



EQUITY LOAN - PARTIAL REDEMPTION

Use this guidance if you wish to repay part of your Equity Loan.

What do you need to do?

First Steps

1. Agree the current market value of your property to establish the Equity Share percentage you are repaying.

- You will need to instruct a RICS qualified surveyor to carry out a valuation on your home. They will assess the value of your home and provide you with a valuation report. You are free to choose a surveyor of your choice however if you need some assistance in sourcing a suitable surveyor we have provided some options later in this document.
- Please note you are not obliged to use them and they are independent from Ascent.

2. Complete Form C attached and send it to us with the RICS valuation report mentioned above.

The report must be on their letter headed paper and will be valid for 3 months from the date of the report.

3. Agreeing your valuation

- If we agree with your valuation, we will send a redemption figure to you and your Solicitor which will include:
 - A legal transaction fee of £250 including VAT.
- If the valuation is disputed and we cannot reach agreement on the current market value of your property, we are entitled to follow the procedure set out in your Equity Loan documents. This may include:
 - Obtaining at your expense an independent market value from a qualified valuer .

4. Partial Redemption of your loan

- We will liaise with your Solicitor after this point with details of how to make this payment.
- Additional Borrowing – if you are making a partial redemption of your Equity Loan and funding this by taking out additional borrowing with your mortgage lender, please see the fact sheet on *Equity Loan Additional Borrowing* before you start this process.

Your Equity Loan Percentage will be re-calculated to reflect your partial redemption payment.

Partial Redemption – example

Each time you wish to partially repay your Equity Loan you must agree the Current Market value of your property with us at your cost.

Original Value of Property when purchased	<u>£100,000</u>
Funded by:	
Customer (e.g. first charge mortgage, deposit) -80%	£80,000
MTVH Equity Loan – based of Equity Loan Percentage - 20%	£20,000
Original Value of Property when purchased	<u>£100,000</u>

Redemption amount

Current Market Value of your Property

	25% increase in Market Value of your property	50% increase in Market Value of your property	100% increase in Market Value of your property
New Property Value	£125,000	£150,000	£200,000
Current Value of Equity Loan (Equity Loan 20%)	£25,000	£30,000	£40,000
Amount paid to partially repay (example based on 10% of property value)	£12,500	£15,000	£20,000
Equity loan still outstanding	£12,500	£15,000	£20,000

Amended Loan Equity Percentage*	10.00%	10.00%	10.00%
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***Amended Loan Equity Percentage will be applied to the current market value of your property in order to calculate the Equity Loan Balance you need to repay.**

5. Source of Funds - Additional Documentation Required

Please note that we are subject to strict controls under the Money Laundering Regulations 2007 and the Proceeds of Crime Act 2002 and are legally obliged to undertake checks to verify the source of funds to be used for the purchase/sale of your property.

If you have not appointed Solicitors to act on your behalf, and it is your intention to forward payment directly to us, you will need to confirm the specific source of these funds and provide appropriate documentary evidence in support.

To assist you, we have detailed some examples of the type of source of funds and the documents we require on the following page.

6. Identification

We shall require one form of photo identification, such as a valid driving licence or passport which must be in date, along with proof of address such as bank statement or utility bill dated within the last three months. If you do not want to send original documents to us we will accept copies, provided they are certified by a solicitor, doctor, accountant or bank. However, should you send certified copies please provide details of the name and address of the certifier. If you are sending original documentation to us we would strongly recommend that this is sent by registered post.

