

Range Highlights

New Products

- New Near Prime range with rates from 4.64%
- Fixed rates reduced
- All reversionary rates updated

Existing Rates

- Ultralight discounts starting from 4.74%
- 3 year fixed rate with no overhang
- Seven risk bands offering even more customer choice
- 75% LTV band with lower rates

Simplified Criteria

- Defaults ignored for product selection (except Near Prime)
- Some arrears accepted in last 12 months on all risk bands
- Increase in maximum loan size i.e. £300,000 at 95% LTV
- Reduction in self certified loading to 0.25% (except high adverse)

Affordability

Mortgages based on ability to repay, not fixed income multiples, visit www.firstnat.co.uk for the online calculator

Product & Rate Guide

available from 7th September 2005



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Product Guide

available from 7th September 2005

	First Time Buyer (FTB)	Near Prime	Ultralight	Light	Light2Medium (L2M)	Medium	High
Maximum LTV – Full status (%)	95	90	95	90	85	80	75
Maximum LTV – Self Certified (%)	90	85	90	85		80	75
LTV Maximum Loan							
0-75%	£500,000					£300,000	£250,000
75.01-80%	£500,000	£400,000	£500,000			£300,000	
80.01-85%	£400,000						
85.01-90%	£350,000	£300,000	£350,000				
90.01-95%	£250,000		£300,000				
CCJs (Last 24 months)	1	1 in last 36 months (0 in last 12 months)	1	2	Unlimited		
Arrears (Last 12 months)	1 rental arrear (0 in last 3 months)	1 (0 in last 6 months)	2 (Currently up-to-date)	2 (0 in last 3 months)	3 (1 in last 3 months)	4 (1 in last 3 months)	Unlimited
Registered Defaults (Last 24 months)	Ignored	3 (0 in last 12 months)	Ignored				
IVA	No			Satisfied over 12 months		Satisfactorily conducted	
Bankruptcy	No			Discharged over 12 months		Discharged	
Repossession	N/A	No		3 years and settled			Yes
Customer Type	Full Status: Available to employed and self employed FTBs. Self Certified: Available to FTBs with 12 months corporate rental history.	Full Status: All Non-FTB applicants with 12 months mortgage history Self Certified: Non-FTB, Self Employed with 12 months mortgage history		Available to all applicants			

All Risk Categories- Credit Bureau PPS/ CAIS/Delinquency information ignored

Product Rates

Important Notes

The rates below (1 and 2 year discount) are derived from adding the relevant Reversionary Tracker Rate margin to the Barclays Bank Base Rate currently **4.5%**, less the discount rate for those products. Please refer to the Product Information page within this guide.

		First Time Buyer (FTB)	Near Prime	Ultralight	Light	Light2Medium (L2M)	Medium	High
Self-Cert Loading: All our products are available on this basis with the exception of those marked*		0.25	0.25	0.25	0.25	0.25	0.25	1.25
Range	Max LTV (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)
1 Year Discount	75	4.94	4.64	4.74 [†]	4.94	5.44	5.59	6.09
2 Year Discount		5.44	5.19	5.29	5.44	5.94	6.09	6.59
2 Year Fixed		5.99	5.44	5.84	5.99	6.49	6.64	7.14
3 Year Fixed		6.19	5.64	6.04	6.19	6.69	6.84	7.34
Range	Max LTV (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)
1 Year Discount	80	5.09	4.74	4.94	5.09	5.59	5.74	
2 Year Discount		5.59	5.29	5.44	5.59	6.09	6.24	
2 Year Fixed		6.14	5.64	5.99	6.14	6.64	6.79	
3 Year Fixed		6.34	5.84	6.19	6.34	6.84	6.99	
Range	Max LTV (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)
1 Year Discount	85	5.34	4.74	5.19	5.34	5.84		
2 Year Discount		5.84	5.29	5.69	5.84	6.34		
2 Year Fixed		6.24	5.64	6.09	6.24	6.74		
3 Year Fixed		6.44	5.84	6.29	6.44	6.94		
Range	Max LTV (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)
1 Year Discount	90	5.49	4.84*	5.34	5.49*			
2 Year Discount		5.99	5.39*	5.84	5.99*			
2 Year Fixed		6.34	5.84*	6.19	6.34*			
3 Year Fixed		6.54	6.04*	6.39	6.54*			
Range	Max LTV (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)	Rate (%)
1 Year Discount	95	5.59*		5.44*				
2 Year Discount		6.09*		5.94*				
2 Year Fixed		6.39*		6.24*				
3 Year Fixed		6.59*		6.44*				

Product Information

Reversionary Tracker Rate

This rate will be at a given rate above Barclays Bank Base Rate. The Rate changes automatically as the Barclays Bank Base Rate falls or rises. The margin above the Base Rate will remain in place for the lifetime of the mortgage.

