

General Conditions of the Offer

(Scotland)

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- Note 1: The offer of advance is subject to the:
- (a) Rules of the Society and the Mortgage Deed;
 - (b) Title of the property proving satisfactory, and the Society having a first charge registered against the security.
 - (c) details supplied to the Society on the application form being correct;
 - (d) any guarantees issued in respect of recent repairs are to be placed with the Title Deeds.
 - (e) any existing mortgage being repaid on or before completion of the advance.
 - (f) General Conditions of advances shown below and to the Special Conditions shown on the offer (if any).
- Note 2: The offer remains open for a period of three months subject to the value of the security offered remaining unchanged, and is made on the understanding that the mortgagor will occupy the property and will not let the property without the written consent of the Society.
- Note 3: REPAYMENTS - Repayments are due and payable commencing on the first day of the month after the date of the Mortgage and monthly thereafter.
- Note 4: INTEREST - The Society shall give notice of an intention to increase the rate of interest, in accordance with the rules of the Society.
- Note 5: INSURANCE - It is a condition of this offer of mortgage that appropriate buildings insurance is in force from the date of completion of the mortgage and is maintained until the mortgage is redeemed. The sum insured must be at least the full reinstatement value of the property at all times. Where a physical inspection of the property has been carried out on the Society's behalf by a Valuer appointed by the Society, the initial sum insured must be at least the re-instatement value stated on the valuation report. Please refer to the offer of mortgage for any further requirements. Should the Society become aware during the mortgage term that no suitable buildings insurance is in place we will effect a policy to insure the property against appropriate risks to protect the Society's interests and the premium will be charged to your mortgage account.
- Note 6: REDEMPTION - A borrower may redeem their mortgage at any time by paying the capital monies outstanding together with interest due and any release fees or other monies due including Early Repayment Charges to the Society. Early Repayment Charges will not be payable in the event of death of any borrower.
- Note 7: REPAIRS - The borrower shall keep the mortgaged property in good repair, but no structural alterations may be made without the consent of the Society. Subject to availability of mortgage funds, the Society is prepared to consider making further advances for the purpose of improvements to property already mortgaged to the Society.
- Note 8: VALUATION - Where a physical inspection of the property has been carried out on the Society's behalf by a Valuer appointed by the Society, this inspection is for the purposes of the loan only. The Valuer may report certain defects which he identified during his inspection, which would be outlined in your copy of the Valuation Report. The Valuer or the Society cannot, however, be held responsible for any omissions or inaccuracies. The Valuer's duty was to the Society alone and was limited to making a valuation of the property for mortgage purposes. He was not asked to carry out a complete structural survey of the property or to test the connected mains services. There may be other defects in the property, besides those mentioned, which would be revealed by a more detailed survey carried out for you independently as purchaser. Such a survey and an opinion as to whether the property is good value for money can be obtained by engaging the services of a qualified surveyor, who would tell you in advance what his fee would be.

The applicants are strongly recommended to pay attention to all of the comments made by the Valuer in his report.

Acceptance of this offer will be taken as agreement by the applicants to undertake to carry out any work outlined in the Valuation Report within a period of six months from the date of the advance. It is brought to the applicants attention that should the funds relating to this advance not be taken up within 6 months of the date of valuation then a revised valuation will be required and the appropriate fee will become payable.

Note 9: TYPE OF MORTGAGE

- (a) **REPAYMENT MORTGAGE** - This is where the mortgage loan is repaid by monthly payments of capital and interest over the term of the mortgage.
- (b) **INTEREST ONLY MORTGAGE** - Where the loan has been agreed to be conducted wholly or partly on the interest only basis, the Society's understanding of the strategy for repaying the mortgage at the end of the term will be stated in the offer conditions.

It is an important term of this mortgage that you make and review arrangements to ensure the full amount of the mortgage is repaid at the end of the mortgage term.

In taking out this mortgage you will be responsible for ensuring that you have adequate means for repaying the mortgage and you should review these arrangements on a regular basis. It is your responsibility to repay the outstanding debt at the end of the term and you will need to do this even if you do not receive sufficient funds from whatever repayment plan you have put in place.

The applicant(s) is (are) recommended to give consideration to arranging appropriate protection to protect themselves against the financial affects of death, serious illness or unemployment.

Note 10: EARLY REPAYMENT CHARGES - Where Early Repayment Charges are payable on full or part repayment of the loan, full details will be stated in your mortgage offer.

