

# Supplementary form for Interest Only and Part Interest Only Mortgages

Unlike a repayment mortgage, an interest only mortgage (or part interest only mortgage) means that you only pay the interest on the amount owed (or that part of it) under the mortgage each month. It is a condition of your mortgage and very important that you have a credible repayment strategy in place to repay the capital amount in full at the end of the mortgage term. You should check your repayment strategy regularly to ensure that it continues to be suitable for that purpose.

Please complete this form with the details of your repayment strategy and provide the requested evidence. We may need to contact you for further information.

Reference number	
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First Applicant			
Title		First name(s)	
Surname			

Second Applicant			
Title		First name(s)	
Surname			

Mortgage Information			
Mortgage term (years)		Amount on Interest Only Mortgage	£
Intermediary			

# Repayment Strategy

## Cash Savings & Investments

Savings and investments must have been in place for at least 12 months. For each entry, please provide a copy of your last statement plus evidence of regular and on-going contributions.

Provider	Reference number	Policy holder	Start date	Monthly payment	Current value	Amount attributed to repay mortgage
				£	£	£
				£	£	£
				£	£	£
				£	£	£
				£	£	£
				£	£	£

## Endowment Policies / Pensions

Please provide a copy of your last statement showing projected maturity value, plus evidence of at least the last 12 months' regular contributions.

Provider	Reference number	Policy holder	Start date	Maturity date	Monthly payment / personal contribution	Estimated value at maturity using mid point growth rate provided	Amount attributed to repay mortgage
					£	£	£
					£	£	£
					£	£	£
					£	£	£

## Sale of Share Portfolio (the portfolio must have been in existence for at least 12 months)

Please provide a copy of the share certificate or share account statement, a statement showing the current value and the current share price from a recognised source.

Company	Number of shares	Name of shareholder	Value at today's date	Amount attributed to repay mortgage
			£	£
			£	£
			£	£

## Sale of Property (the net equity must meet Kensington lending policy)

Please provide details of all properties including details of the property being mortgaged if part of your repayment strategy (use the additional information section at the end of the form as required).

Details of residential property	
Address	
House name/no	
Street	
Town/City	
County	
Postcode	
Registered owner(s) of residential property	
NB. The owner(s) of the residential property must be named on the mortgage application.	
Mortgage lender (If applicable)	
Current mortgage balance/ amount requested	£
Current value	£
Repayment type	
Mortgage term	
Property type e.g. detached	
Tenure e.g. freehold	
No. of bedrooms	
Additional information to support future plans underpinning sale of property as the repayment method	

## Unacceptable Repayment Strategies

We are unable to accept the following as repayment strategies:

- Any strategy that relies upon increasing house prices;
- Future inheritance or gifts;
- Any plan which is in the name of a third party or not in your control;
- Downsizing (unless by prior agreement);
- Trust funds;
- Sale of a business or a share in a business

## Important Notes

- We will not provide advice on your repayment strategy. You should discuss the implications of an interest only or part interest only mortgage and your repayment strategy with your financial adviser.
- We do not guarantee that your strategy will be sufficient to repay the capital amount at the end of the mortgage term. It is your responsibility to ensure you have adequate funds to repay the capital amount.
- You should review your strategy regularly during the term of your mortgage to make sure it is on track to repay the capital amount.
- If you cannot pay the capital amount owed at the end of the mortgage term, either you or we may have to sell the property.

## Customer Declaration

In signing below, I confirm that:

1. To the best of my knowledge the information provided in this form is correct;
2. The above repayment strategy will be kept in place and will be used to repay the capital amount on or before the end of the term of the mortgage;
3. I accept it is my responsibility to ensure I have sufficient means to repay the capital amount before or on expiry of the mortgage term;
4. If I cancel a repayment strategy, stop making payments into it or expect a shortfall, I will set up an alternative strategy or contact you to discuss converting the interest only part of my mortgage to a repayment mortgage;
5. I understand that I may be required to provide details of my repayment strategy at any time during the mortgage term and I will provide those details upon request.
6. I confirm I have sought appropriate advice from a suitably qualified person regarding my repayment strategy

OR

7. I confirm my financial competence is sufficient to assess the appropriateness of the repayment strategy and I have chosen not to seek advice (please delete as appropriate)

First Applicant		Date	
Second Applicant		Date	

Please return the completed form to: Kensington, Ascot House, Maidenhead Office Park, Maidenhead SL6 3QQ.

## Additional Information

Details of residential property	
Address	
House name/no	
Street	
Town/City	
County	
Postcode	
Registered owner(s) of residential property	
NB. The owner(s) of the residential property must be named on the mortgage application.	
Mortgage lender (If applicable)	
Current mortgage balance/ amount requested	£
Current value	£
Repayment type	
Mortgage term	
Property type e.g. detached	
Tenure e.g. freehold	
No. of bedrooms	
Additional information to support future plans underpinning sale of property as the repayment method	

## Details of residential property

Address	
House name/no	
Street	
Town/City	
County	
Postcode	

Registered owner(s) of residential property	
NB. The owner(s) of the residential property must be named on the mortgage application.	
Mortgage lender (If applicable)	
Current mortgage balance/ amount requested	£
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Repayment type	
Mortgage term	

Property type e.g. detached	
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Additional information to support future plans underpinning sale of property as the repayment method	