	First Time Buyer (FTB)	Near Prime	Ultralight	Light	Light2Medium (L2M)	Medium	High
Self-Cert Loading: All our products are available on this basis with the exception of those marked*	0.25	0.25	0.25	0.25	0.25	0.25	1.25
LTV Banding	Margin over base (%)	Margin over base (%)	Margin over base (%)	Margin over base (%)	Margin over base (%)	Margin over base (%)	Margin over base (%)
<75%	1.84	1.99	1.69	1.84	2.34	2.49	2.99
75<80%	1.99	2.09	1.84	1.99	2.49	2.64	
80<85%	2.24	2.09	2.09	2.24	2.74		
85<90%	2.39	2.19*	2.24	2.39*			
90<95%	2.49*		2.34*				

Limited Offers

Your customer has the option of the following:

Discount Rate Deals

We can offer your customer either a 1 or 2 year Discount deal. Their rate will revert back to the applicable Reversionary Tracker Rate at the end of the 1 or 2 year discount period. The 1 and 2 year discount rates are:

Product	Discount Rate	Near Prime	† Ultralight at 75% LTV
1 Year Discount	1.40%	1.85%	1.45%
2 Year Discount	0.90%	1.30%	

Fixed Rate Deals

We can offer your customer the choice of fixed rates over 2 or 3 years, with the promise that they will last for the full period from when they complete their mortgage. At the end of the fixed rate period the customers rate will revert to the applicable Reversionary Tracker Rate.

Early Repayment Charge

The following fees will be payable on our products, if the mortgage is repaid within the periods below. The value of the charge is the percentage of the outstanding mortgage or the percentage of any amount paid above the customer's contractual monthly instalment.

Product	% Repayment Charge		
	Year 1	Year 2	Year 3
1 Year Discount	6%	5%	3%
2 Year Discount	6%	5%	4%
2 Year Fixed	6%	5%	1%
3 Year Fixed	6%	5%	4%

Thereafter 1 month's notice or 1 month's interest.

Underwriting guide & general lending criteria

Applicant details

Applications will not be accepted for our Introducers, their relatives or employees.

Applicants must be at least 21 years old at application, and under 70 years old at the end of the proposed mortgage term.

Married or unmarried applicants who own or rent property jointly must apply to First National in joint names. Married or unmarried applicants who currently rent or own property in their sole name but want their partner to be resident in our security, can apply in a sole name. The non-borrowing partner will be required to sign a deed of consent and postponement (thereby waiving their residency rights).

Applicants who are recently separated but still living with their ex husband/wife or partner will need to supply satisfactory solicitors evidence of separation.

First Time Buyer (FTB) means applicant(s) who do(es) not currently own property.

The maximum number of applicants is two.

Voters Roll All applicants must be listed on the voters roll or provide satisfactory proof of residence for the last three years. Acceptable proof of residency, includes

- Utility Bills
- Council Tax
- Driving Licence
- Mortgage Statement
- Credit/Store Card Statement
- Bank Statement
- Affirmative credit history shown on the FN credit search
- Inland Revenue correspondence

Name and Address Verification Prior to completion FN require certified evidence of the applicant/s name and address to be provided via the FN introducer or packager. This evidence can be provided with the initial application or will be made a condition of offer. Please refer to information contained within the FN Know Your Customer Guide for more detail available on www.firstnat.co.uk

Employment Status

We will need proof of income in the form of:

Employed Two out of the last three monthly computerised payslips, or three out of the last six weekly computerised pay slips. Pay packets, envelopes or handwritten pay slips will need to be supported by the standard FN declaration of income. Alternatively a satisfactory up to date job reference letter is required. All applicants are required to sign FN's standard declaration of income.

We will require the applicants to have been in continuous employment for the last 12 months. Although, it is acceptable to have more than one employer in the last 12 months.

FN checks every employer against directory enquiries; if they are registered we phone the number given and confirm that the applicant is still working there. If the Company is not registered with directory enquiries then we require the latest P60 to be provided and this will be referred to the Inland Revenue for verification.

