

# Your guide to mortgage charges

We want you to understand the various charges that are applicable to your mortgage so you don't get any unexpected surprises. This leaflet sets out all of the charges you can expect and why.

Tesco Bank is closely involved in the mortgage industry's initiative with the Council of Mortgage Lenders, now known as UK Finance, and Which? to make our fees and charges easy for you to understand.

Our tariff of charges fully reflects the initiative's good practice principles. This same document is being used across the industry to help customers compare mortgages.

When looking at the fees that other firms charge, you may notice some that don't appear in our tariff. This means we don't charge you these fees.

## Charges payable before your first monthly payment

These are the fees and charges you may have to pay before we transfer your mortgage funds.

Name of charge	What this charge is for	How much is the charge?																								
Funds transfer fee (at Tesco Bank we call this a CHAPS fee)	Electronically transferring the mortgage funds to you or your solicitor.	£25																								
Product fee	This is charged on some mortgages as part of the deal. It can be paid up-front or added to the total mortgage amount. If you add it to your mortgage, you'll pay interest on it at the same rate as the rest of your borrowing. It might be a flat fee, or a percentage of the loan amount.	Varies by product. Please refer to your mortgage illustration.																								
Re-inspection fee	We charge this fee if we need to get the property re-inspected after the original valuation.	£50																								
Valuation fees	<p>The lender's valuation report, which is used to calculate how much it will lend you. This is separate from any valuation or survey of the property you might want to commission. The standard valuation fee payable will be based on your estimate of the property's value so it's important to get it as accurate as possible. There are other homebuyers or structural survey options available to you at a cost and there may be different approaches in different parts of the UK. Some mortgages offer free valuations – the product details for your mortgage will tell you if this is the case.</p>	<table border="1"> <thead> <tr> <th>Property Value</th> <th>Basic Valuation including an Administration fee +VAT</th> </tr> </thead> <tbody> <tr> <td>up to £100,000</td> <td>£158</td> </tr> <tr> <td>£100,001 – £200,000</td> <td>£193</td> </tr> <tr> <td>£200,001 – £300,000</td> <td>£245</td> </tr> <tr> <td>£300,001 – £400,000</td> <td>£306</td> </tr> <tr> <td>£400,001 – £500,000</td> <td>£334</td> </tr> <tr> <td>£500,001 – £600,000</td> <td>£365</td> </tr> <tr> <td>£600,001 – £700,000</td> <td>£406</td> </tr> <tr> <td>£700,001 – £800,000</td> <td>£442</td> </tr> <tr> <td>£800,001 – £900,000</td> <td>£478</td> </tr> <tr> <td>£900,001 – £1,000,000</td> <td>£517</td> </tr> <tr> <td>£1,000,000+</td> <td>£576</td> </tr> </tbody> </table>	Property Value	Basic Valuation including an Administration fee +VAT	up to £100,000	£158	£100,001 – £200,000	£193	£200,001 – £300,000	£245	£300,001 – £400,000	£306	£400,001 – £500,000	£334	£500,001 – £600,000	£365	£600,001 – £700,000	£406	£700,001 – £800,000	£442	£800,001 – £900,000	£478	£900,001 – £1,000,000	£517	£1,000,000+	£576
		Property Value	Basic Valuation including an Administration fee +VAT																							
		up to £100,000	£158																							
		£100,001 – £200,000	£193																							
		£200,001 – £300,000	£245																							
		£300,001 – £400,000	£306																							
		£400,001 – £500,000	£334																							
		£500,001 – £600,000	£365																							
		£600,001 – £700,000	£406																							
		£700,001 – £800,000	£442																							
£800,001 – £900,000	£478																									
£900,001 – £1,000,000	£517																									
£1,000,000+	£576																									

## Charges payable if you ask for extra documentation and/or services beyond the standard management of your account

Name of charge	What this charge is for	How much is the charge?
Duplicate/interim statement fee	Requesting a copy of a previous mortgage statement or an interim statement of your account as it stands. It might be paid by you or another lender.	£10
Request for legal documentation fee (at Tesco Bank we call this copy of deeds and releasing title deeds)	Any original documents relating to your mortgage, e.g. title deeds, that you ask for.	£20
Duplicate request for certificates of interest paid (for each year) fee (at Tesco Bank we call this certificate of interest paid)	Requesting a copy of a previously issued certificate of interest paid.	£15

## Charges payable if you change your mortgage

NB: If you change to a new mortgage product, the 'before your first monthly payment' fees may also apply at this stage.

