debit at any time.

We do have other payment methods available such as Standing Order and Cheque Payment.

Please ensure any cheques are made payable to: **Newcastle Building Society - Account Number XXX XXX XXX.**

To avoid cheques being returned for amendment, any future cheques made payable to the Society should include the above details.

For more details please contact our Mortgage Statement team on 08457 344 345.

Making additional payments

With interest rates still at historically low levels you may wish to consider making overpayments to your mortgage. By making regular overpayments to your mortgage you can significantly reduce your mortgage balance therefore saving you interest and taking years off your mortgage term.

Please remember that certain mortgage schemes such as Fixed Rate, Discounted Rate and Cashback schemes may be subject to early repayment charges if there are any additional repayments of the loan capital during the scheme period. Please always check your terms and conditions before making arrangements to make additional payments.

Can I arrange to pay more than my normal monthly payment?

If you wish to make regular payments over and above your normal payment, you can increase this. Any such payment (or total of payments in a single calendar month) of £500 or more, will be classed as a capital repayment and may incur early repayment charges. (Please however refer to your original terms and conditions). Additional payments which total less than £500 in a calendar month will not incur charges. To arrange this please contact a member of our team on 08457 344 345.

If you are paying by standing order you can ask your bank to increase your monthly payment. Alternatively you can send additional cheques or make payments via your nearest branch.

If I make additional payments will the term of my mortgage reduce?

The scheduled term of your mortgage will not reduce if you overpay on a monthly basis. When we next calculate your monthly payment following an interest rate change (or each year for annual rest customers), we will use the reduced balance and the remaining term of your mortgage to calculate your new payment. If you require a shorter term for your mortgage, you need to request a term amendment and we will amend your monthly payment accordingly.

Why is my account balance more than I borrowed?

There are a number of reasons why this may occur:

- Not all payments due have been made
- If you have not paid any insurances
- Your balance may include accrued interest for which payment may not have been received
- December payment not credited to your account prior to 31 December
- Administration fees charged to your account have not been paid.

Financial difficulties

I have an arrangement to repay arrears on my account. Should I increase / decrease my payment?

No, our Credit Control department will contact you when your arranged payment needs to be reviewed.

I can't make my regular payment, what should I do?

If you are unable to make your regular payment you should contact our Credit Control department at Principal Office on 0845 702 3083 between the hours of 9.00am to 8.00pm Monday to Thursday, 9.00am to 4.45pm Friday and 9.30am to 12.15pm Saturday.

Repaying your mortgage

My mortgage is nearly repaid, what do I do?

Nothing, we will contact you in the six months before your mortgage ends to discuss your options, including our Homeowners Scheme.

Can I still benefit from the insurance that the Newcastle provides?

Yes, by leaving £5 balance on your account and entering our Homeowners Scheme you can continue to enjoy the benefits of your current insurances.

My mortgage should have finished - why do I still owe a small balance?

We do not change the payments due in the last 12 months of your mortgage in order to avoid sharp fluctuations in payments. Sometimes the length of your mortgage account can be affected by this.

Insurance arrangements

Do you have home insurance with another provider?

If your building is not insured by the Society you must remember that the Society cannot accept any responsibility or liability for the contract of insurance in respect of adequacy of cover, the policy wording, the sum insured, the future renewal of the policy or any matter relating to the policy. You must satisfy yourself on all these points. We will require a copy of the policy to be held with the Society at all times. Please ensure that the Society is noted as mortgagee.

If you change insurer it is important you inform the Society prior to the change. Failure to do so will result in a charge to cover administration (please see summary of fees enclosed in this brochure)

Do you hold a mortgage payment protection policy?

It is your responsibility to ensure you remain eligible for cover under your mortgage payment protection policy and that you understand the terms & conditions and level of cover provided. Mortgage Payment Protection can provide a monthly benefit of up to 12 months to protect your mortgage payments in the event that you are unable to work due to accident, sickness and/or involuntary unemployment, especially if you have no other means of paying your mortgage in the event of these circumstances.

Please note that we do not and never have sold single premium protection policies with interest added upfront.