Where an applicant is employed by a family business, we require a reference from a suitably qualified external accountant. If the company only employs a non qualified book keeper then we will require the applicant's last three months bank statements showing salary credits or confirmation from the Inland Revenue of their last year's PAYE earnings.

We will only accept applications from professional contract/temporary workers if they have been employed in the same field for at least 12 months and it is established that the contract is ongoing/will be renewed. Professional is defined as an individual who has obtained qualifications to enable them to carry out their role.

Self-employed The applicant must have been self-employed for at least 12 months. We will require the last year's finalised accounts or an Accountant's Certificate of Income. Alternatively, the last year's Inland Revenue Self Assessment Tax Calculation (confirming income and tax due) can be provided.

Self-Certified Self Cert is available to self employed applicants only, who have been self-employed for at least 12 months. All applicants are required to sign FN's standard declaration of income. Dependent on the level of income declared we may require additional proof of self-employment:

- Income below £25,000 per annum. No additional proof of self employment is required
- Income £25,000 to £40,000 per annum. Proof of self employment in the form of trade invoice, business letterhead, up to date business bank statement, tax assessment, VAT registration or registered contractors ID card is required.
- Income above £40,000 per annum. Written confirmation is required from a suitably qualified accountant that the applicant is currently trading solvently, the applicant's occupation and how long they have been acting for the applicant.

Where any income required to support the application is self-certified, an interest rate loading of 0.25% will be added to the loan for all products in the FTB through to Medium risk grades. A loading of 1.25% will be applied to all products in the high adverse range.

The applicant's accountant must be traceable through their respective professional body and hold one of the following recognised qualifications: ACA, FCA, ACCA, FCCA, ACMA, FCMA, CA, CIMA, AAT, ACPA, IFA, AIA, CIPFA or ICASA.

Income

The applicant or joint applicants must have a minimum income of at least £10,000

For employed applicants Income is defined as 100% basic salary, plus overtime, commissions & bonuses.

Other Forms of acceptable income include

- Pension. Occupational and private pensions will need to be proved by the pay advice letter (confirming amount and frequency of payment) from the pension provider, or the last three months bank statements showing the pension payment. State pensions will need to be proved by sight of the front cover of the benefit book and counterfoils or official letter, clearly showing frequency and amount of payment
- Benefits. Acceptable benefits include: disability and mobility allowance which must be proved by sight of the front cover of the benefit book and counterfoils or official letter, clearly showing frequency and amount of payment. Working family tax credit is acceptable if evidenced through the official letter stating amount and duration of credit.
- Maintenance. Will be used if supported by six months bank statements to confirm frequency, amount and source of payment.
- Rental Income. If an existing property is let we will include the full amount of the rental income providing the property is let via a registered letting agent and the current tenancy agreement is supplied.

We will not use income from the following sources: Child Benefit, Company Expenses, Employer Allowances, Income Support, Job seeker's Allowance, Housing Benefit, Child Tax Credits, Carer's Allowance, Statutory Sick Pay, Statutory Maternity Pay, PPP claim, Lodgers rent or House keeping.

Affordability All applications must pass FN's Debt To Income Ratio (DTIR), used to confirm that the proposed mortgage is affordable for the applicant(s), when all their existing commitments are accounted for.

There are two DTIR bands dependent on the combined/joint gross annual income for the applicant(s);

- 40% maximum DTIR where the combined gross income is between £10,000 and £19,999 per annum
- 50% maximum DTIR where the combined gross income is greater than £20,000 per annum

The DTIR is calculated as follows:

First National monthly mortgage payment + A + B + C + D

Total combined gross monthly income

Note: The FN monthly mortgage payment should be calculated at the full reversionary rate, rather than the initial discount or fixed rate

- A = total remaining other monthly mortgage instalment;
- B = total remaining other secured loan monthly instalments;
- C = total remaining unsecured credit monthly instalments;
- D = total remaining revolving credit monthly instalments, taken as 3% of outstanding balance/s.

Where an applicant has outstanding defaults these should be included in the DTIR along with other existing credit. If an applicant is making reduced or no payment on the defaulted account this should be declared on the application form. We will use the amount(s) declared by the applicant(s) in the DTIR calculation.

Any unsecured loan or Hire Purchase (HP) account that has less than 3 months to run will be ignored from the DTIR calculation.