7. Example RICS Surveyors

MAP Surveyors

T: 01322 223 331
E: admin@mapsurveyors.co.uk
W: www.mapsurveyors.co.uk

Copeland Yussuf Chartered Surveyors

T: 020 3005 8660
E: general@copelandyussuf.com
W: www.copelandyussuf.com

Aspect Surveyors

T: 020 8446 4808
E: info@aspectsurveyorslimited.com
W: www.aspectsurveyorslimited.com

Bartley West Chartered Surveyors

T: 02380 861 123
E: info@bartleywest.co.uk
W: www.bartleywest.co.uk

Frazers Surveyors

T: 01483 730 909
E: Woking@Frazers.co.uk
W: www.frazers.co.uk

Source	Details required	Documentary evidence required
Income and/or savings from employment	- Yearly salary/bonus - Employers name/address - Nature of business	One of the following: - Last three months bank statements, clearly showing receipt of regular salary payments from employer - Last three months' payslips - Letter from employer confirming salary - Copy of recent financial accounts (if self-employed)
Sale of property	- Address of property - Date of sale - Sale amount	One of the following: - Copy of sale contract - Letter from solicitor, accountant or estate agent confirming sale and proceeds received
Income and/or savings from pension annuity	- Yearly annuity income - Details of any lump sums - Name of provider	One of the following: - Last three months bank statements, clearly showing receipt of regular payments from pension provider - Copy of most recent pension/annuity statement - Letter from pension provider confirming annuity and/or lump sum details
Sale of investments	- Description of investment - Sale amount - Date funds received	One of the following: - Bank statement clearly showing receipt of funds and investment company name - Investment/savings certificates, contract notes or surrender statements - Letter from an accountant detailing receipt of funds
Company sale	- Name/nature of company - Date of sale - Total amount - Clients share	One of the following: - Letter from solicitor or accountant detailing sale of company - Copy of sale contract
Inheritance	- Name of the deceased - Date of death - Relationship to client - Date received - Total amount	One of the following: - Grant of probate with a copy of the will (which must include the value of the estate) - Letter from solicitor or estate trustees detailing inheritance and value of estate
Company profits	- Company name/address - Nature of company - Amount of annual profit	One of the following: - Copy of latest audited financial accounts - Letter from accountant confirming nature of business and turnover
Maturity/surrender of investments	- Description of investment - Policy provider - Amount received - Date of maturity/surrender	One of the following: - Closing statement - Letter confirming maturity/surrender from the investment company
Dividend payments	- Date dividend received - Total amount - Name of company paying dividend	One of following: - Dividend contract note - Bank statement clearly showing receipt of funds and name of company paying dividend If the dividend is from own company, one of the following: - Company accounts showing dividend details - Letter detailing dividend details signed by a regulated accountant on letter-headed paper
Gift	- Date received - Total amount - Donor/Client relationship - Letter from donor - Identification documents from donor - Donors source of wealth	A declaration letter from the donor confirming full details of the gift and documentary evidence of their source of wealth

If you are unable to provide these documents, please contact us as soon as possible so that we can discuss alternative options with you. Please note, we require original or certified copies of these documents.

The required information can either be emailed to us directly if certified or sent in the post. We will return all original documents back via Royal Mail Recorded Delivery.

We apologise if this seems intrusive, however, this information is required in order for our firm to comply with legal obligations, therefore if it is not provided your matter may be delayed or we may be unable to redeem your account.

Form C

Please send this form to us if you wish to pay off part of your Equity Loan

MTVH Shared Equity Notice of Intention to Partially Redeem	
Your Name:	
Your Address:	
Telephone:	
Mobile Phone:	
Email Address:	
Property Address:	
Property Postcode:	
Your RICS surveyors name:	
Your RICS surveyors address:	
Please attach a copy of a letter from your RICS valuation report stating the market value of your home:	☐ Attached
What percentage of the current market value do you want to redeem?	
Your Solicitor's Name:	
Solicitor Address:	
Solicitor Reference:	
Solicitor Telephone:	
Solicitor Email:	
What will be the source of funds for your repayment? Please highlight as required	☐ Inheritance ☐ Remortgage ☐ Gift ☐ Other Asset Sale ☐ Other Property Sale ☐ Savings

Please send the completed form to:

Ascent
One St Peter's Square
Manchester
M2 3AF

E: contact@ascent.co.uk
T: 0345 604 6355 Monday – Friday 9am-5pm

 0345 604 6355
 www.ascent.co.uk

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A-0056-F5