

Coronavirus (COVID-19) and your mortgage – Factsheet 1

Ahli United Bank (UK) PLC (the “**Bank**”) are able to support customers who are experiencing issues with their finances as a result of COVID-19 with the option of applying for a payment holiday (a “**Payment Holiday**”) on your mortgage contract. If you are concerned about making your mortgage payments during this difficult time, we have prepared this information sheet. We would be grateful if you could read this before deciding on whether you wish to proceed or contact the Bank to discuss the options available.

At present, the guidelines are that we may consider an application for a Payment Holiday up to 31 October 2020. If you are experiencing financial difficulty after this date then we may have other options available to you and which we would be happy to discuss to see how we may assist.

The Bank can offer you a Payment Holiday of up to 3 months without the need to assess your circumstances. With a Payment Holiday, you will not have to make your normal monthly mortgage payments but will still owe the money where a Payment Holiday has been granted and interest will still accrue.

The Bank can also offer you more tailored support according to your individual situation if you wish to go through a full assessment of your circumstances.

KEY POINTS

- A Payment Holiday will be available to all customers whether you are up to date on your mortgage payments or have a current payment shortfall.
- A Payment Holiday will also be available to all Buy-to-Let landlords whose tenants have lost income because of the impact of COVID-19. Landlords are expected to pass on this relief to their tenants to ensure that they are supported during this time.
- If the Bank grants you a Payment Holiday, you will still owe the money and interest will still accrue. If you are able to make part of your normal mortgage payment to reduce the money you owe or your interest charges then you should consider doing so.
- We will make every effort to ensure that the Payment Holiday does not negatively affect your credit score. If you are already in arrears, you should contact the Bank as soon as possible. We will assess any change to your circumstances to ensure that payments remain sustainable and that you do not receive less favourable treatment than other customers do.

What is a Payment Holiday?

With a Payment Holiday, you will not have to make any monthly mortgage payments for a set amount of time, in this case, for a period of up to 3 months. However, it is important to remember that you will still owe that money and the interest on your mortgage will still accrue during a Payment Holiday.

At the end of the Payment Holiday, we will contact you to assess your circumstances and agree a manageable way for you to repay the interest charges incurred and make up the deferred payments.

Will I be eligible for a Payment Holiday?

All customers will be considered for a Payment Holiday. If you are a Buy-to-Let Landlord, it will be available if your tenants have lost income because of the impact of COVID-19.

There are a number of options available and a Payment Holidays may not always be the most suitable solution for everyone.

Will I be charged interest on my mortgage while the Payment Holiday is in place?

Yes, we will continue charging interest on your mortgage and we will apply it to your mortgage balance. You will not however have to make any payments during the Payment Holiday period. There will be no charges or fees in connection with the granting of a Payment Holiday.

How long will it take to process your application?

The Bank is doing its best to support our customers during these unprecedented and difficult times. However, the spread of COVID-19 is also having an impact on our own staff and applications will be dealt with as quickly as possible.

The Bank will inform you that, over the Payment Holiday period, the capital sum will remain as is (subject to any payments that are made) and interest will continue to accrue on the outstanding capital. The Bank will contact you after the Payment Holiday period to assess your circumstances and agree an arrangement to pay.

If I take a Payment Holiday what will happen to my credit score?

The Bank will make every effort to ensure that if you take a Payment Holiday it does not negatively impact your credit score. However, some lenders may ask about your payment history and take this into account when making future lending decisions.

Payment Holiday for customer already in arrears / financial difficulty

If you are already in arrears or an arrangement to pay, then we can consider a Payment Holiday for you. However, this might not be the most appropriate means of assisting you and we would encourage you to contact the Bank in order that we can review your circumstances and arrangements to pay with you to ensure that arrangements remain sustainable.

How do I apply?

If you are concerned about making your mortgage payments during this time, you should contact the Bank as soon as possible. You do not need to provide any documentation. You will just need to self-certify that your income has been either directly or indirectly impacted by COVID-19.

If you are a Buy-to-Let Landlord, you will need to self-certify that your tenant's income has been impacted by COVID-19. Landlords are expected to pass on this relief to their tenants to ensure that they are supported during this time.

What do I need to do next?

If you wish to apply for a Payment Holiday of up to 3 months, please send an email, or letter, providing the key information that we need in order to consider and process your request before 31 October 2020. Please note that all parties to the mortgage, including but not limited to any applicable guarantors, must confirm in writing that they agree to the terms of the Payment Holiday and. Please send your request to:

AUBUK.MortgagehelpCOVID-19@AhliUnited.com

Details required:

Your Name:

Mortgage Account Number:

Address of Property to which the mortgage relates to:

How many months holiday requested (up to 3 months)

If you do need to speak to us:

Telephone: 020 7487 6500

Opening Hours - Monday to Friday: 9am – 5pm