Financial Track Record We reserve the right to ask for further proof of an applicant's financial track record to support the application. If requested bank statements will need to comply with the following criteria:

- Cover the 90 day period prior to submission of the application
- Be no more than 90 days old at the point of offer
- Income for all applicant(s) must be reflected in the statements provided
- Maximum of 1 derogatory entry (bank charge/bounced payment/unauthorised overdraft) shown in the 90 day period

Statements must reflect overall satisfactory financial track record for the applicant(s) during the 90 day period, demonstrating an ability to budget for the intended monthly mortgage payment.

Detrimental Credit Information

All references to time periods relate to the date of application receipt by FN

County Court Judgments (CCJs) CCJs that are under £250, registered more than two years ago or have been satisfied more than 12 months ago will be ignored. For Near Prime CCJs under £100, registered over three years ago and/or have been satisfied more than 12 months ago will be ignored.

Defaults We will ignore any registered defaults and disregard any delinquents and payment profile data. For Near Prime we will disregard any defaults registered for under £100 and/or have been registered more than 24 months ago. We will disregard any delinquents and payment profile data. The declared payment on any defaulted or delinquent account should be included in the applicant(s) affordability calculation.

Arrears In determining arrears history, you must obtain a full payment record for the required period. Arrears balances are not taken into consideration, only the number of monthly payments made or missed over the relevant period. It is not acceptable to take the total payments due and received in that period to calculate the level of arrears. Each payment must have been made in the month due.

Individual Voluntary Arrangement (IVAs)

First Time Buyer (FTB)/Near Prime/Ultralight – Not Acceptable
Light/Light2Medium (L2M) – Considered providing satisfied over 12 months ago
Medium/High – Satisfactorily conducted

Bankruptcy

First Time Buyer (FTB)/Near Prime/Ultralight – Not Acceptable
Light/Light2Medium (L2M) – Considered providing discharged over 12 months ago
Medium/High – Discharged

Repossessions

First Time Buyer (FTB)/Near Prime/Ultralight – Not Acceptable
Light/Light2Medium (L2M)/Medium – Considered if the repossession is over three years ago and proof is provided that any outstanding debt is repaid prior to application.
High – No Restrictions

Rent/Mortgage References

Rental references FTB – Full Status is available to employed and self employed FTBs. Self Certified is available to Self employed FTBs only with proof of the last 12 months corporate rental history. For Full Status and Self Cert applicants we will accept one rental arrear in the last 12 months (none in the last three months).

Mortgage references FN require proof of the last 12 months mortgage payments for all first and any subsequent charge(s) on the Near Prime, Ultralight, Light, Light2Medium and Medium products. On the High product we only require proof of the last three payments if the first or subsequent charge is with one of the lenders (or a subsidiary or assign thereof) listed below:



first National

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Underwriting guide & general lending criteria continued

Amber Home Loans, Associates, Avco Trust, Birmingham Midshires, Blenheim Finance, Capital Home Loans, Chelsea Mortgage Services, Central Trust, CitiFinancial, Future Mortgages, GMAC/RFC, Kensington Mortgages, London Mortgage Company, The Mortgage Business, Money Partners Ltd, Mortgage Agency Services, Mortgage Express, Mortgage Trust, Mortgage Works, Mortgages Plc, National Home loans, Paragon Mortgages, Pickering Finance, Platform Home Loans, Preferred Mortgages, Sheldon and Stern, Southern Pacific, Swift Advances, Welcome Finance.

We will take into account the past performance of any loan held with an igroup or FN Company.

We will payoff/refinance an existing igroup account on the Ultralight and Light products only.

Existing mortgage accounts with payment holidays in excess of three months in the last twelve are not acceptable.

Fees and Charges

Higher Lending Charge (HLC) We may use all or part of this fee to purchase indemnity insurance for our sole benefit as extra security. The fee will normally be added to the mortgage. The charge is calculated on the amount of the mortgage above 85% LTV at the highest relevant band rate:

85.01% - 90%	9%
90.01% - 95%	11%

Application Fee The application fee covers all the costs involved in processing a mortgage. Cheques should be made payable to First National and should be sent directly to us with the application. In the event that we process the application, prior to obtaining a property valuation, but are unable to offer your client a mortgage (or the application is withdrawn), an administration fee of £50 will be retained. Once we have obtained a property valuation the application fee is not refundable.

Purchase Price	Fee	Purchase Price	Fee
To £50,000	£145	To £250,000	£290
To £100,000	£180	To £300,000	£325
To £150,000	£220	To £500,000	£450
To £200,000	£255		

Completion Fee This fee of £499 is paid when the mortgage completes and covers the final processing and setting up of the loan. It is payable on all of our products, and is normally added to the mortgage.

