



**[www.metrofinance.co.uk](http://www.metrofinance.co.uk)**

**Wards Exchange,**

**197 Ecclesall Road, SHEFFIELD S11 8HW**

**METRO FINANCE – HELPING YOU GET THE MORTGAGE YOU WANT**

**ON THE FOLLOWING PAGES YOU WILL FIND INFORMATION TO HELP YOU  
CHOOSE YOUR MORTGAGE**

**ON THE FIRST TWO PAGES IS A DESCRIPTION OF THE MORTGAGE AND INSURANCE  
SERVICES WE ARE AUTHORISED TO PROVIDE TO YOU BY THE FINANCIAL CONDUCT  
AUTHORITY**

**ON THE NEXT FOUR PAGES IS GENERAL INFORMATION ABOUT MORTGAGES AND  
INSURANCES TO HELP YOU UNDERSTAND THE MORTGAGE PROCESS**

**PLEASE RING US IF YOU WANT MORE INFORMATION OR HELP ON  
FREEPHONE 0800 694 0091**

**Authorised and regulated by the Financial Conduct Authority.**



# About our services

METRO FINANCE BROKERS Ltd

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## 1. The Financial Conduct Authority (FCA)

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The FCA is the independent watchdog that regulates financial services. The FCA requires us to provide you with information about our services. Use this information to decide if our services are right for you.

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## 2. Whose products do we offer?

### Insurance

- We offer products from a range of insurers.
- We only offer products from a limited number of insurers for life, personal protection and buildings insurance.  
Ask us for a list of the insurers we offer insurance from.
- We only offer products from a single insurer.

### Mortgages

- We offer a comprehensive range of first charge mortgages from across the market, but not deals that you can only obtain by going direct to a lender and not second charge mortgages.
  - We only offer mortgages from a limited number of lenders.  
Ask us for a list of the lenders we offer mortgages from.
  - We only offer mortgages from a single lender.
- 

## 3. Which service will we provide you with?

### Insurance

- We will advise and make a recommendation for you after we have assessed your needs .
- You will not receive advice or a recommendation from us for life, personal protection or buildings insurance. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

### Mortgages

- We will advise and make a recommendation for you on mortgages after we have assessed your needs.
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## 4. What will you have to pay us for our services?

### Insurance

- A fee
- No fee for life, personal protection or buildings insurance.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

### **Mortgages**

- No fee.
- Our usual fee is £399, paid when we begin the mortgage application process with the lender.

You will receive a key facts illustration when considering a particular mortgage, which will tell you about any fees relating to it. The key facts illustration will also tell you about the commission we will receive from the mortgage lender.

### **Refund of fees**

If we charge you a fee, and your mortgage is not offered by a lender, you will receive:

- a full refund, unless you, yourself, withdraw your mortgage application after it has been submitted.

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## **5. Who regulates us?**

Metro Finance Brokers Ltd is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 301701.

Our permitted business is arranging mortgages and insurance..

You can check this on the FCA's Register by visiting the FCA's website [www.fca.gov.uk/register](http://www.fca.gov.uk/register) or by contacting the FCA on 0845 606 1234.

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## **6. What to do if you have a complaint**

If you wish to register a complaint, please contact us:

In writing: Write to Metro Finance Brokers Ltd, Fourth Floor, Wards Exchange, 197 Ecclesall Road, Sheffield S11 8HW.

By phone: Telephone 0114 270 1444.

**If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.** In the case of a dispute following the handling of your complaint you may be entitled to use the Online Dispute Resolution procedure by following this link <http://ec.europa.eu/consumers/odr/>

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## **7. Are we covered by the Financial Services Compensation Scheme (FSCS)?**

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Further information about compensation scheme arrangements is available from the FSCS.

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# METRO FINANCE BROKERS Ltd

## GENERAL INFORMATION ABOUT MORTGAGES

Metro Finance Brokers Ltd has provided you with advice and recommended a mortgage which is suitable for you. Metro Finance Brokers Ltd has also given you a mortgage key facts illustration. If you have any queries about the details please ring us on 0114 270 1444.