There may be some limited state support to cover the interest element of your mortgage payment. You can visit the website www.direct.gov.uk to find out more about benefits and financial support.

Summary of Mortgage Fees and Charges

Effective 1st January 2012

Valuation Fees

Value of Property (standard fee*)	£
Up to £100,000	240.00
£100,001 - £200,000	265.00
£200,001 - £250,000	290.00
£250,001 - £300,000	315.00
£300,001 - £400,000	340.00
£400,001 - £500,000	415.00
£500,001 - £600,000	490.00
£600,001 - £700,000	565.00
£700,001 - £800,000	640.00
£800,001 - £900,000	715.00
£900,001 - £1,000,000	790.00
£1,000,001 and above - Society will refer to valuer based on property type	by negotiation

*For homebuyers and structural valuation fees contact us on 0845 606 4488 or visit www.newcastle.co.uk

All of the above fees include an administration fee to the Society of £125.00

Re-Inspection Fees

(Including Final/Interim Inspections, Self Build - each Stage Release & Retention Releases)	65.00
Drive by Valuation	75.00
Re-valuation Fee - where required (Mortgage Scheme Transfer/Release of Security/Mortgage Conversion)	85.00

Administration Fees

Account Information	20.00
Building Society Questionnaire	100.00
Buildings Insurance (Arranging Own Cover) Initial Admin fee	27.00
Building Insurance (Own Insurance) Annual Charge	5.00
Buildings Insurance - Cancellation Fee/Failure to Notify us of Change of Insurer	27.00
Data Protection Act Information	(per entry) 10.00
Deeds and Documents - Document Issue/Sealing	90.00
Early Repayment Charges	refer to product literature
Electronic Transfer Fee	30.00
Further Advance/Transfer of Equity - Admin Fee (Including Valuation/Document Sealing where Required)	299.00
Homeowners Scheme Admin Fee	30.00
Homeowners Annual Fee	24.00
Interest - Certificate of interest paid	(per annum) 15.00
Lettings - Consent and Re-Letting of Property (+Interest Rate Loading)	125.00
Life Insurance Policy - Lapsed/Surrender	35.00
Mortgage Conversion (To or From Interest Only or Repayment/Term Change)	125.00
Mortgage Scheme Transfer	refer to product literature
Photocopying of Deeds or Documents	15.00
Redemption - Mortgage Exit Admin Fee	refer to offer of advance
Redemption - Statement Preparation	45.00
Release of Security - Guarantor/Land	100.00
Second Charge - Consent & Registration (Payable Upfront)	70.00

Arrears Fees

	£
Arrangement Fee	42.00
Arrears Broken Arrangement Letter - Each Contact	25.00
Cancellation of Eviction	105.00
Capitalising Arrears	21.00
Debt Recovery Fee on Shortfall (Whereabouts unknown)	125.00
Desktop Valuation	58.00
DMS Contact	115.00
DMS no Contact	85.00
DMS Trace (Successful)	47.00
DMS Trace (Unsuccessful)	11.00
Drive by Valuation	80.00
Full Valuation	(plus standard valuation fee) 100.00
Litigation Fee (Instructing Solicitors)	150.00
Monthly Charge for Account in Litigation (No Arrangement)	21.00
Non Payment of Ground Rent/Management/Service Charge/Insurance	73.00
Payment Break	105.00
Possession Administration Charge	500.00
Surrender of Endowment Policy (Arrears Cases)	85.00
Surplus Distribution Costs	35.00
Unpaid Cheque/Direct Debit Charge	35.00
7/14 day Letter before Legal Action	31.00

Policy loans

Account Information	20.00
Arrears Broken Arrangement Letter - Each Contact	25.00
Policy Loan Administration Fee (Plus Completion Fee)	(per policy) 27.00
Completion Fee	(per application) 108.00
Electronic Transfer Fee	30.00
Photocopying	15.00
Surrender of Policy (If in Arrears)	85.00
Unpaid Cheque/Direct Debit Charge	35.00

NB: For details of savings related fees and charges, please refer to our Savings General Terms & Conditions.

