

Darlington Building Society

Discount Rate - 5.09% LTV 60%

Full Product Details

Lender



Availability

For self build, custom build, renovations, conversions and home improvements in England & Wales.

Benefits

Available to employed, self employed and contract workers for purchase/remortgage.

Interest Rate

5.09% (SVR -0.86% discount until 31 March 2022)

Followed by Standard Variable Rate (SVR), currently 5.95%

Stage Payment Type

Advance

Early Repayment Fee

3% of outstanding balance until 31 March 2022

Loan to value/ loan to costs

Up to 80% of land costs, up to 80% build costs, subject to a maximum final LTV of 60% at completion of the build

Loan Size

£500,001 – £750,000 up to a maximum LTV of 60%

Minimum/Maximum Age

18 years for all applicants. Maximum age 85 at the end of the mortgage term

Borrowing Calculation

The maximum borrowing is based on affordability taking account of the client's expenditure and regular commitments. If the borrower is staying in their current house during the build, the current mortgage payment will be treated as a commitment.

Term

Minimum 5 years Maximum 35 years.

Portable

No

Repayment Type

Repayment (capital and interest), interest only or a combination of both with a suitable repayment vehicle. Interest only is during build is available.

Darlington Building Society Valuation Scale

Valuation fee (based on the estimated final value of the property when completed)

Purchase Price/Estimated final value not exceeding

(Inclusive of VAT and admin fee)

£100,000	£200
£200,000	£310
£300,000	£410
£400,000	£465
£500,000	£525
£600,000	£600
£700,000	£675
£800,000	£750
£900,000	£900
£1,000,000	£1,020
£1,500,000	£1,200
£2,000,000	£1,600

Re-inspection/stage inspection charge included as part of product incentive

Other Fees

Lender Arrangement Fee £999 – (can be added to mortgage)

Lender's Account Fee £120 (on completion)

Buildloan packagers fee: £695 (£95 payable on receipt of Agreement in Principle and £600 on offer of Loan)

Additional Security Fee: (paid upfront) £2,300 (estimate)

References/Documentation Required

Proof of Identification	<ul style="list-style-type: none"> • Full signed Passport. Passport must be in date and show full legal name • UK photo card driving licence/full. Drivers Licence must show full name and current residential address • Shotgun Licence/Firearms certificate. Must show full legal name and current residential address <p>Please note, we require the original or original certified documents. We will return these same day recorded delivery</p>
Proof of Address	<ul style="list-style-type: none"> • Credit Card Statement • Latest Bank statement or Mortgage Statements • Latest Council Tax Bill • Utility Bill • UK photo card driving licence/full (if not been used as Proof of Identification) <p>Statements must be no more than 3 months old at time of sending case to lender. Must also show name and current address</p>
Bank Statements	<ul style="list-style-type: none"> • Must be the latest months • Must show salary credits • Must show name and address <p>If you use on-line banking it must show, name and account number. These need to be printed off and posted to us</p> <p>Please note, we require the original or original certified documents. We will return these same day recorded delivery</p>
Income	<p>P.A.Y.E.</p> <ul style="list-style-type: none"> • Latest 3 months payslips for weekly or monthly • Latest years P60 <p>Self Employed</p> <ul style="list-style-type: none"> • Latest 3 years full and final accounts signed off by a suitably qualified accountant or • latest 3 years Tax Calculations with corresponding Tax Year Overviews along <p>Please note, we require the original or original certified documents. We will return these same day recorded delivery</p>
Other Mortgages	<p>Buy to Let Property</p> <p>In order for the lender not to take a Buy to Let property as a deductions, they require confirmation that the property is self-sufficient by showing a rental income of 145%. They require</p> <ul style="list-style-type: none"> • Copy of AST (Assured Shorthold Tenancy Agreement) • Proof of latest 3 months rental income <p>Maximum number of Buy to Let properties that can be held is 4</p> <p>Letting out current residential</p> <ul style="list-style-type: none"> • Consent to Let from current lender • Copies of Tenancy agreements of letter from ARLA letting agent confirming likely rental income <p>Rental income of 145%</p>
Plans	<p>Plans should be to scale or have the room sizes clearly marked on them to allow the valuer to give an estimated final value. Where available, elevation of the proposed property should also be submitted</p>
Planning Permission	<p>Outline Planning Permission is required to purchase the plot/property. This should have at least twelve months remaining.</p> <p>Detailed Planning Permission is required before any further funds can be released towards your build. If you are planning a renovation and planning permission is not required, the lender will require a letter from the local authority confirming this.</p>
Building Regulations	<p>Building Regulations/Building Warrant required before any funding can be released towards your build</p>
Build Costs	<p>We will require detailed project costings which will need to be completed on our project costings form. On receipt of the project costings, plans and planning permission, we will refer the details to our Building Support Team to prepare an Eval. This is to sign off your costs to ensure that all factors and costs of the build have been taken into account, making sure no costs of the build has been overlooked. The costs will then be presented in a format acceptable to the lender</p> <p>At this stage we will also produce a 'Cashflow' which details the release of funds at each stage during the build. A minimum of 5% of the loan agreed will be retained by the lender until final completion of the project</p>

Site Insurance

As a condition of your mortgage you are required to have site insurance in place before any funding can be released. The policy should provide:

- £5 million Public Liability
- £10 million Employers Liability
- Contract Works (for the re-instatement value)
- Cover for any existing structure

Darlington Building Society need to be noted on the policy as mortgagee.

We will be in contact with you to discuss your insurance requirements and to produce a quotation or you can obtain a quote on <https://www.buildstore.co.uk/finance/buildcare.html>

Stage Release Certification

Certification will be required at each stage of your project and can be provided by a Structural Warranty inspector e.g. Self Build Zone or by a suitably qualified consultant e.g. Architect

The approved inspector/company must also carry the appropriate Professional Indemnity cover of £1m per claim with a minimum aggregate limit of £15m pa. They should also have cover against personal injury of an aggregate limit of £5m per claim.

The lender will require a copy of the professional's indemnity cover.

Your professional consultant must remain liable for a period of 6 years for the work once signed off

If you decide against using a structural warranty provider and use an Consultant certification, the lender also requires Technical Audits at each building stage to support the Architects sign off. These must be carried out by a member of the CIC (arranged via BuildStore) at a cost of £200 + VAT per stage.

Solicitor

A solicitor is required in all instances (including if the client already owns the land/property) to carry out searches and submit the Certificate of Title

All solicitors used need to be on the Darlington panel which is managed by Lender's Exchange

www.buildloan.co.uk

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