Early Repayment Charge (% of Amount Repaid)

The following fees will be payable on our products, if the mortgage is repaid within the periods below. The value of the charge is the percentage of the outstanding mortgage or the percentage of any amount paid above the customer's contractual monthly instalment.

	Yr1 / Yr2 / Yr3
1 Year Discount	- 6% / 5% / 3%
2 Year Discount	- 6% / 5% / 4%
2 Year Fixed	- 6% / 5% / 1%
3 Year Fixed	- 6% / 5% / 4%

Thereafter one month's notice or one month's interest.

Acceptable Property Types

Applications will be considered for most types of owner occupied residential property in the UK.

Acceptable non-standard construction properties will generally be limited to 65% LTV. In the case of large panel systems, not on the defective housing list (only houses and bungalows), and steel framed construction properties, an intrusive structural survey report will be required.

Houses that have 100% flat roofs are classed as non-standard construction and will be limited to 80% LTV. Ex local authority houses with a 100% flat roof will be limited to 65% LTV. Blocks of flats with 100% flat roofs are acceptable up to the relevant maximum LTV (see below).

We will consider repaired PRC properties, providing the works have been carried out under a licensed scheme, with all elements of the reinforced concrete being removed. Maximum LTV 65% if the adjoining property is unmodernised, if the adjoining units have also been upgraded, maximum LTV 75%. Wimpey No Fines will be considered up to 80% LTV where the value of the property exceeds £100,000. Property types classed as defective are not acceptable.

Post 1960 timber framed buildings will be considered as standard construction. Timber framed property built prior to that date, single skin construction of any type, or any housing types unspecified must be referred to the valuation department for approval.

We are unable to accept property that is subject to any type of usage restriction, i.e. agricultural, occupation or age. We will not lend on commercial, semi-commercial or buy to let property. We are unable to consider purchase or re-mortgage applications on a shared ownership property unless the remortgage is for the purpose of completely buying out the other shareholder/s.

We will not lend on Flats above commercial premises, Freehold Flats or ex Local Authority Flats with more than 4 storeys and 24 in the block. For ex Local Authority Flats, the maximum LTV is 60%. There is no height restriction on private blocks. Studio Flats will be considered on the basis of location.

If any of the following is noted in the survey report, the underwriting team will refer to our valuation department for advice.

- Poor location/demand/internal or external property condition
- Property marketing period of greater than six months
- Adverse environmental issues
- Property defects; i.e. metalliferous/mundic/sulphate/brine or dry rot
- Greater than 10% difference between "market value" and "projected market value"
- Essential repairs are recommended
- All non-traditional or defective construction

Dependent of the quality of the security offered, adjustment to the maximum loan to value available or additional specialist reports may be required.

Valuations

A member of our panel of valuers will undertake valuations (see below). Valuations are only valid for six months (nine months on new build properties) after this period a re-inspection will be required.

Valuation Panel Members

Allied Surveyors PLC	E-Surv Ltd
Ashdown Lyons	H C Wolton and Son
Chancellors Associates	Lamberts (London)
Colleys (Surveyors and Valuers)	Reeds Rains Surveyors and Valuers
Connell Survey and Valuation	DM Hall (Scottish Properties)
Countrywide Surveyors	Graham and Sibbald (Scottish Properties)
Ekins Surveyors	J & E Shepherd (Scottish Properties)

Retypes undertaken by panel valuers are acceptable for up to three months after the original inspection

Minimum Property Valuation £40,000

Minimum Mortgage amount £25,001 (Near Prime £75,000).

Sale at undervalue The maximum lending is 95% of the purchase price or valuation, whichever is lower. Applicants may be approved at 100% of the purchase price where the LTV against the valuation does not exceed 75%. This does not apply to Right to Buy.

Retentions A retention will not be imposed if the amount is equal to £1,000 or less, or 1% of the Market Valuation When Finished; whichever is the greater. For example, the valuer recommends retention of £1,200 on a property with a Market Valuation When Finished figure of £150,000. In this case the retention would not be imposed, as the retention is less than 1% of the Market Valuation When Finished figure.

Please note that if a retention is not being imposed, our lending will be based against either the Purchase Price or the Market Valuation in Present Condition figure: whichever is lower. If following an offer being made the Purchase Price reduces by the amount of the retention then the retention will still remain. We are unable to release over 95% of the current valuation; in some scenarios this may affect the amount of any retention.

