

New Business Interest Only Application Form - Self Build



Loan account number

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	1st Applicant	2nd Applicant
Print name		

Haven Mortgages provides a reduced repayment option known as the interest only self build facility.

How does it work:

If you are building your own home and you have been approved/sanctioned for Haven's self build stage payment process then you will be entitled to apply for this interest only repayment product.

What are the terms and conditions of an Interest Only facility:

1. Interest only is available for a maximum period of 12 months which covers the building of your new home. If you experience a delay in completing your self build project, which means that your home will not be built and completed within 12 months, then your interest only repayments will be automatically switched to a capital & interest repayment schedule on your mortgage.
2. If the self build is completed and the full drawdown on your mortgage occurs prior to the 12 month period then you will be automatically switched to a capital & interest repayment schedule on your mortgage.
3. Haven will assess your affordability based on both the interest only repayments for 12 months and capital & interest repayments and this will be shown on your letter of loan offer.

I/we wish to apply for the interest only – self build option.

I/We confirm that I/we understand the terms and conditions of the interest only facility and wish to proceed with this application.

I/we confirm that during the period of time that the mortgage account is on Interest Only, the monthly repayment will be lower in comparison to the full capital & interest repayment, however the expiry date of the mortgage will remain the same.

I/We understand the advantages of an Interest Only period gives me/us the flexibility to reduce our repayments to Interest Only for up to a maximum of 12 months.

I/We understand the following disadvantages of an Interest Only period;

- During the Interest Only period, I/we will only be making repayments to meet the interest and that the amount borrowed (the capital) will remain outstanding and must be repaid after the Interest Only period expires;
- When the Interest Only period expires, my/our mortgage repayment amounts will increase because they will be recalculated to ensure that the total outstanding capital is repaid (together with interest due) within the mortgage loan term remaining;
- An increase in the overall cost of the loan (total cost of credit), which is the total interest cost of deferring capital repayment during the Interest Only period. Please refer to your letter of loan offer for further explanation.
- The following illustrative example, shows the impact of an interest only repayment on a loan of €100,000, over 20 years at an interest rate of 3.7%;
 - > No Interest Only: Total cost of credit is €41,819.48 repayments €590.29 per month
 - > 12 months Interest Only: Total cost of credit is €43,232.78 repayments €611.33 per month after the interest only period

I/We understand and accept that if this application is approved by Haven, certain terms and conditions attaching to my/our mortgage loan account(s) will be varied as a result of the approval of the application and that all other terms and conditions will remain in full force and effect.

I/we confirm I/we are not in financial difficulty and I/we are making this request to accommodate lifestyle requirements and not because I/we are unable to afford my mortgage repayments.

I/we confirm that the information I/we have provided is true and accurate.

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The flexibility to reduce your repayments to interest only for a maximum of 12 months, is available throughout the lifecycle of your mortgage (subject to approval). You can cancel the Interest Only facility at any time, either prior to the 1st stage payment drawdown or at any time during the Interest only period. If you wish to cancel, please contact your Mortgage Intermediary.

This document forms part of the application for a mortgage, the conditions and the declaration of which also govern this document.

We recommend that you get independent advice before considering an Interest Only period.

I/we have read the information provided in this application form and the Cost of Credit information provided by our Mortgage Intermediary, I/we understand the terms and conditions and the advantages and disadvantages of taking an Interest Only facility.

STANDARD LENDING TERMS AND CONDITIONS APPLY.

Signature of account holders (all parties to the loan MUST sign)

1ST APPLICANT'S SIGNATURE

DATE

2ND APPLICANT'S SIGNATURE

DATE

I have provided the above named customer(s) with a document containing comparable Cost of Credit information by hand, email or post. The above named customer(s) understands the terms and conditions and the advantages and disadvantages of taking an Interest Only facility.

Mortgage Intermediary Name (PRINT):

Signature of the Mortgage Intermediary:

Date:

Statutory notices & warnings

Warning: The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.

Warning: If you do not meet the repayments on your credit agreement, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

If you do not pay the full amount of each scheduled repayment when due, this is a breach of the terms of the Mortgage Loan and may result in a negative report to a relevant licensed credit reference agency, damage to your credit rating, termination and demand of the Mortgage Loan and other facilities, enforcement of the mortgage by sale of the property and any other security held by the Lender for the Mortgage Loan.

WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

WARNING: THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.