Note 11: INCENTIVE SCHEMES - Where a "Cashback" is offered as part of the mortgage product, it is the Society's understanding that there are no tax consequences to the borrower but should the Inland Revenue be of the view that the sum is taxable then the Society cannot accept liability for such tax. Incentives are offered on the understanding that the loan will be completed within 3 months of the date of Offer. If the loan does not complete within this period the incentive may not apply.

Note 12: FEES - Details of your legal costs for preparation of the mortgage deed can be obtained from your Solicitor, together with other legal costs in connection with the house purchase.

Note 13: OTHER OCCUPIERS - A Form of Agreement and Undertaking is to be completed and signed by any adult occupier of the property, other than those who are a party to the mortgage. It is recommended that the Form is signed in the presence of a Solicitor, who has explained the implications of the Form to the Occupier.

Note 14: LEASEHOLD PROPERTIES - The Solicitor is to confirm prior to completion that the Society is not adversely affected by the terms of the lease and also that a covenant is included in the lease whereby the landlord agrees to serve the Society with a copy of any Notice of Breach of Covenant in the lease. It is brought to the Solicitors attention that in the absence of such a covenant, the Society should be notified as soon as possible as it will not be possible to release the funds unless the Society is adequately protected in this respect. The Solicitor is to ensure that; prior to completion, a satisfactory management agreement is in force, covering maintenance, repair, and insurance of communal parts etc.

Note 15: NEWLY CONSTRUCTED PROPERTIES - If the security is a property under construction the advance is granted subject to inspection and valuation by the Society's Valuer when the property has been completed and also to subject to a suitable warranty such as NHBC or similar being effected and the appropriate certificate being issued to the Society upon completion.

The re-instatement value quoted is based on the Valuer's present estimation and this may be subject to change when he makes his final inspection. Solicitor should ensure that the roads have been adopted by the Local Authority or that a road making bond is in force.

Note 16: ACCEPTANCE OF THE MORTGAGE OFFER - The signing of the mortgage deed will be deemed to be acceptance of the mortgage terms and conditions in the offer of advance.

GENERAL INFORMATION - Information is given in the Society's mortgage leaflets which are available free of charge on request.

If you have not received a copy of the Society's Rules and the Mortgage Conditions 2015 booklet in good time for the date set for completion, please contact the Society. An annual statement of account will be sent to borrowers following each year end.

If this is not received, please contact the Society's Mortgage Department.

Complaints

At the Furness, we always try to provide a first-class service. Occasionally, however, things can go wrong and if they do, we'll make every effort to put them right.

Ways to contact us.

If you have a complaint, you need to contact to someone who understands your concerns. You should contact the relevant branch or agency or Head Office department by calling Furness Direct on 0800 83 43 12 or 01229 824560. You can also e-mail us at furness.direct@furness-bs.co.uk or write to us at Emlyn Hughes House, Abbey Rd, Barrow-in-Furness, LA14 5PQ.

The Society has a complaints handling procedure and a copy is available on request.

What happens next?

We will record your complaint and work hard to resolve it within 3 working days, starting from the day after we received it. If it is possible to resolve your complaint within this timescale, we will send you a letter to confirm this.

Please note that in most cases we will contact you by telephone to discuss your complaint so it's important to note that our call will not display a phone number, it may display e.g. No Caller ID.

Some complaints take longer to resolve and under the rules which govern how we handle complaints, we have 56 working days (around 8 weeks) to complete the process, however, we are committed to resolving complaints as soon as possible. We will write to you to acknowledge that we've received your complaint, confirm the next steps and provide you with the contact details of the person handling it. When we have completed our thorough investigation, we will write to you with a final response that will include what we have looked at, what we have found out and our decision.

Financial Ombudsman Service.

We hope that the final decision you receive will provide you with sufficient information to explain the investigation and how we came to our decision, however, If you are not satisfied with the outcome, you can refer it to the Financial Ombudsman Service (FOS) and ask them to look into it for you. We will send you a leaflet that explains the FOS procedure with our final response. If you decide to refer your complaint to FOS, you must do so within 6 months of our final response.

The contact details of the Financial Ombudsman Service are:

The Financial Ombudsman Service.

Exchange Tower,
London, E14 9SR.

Telephone: 0800 023 4 567 or 0300 123 9 123

Website: www.financial-ombudsman.org.uk

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



Furness[®]
Building Society

**For more information talk to us
on 0800 988 1561 or visit furnessbs.co.uk**

Furness Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Furness Building Society is on the Financial Services Register under registration number 159624.

General Conditions/Sept 2020

Registered Office. Emlyn Hughes House, Abbey Rd, Barrow-in-Furness, LA14 5PQ. T. 0800 781 4311 E. furness-direct@furness-bs.co.uk www.furnessbs.co.uk

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