Retention process Any retention will be treated as part of the advance amount and interest will be charged on the full amount, from the point the initial advance is released. The retained funds will be deposited in an interest bearing account held by our nominees. If the applicant meets the retention conditions within the Retention Period (usually six months from the completion of the mortgage) then the retention monies will be released to them. If the applicant has not met the retention conditions by the end of the Retention Period the retention fund will be paid to us. When it is paid to us we will use it to reduce the unpaid balance.

Right to Buy Applications Right to Buy is available on the FTB and Light products up to 90% LTV. Right to Buy is also available on the Light2Medium and Medium products up to 80% LTV. Right to Buy purchase is not available on Near Prime, Ultralight or High products.

Right to Buy Remortgage is available on the Near Prime and Ultralight products up to 90%

LTV, subject to 12 months proof of mortgage. Right to Buy Remortgage is available on the Light product up to 90% LTV, subject to a minimum of six months proof of mortgage plus six months proof of rent. Right to Buy Remortgage is also available on the Light2Medium and Medium products up to 80% LTV, subject to a minimum of six months proof of mortgage plus six months proof of rent. Right to Buy Remortgage is not available on any High product.

The LTV maximums apply to remortgages on a previous Right to Buy purchase within the respective three or five year pre-emption period.

We will always require the Council to postpone their charge in our favour, or confirmation that acceptable title insurance indemnity is being put into place. Any additional borrowing above the discounted Purchase Price must be for home improvements. We will require the applicants to confirm this on the application form or under separate cover. We will require a certified copy of Section 125 document supplied by the Council to the Applicants detailing the purchase price and discount. We can consider an application in joint names when the Section 125 is only in sole names. In this instance the solicitor will be required to confirm the unlisted party is aware of their responsibility under our mortgage without the benefits of proprietorship. When siblings are buying with a parent we require to see all applicants on the Voters Roll at the current address and we will be unable to proceed over the age of 70, even when the parent may not be contributing to the mortgage.

Keyworker/Homebuyer Schemes FN will accept deposits funded through recognised assisted purchase schemes. The Grantor of the deposit must not acquire any type of proprietary interest in the property, and any associated charge must be registered for a fixed total sum. Any monthly repayments due will be included in the affordability calculation. Maximum LTV will be 85%.

General

Term Minimum is 5 years. Maximum is 25 years.

Offer Validity Period The offer of advance is valid for 90 days. Offers that do not complete in this time will be subject to reassessment & reissue (subject to no material change in credit status) at the prevailing fixed rate.

First National reserve the right to adjust fixed rate pricing at any time

Deposits Evidence of deposit required if over £10,000 and/or at the underwriter's discretion.

Interest Only Loans All customers are required to detail how they are going to pay the remaining capital balance that will be due at the end of the proposed mortgage term. Acceptable types of repayment vehicle for the capital balance, include:

- Endowment Policy, Pension, ISA or other investments. FN will require the amount of premium being paid into the investment each month, and will include this amount in the affordability calculation
- Sale of Property. Sale of the FN security can be used to repay the capital balance.

Where the property to be sold is not the FN security, details of that property must be included with the application. We will also require an estate agents valuation of property, along with details of any outstanding loans or mortgages secured against it. All existing debts secured against that property plus the proposed FN advance must be under 95% LTV.

Second charges Consent to a second charge will only be granted where the First National loan is less than 85% LTV and the combined LTV of all charges does not exceed 100%. The proposed second charge lender will need to confirm in writing the following: Amount, purpose, term, and payment of their new loan.

Occupation of Property Under normal circumstances, applicants will be expected to occupy our security within 30 days of completion of the mortgage.

Documentation We will accept first generation copies of all documentation submitted to support an application. These must be clearly signed and certified as true copies of the original by the Introducer. All documentation provided to support an application must be dated within the last 90 days.

Buildings Insurance Properties must be insured for their full reinstatement value as stated in any Offer of Advance.

Conveyancers We only accept Solicitors registered with the Law Society and Licensed Conveyancers registered with the Council of Licensed Conveyancers.

Payment Method All mortgages must be paid via a Direct Debit drawn on a bank account matching the sole or joint names of the applicant(s).

Sub Prime Lenders Any applicable FN product can be used to refinance an existing sub-prime lender.

Let to Buy The maximum number of properties allowed in a portfolio is three, this must include the property FN is lending on.

Portability FN products are not portable; therefore existing borrowers moving home will need to apply on a product available at the prevailing rate.