### FIRST CHARGE MORTGAGE

A first charge mortgage is the type of mortgage most people mean when they talk about mortgages. It is a loan secured on your house.

The Government's 'Money Advice Service' says:

*A mortgage is a loan taken out to buy property or land. Most run for 25 years but the term can be shorter or longer.*

*The loan is 'secured' against the value of your home until it's paid off. If you can't keep up your repayments the lender can repossess (take back) your home and sell it so they get their money back.*

### SECOND CHARGE MORTGAGE

A second charge mortgage is one you take out when you want to increase your borrowing, which you could do by remortgaging or getting a second charge mortgage or getting a personal loan.

The Government's 'Money Advice Service' says:

*A second charge mortgage allows you to use any equity you have in your home as security against another loan. It means you will essentially have two mortgages on your home*

*If you don't have a large early repayment charge on your mortgage and you have some equity in your home and your circumstances haven't changed, you'll almost certainly be better off remortgaging or taking out a further advance from the same lender.*

Metro Finance Brokers Ltd does not offer second charge mortgages.

**A COMPREHENSIVE RANGE OF FIRST CHARGE MORTGAGES - What does this mean?**

Metro Finance Brokers Ltd offers a comprehensive range of first charge mortgages from across the market, but not deals that you can only obtain by going direct to a lender and not second charge mortgages.

In doing so, Metro Finance Brokers Ltd complies with the FCA's requirement to consider a sufficiently large number of regulated mortgage contracts which are generally available from the market .

Metro Finance Brokers Ltd considers a very large proportion of the first charge mortgage market, enough to be representative of the whole market. That does not mean that Metro Finance Brokers Ltd considers every first charge mortgage on the market. For example we do not consider mortgages from Nat West.

## **COMMISSION**

Metro Finance Brokers Ltd will receive a commission from your mortgage lender and the full amount is shown to you on the official documentation describing your mortgage. You have a right to ask for information on the commissions paid by different lenders and if you want that information please ask us.

## **REPAYMENT OF MORTGAGE**

### ***Capital and interest repayment***

The monthly repayment pays off all of the amount borrowed together with its associated interest in the chosen time period. Provided all payments are made on time and as required by the lender, at the end of the term the amount borrowed will have been repaid.

### ***Interest only repayment***

The monthly repayment pays off the interest only. The amount borrowed remains outstanding at the end of the term and must be repaid. If you choose this type of mortgage it is your responsibility to make additional arrangements to pay off the capital borrowed eg through an endowment policy, individual savings account plan, pension plan or other investment vehicle. If you do not make suitable arrangements to pay off the capital borrowed you will have to sell your property to pay off the capital sum.

### ***Term***

The term you choose to repay the mortgage will depend, amongst other things, upon your age and personal circumstances. If you are considering having a mortgage term that continues past the age you retire make sure you will be able to afford the payments then.

## **INTEREST RATES**

### ***Variable***

The rate of interest varies from time to time in line with market conditions and interest rates generally, for example as the Bank of England base rate changes or as the LIBOR ( London inter bank offer rate ) rate changes.

### ***Fixed rate***

The rate of interest is fixed for a specified period of time then a variable rate applies afterwards.

### ***Discounted rate***

The rate of interest operates in the same way as a variable rate but with a discount ( ie reduced rate ) for a set period of time. After the discount period the variable rate applies.

### ***Tracker***

The rate of interest is usually linked to the Bank of England or LIBOR base rate ( the underlying rate ) and is set at a fixed percentage in relation to that rate. The actual rate paid will rise or fall in line with the underlying rate and will always be at the set percentage in relation to the underlying rate.

### ***Interest rate changes***

Interest rates may go up or down over time. Make sure you can afford to maintain your payments now and in the future. Your home may be repossessed if you do not keep up repayments on your mortgage.

## **CREDIT SEARCH**

During the course of approving your mortgage your credit history will be searched with a credit reference agency.