Name of charge	What this charge is for	How much is the charge?
Early repayment charge (changing your mortgage)	You may have to pay this if: <ul style="list-style-type: none"><li>• You overpay more than your mortgage terms allow;</li><li>• You switch mortgage product or lender during a special rate period (e.g. while you're on a fixed or tracker interest rate).</li></ul>	Varies depending on the year of your mortgage term. Please refer to your mortgage illustration.
Change of term fee (at Tesco Bank we call this a term adjustment fee)	Extending or reducing the remaining term of your mortgage.	£25
Partial release of property fee	Payable if you want to remove part of the property or land from the mortgage. It covers administration costs, including sealing the relevant legal deed and issuing letters of consent.	£55
Change of parties administration fee (at Tesco Bank we call this adding or removing borrowers)	Our administrative costs of adding or removing someone (a 'party') from the mortgage.	£100
Consent to let fee (at Tesco Bank we call this letting out your property annual fee)	If you want to let your property but don't have a buy-to-let mortgage, you'll pay this for each 'consent to let' agreement, where we agree to you letting out your property for a set period within your existing owner-occupier mortgage. At Tesco Bank this is an annual fee.	£30
Giving you a reference (at Tesco Bank we call this a second charge fee or a lender questionnaire fee)	Charged if another lender asks us for a mortgage reference, such as how you have managed your mortgage account with us. We will only supply this if you have given us permission.	£25

## Charges payable if you are unable to pay your mortgage

These are the most common charges you may have to pay if you fail to keep up with your mortgage payments. Some charges, for example those covering unpaid/returned direct debits or cheques, occur at the early stages of your inability to pay (arrears). Other charges, for example, relating to our repossession of the property, may apply later in the process and will be dependent on your circumstances.

Name of charge	What this charge is for	How much is the charge?
Unpaid/returned direct debit or cheque	Payable when your nominated bank rejects a direct debit collection, or your payment by cheque is returned unpaid by your bank.	£10
Arrears fee (at Tesco Bank we call this a monthly arrears charge)	You may be charged an arrears fee on a monthly basis, or when specific events happen in the management of your account when you are in arrears. This covers charges in respect of your account if you fall behind with your payments.	£20
Field agency home visit fee	We charge this fee if you've asked for someone to visit you and arrange a repayment programme or if we've sent someone because we haven't been able to contact you.	Variable
Solicitor instruction fee	This covers the initial cost to us of instructing solicitors to recover arrears on our behalf.	£45
Possession fee	To cover our costs for taking possession of your property.	Variable
Possession insurance fee	This covers the cost of us insuring your property while we have possession of it.	Variable
Summons fee	For the issue of a formal legal document to the court requesting that legal action be commenced and a hearing date be set.	Variable
Asset management fee	For the instruction of, and associated work carried out by, an asset manager on our behalf, for example valuing and arranging the sale of your property.	Variable
Solicitor's litigation and conveyancing costs	To cover the cost of a solicitor's work in repossessing and selling your property.	Variable
Payment of ground rent or service charge fee	If your property is leasehold, and we're asked to pay ground rent or a service charge (under the terms of ownership) because you've not met that cost, we'll add the amount of ground rent or service charge we've paid to your mortgage and charge you this fee to cover the cost of work.	£40

# Charges payable upon ending your mortgage term

Name of charge	What this charge is for	How much is the charge?
Early repayment charge (ending your mortgage)	You may be charged this if you repay your mortgage in full before the mortgage term ends.	Varies depending on the year of your mortgage term. Please refer to your mortgage illustration.
Mortgage exit fee (at Tesco Bank we call this a redemption administration fee)	<p>You may have to pay this if:</p> <ul style="list-style-type: none"><li>• Your mortgage term comes to an end;</li><li>• You transfer the loan to another lender; or</li><li>• Transfer borrowing from one property to another.</li></ul> <p>This is payable either at the end of the mortgage term, or before the end of your mortgage term if you transfer the loan to another lender or another property (known as 'redemption').</p> <p>You may be charged a separate fee by your solicitor or licensed or qualified conveyancer for their work relating to redemption of the mortgage and discharge of the security.</p>	£90

If you'd prefer a chat, call  
Monday to Friday 8am-9pm  
Saturday 9am-4pm

0345 051 8446\*  
[tescobank.com/mortgages](http://tescobank.com/mortgages)  
minicom: 0345 055 0607\*

**Your home may be repossessed, as a last resort, if you do not keep up repayments on your mortgage.**

Calls may be monitored and recorded.

\*These numbers may be included as part of any inclusive call minutes provided by your phone operator.

If you would like Braille, large print or audio format information about Tesco Bank Mortgages, please contact us.

The information in this leaflet is correct as at 28/06/18 and is subject to change.

Tesco Bank is a trading name of Tesco Personal Finance plc. Registered in Scotland No. SC173199. Registered Office: 2 South Gyle Crescent, Edinburgh EH12 9FQ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

M/TOC/1018