## **DEBT CONSOLIDATION**

If you are considering remortgaging to consolidate unsecured debts replacing ,for example, unsecured debts on personal loans or credit cards with a mortgage, you should be aware that your new loan ie your mortgage, is secured on your property for the lifetime of the mortgage. Your home may be repossessed if you do not keep up repayments on your mortgage.

You need to consider whether this is the way you wish to deal with your consolidation of unsecured debts and perhaps seek advice ,for example, from a Citizens Advice Bureau.

## **INSURANCES**

Unless the key facts illustration says otherwise the lender to whom the quote relates does not require you to take out any insurance with themselves as a condition of the mortgage.

However all lenders require that you have buildings insurance.

You may want to consider whether or not you need accident, sickness and unemployment insurance to protect your mortgage payments and life insurance to pay off the mortgage if you die.

You can arrange your buildings, life and accident, sickness and unemployment insurances with the insurer of your choice.

The lender may require you to pay a higher lending charge because you wish to borrow a high percentage of the value of the property. This is used by the lender to obtain mortgage indemnity insurance as extra security for the lender. If it is required it will be shown on your quotation. It can normally be added to the mortgage if you wish instead of making a payment at the time of completion. If it cannot be added to the mortgage the key facts illustration will show that. If you do not keep up your mortgage payments and the property has to be repossessed, the indemnity insurance will not protect you if the property is sold by the lender for less than the amount owed. You will remain liable for all sums owing and insurers have a right to recover this amount from you.

## **CHANGES IN CIRCUMSTANCES**

A mortgage is a long term financial commitment and you should consider how changes in your circumstances may have an impact on your mortgage. The following are some examples:

### ***Early repayment***

If you repay your mortgage early eg in the first few years there may be additional repayments to make. The key facts illustration shows these as early repayment charges.

### ***Joint mortgages***

If you take out a mortgage with another person ie a joint mortgage, you are both responsible for the mortgage. If one of the joint applicants ceases to make their share of the payments, for example, if your relationship were to come to an end, the mortgage still has to be paid and both parties remain individually liable for the whole amount outstanding. This means that whatever joint applicants agree between themselves about paying the mortgage each of them is liable to the lender for the whole mortgage.

## **PROPERTY VALUATION**

The property you choose needs to be valued to ensure it is worth the amount you are paying for it. To get a mortgage a basic valuation is required, the valuer assesses its market value, its value for insurance purposes and any essential repairs he spots.

However in this basic valuation the valuer does not carry out a rigorous inspection of all parts of the property and although he will try to find any defects you have no 'comeback' if he misses anything.

If you feel after looking at the property yourself that there is a need for a more complete inspection then you can choose a 'Homebuyer's report' instead of the basic valuation. This type of survey gives a basic valuation (as before) plus more inspection and a better chance that any defects will be spotted although there is little 'comeback' if anything is missed.

For maximum peace of mind you could have a 'full structural survey' which is a basic valuation plus a thorough and complete inspection of the property by a professional surveyor or architect. If such surveys miss defects you have some 'comeback'.

The relative costs of the three types of valuation vary but as a guide ,your quotation shows the precise cost of the basic valuation. A 'homebuyers report' would be around twice that cost and a full structural survey around 4 to 5 times that cost.

## **TERMS OF BUSINESS AND PRIVACY POLICIES**

To read our terms of business and privacy policies please check our website

[www.metrofinance.co.uk](http://www.metrofinance.co.uk)

## **A FINAL NOTE ON COMPLETING FORMS FOR YOUR MORTGAGE**

Metro Finance Brokers Ltd will help you as much as we can in completing forms and other documents during the processing of your mortgage.

When you sign those forms and documents you will be assuring that to the best of your knowledge and belief the information you are supplying is correct.

Supplying false information in order to get a mortgage could have serious consequences.

If you are in any doubt about the information you supply during the processing of your mortgage please ask us so that the matter can be clarified.

Your home may be repossessed if you do not keep up repayments on your mortgage.



