

UNDERSTANDING YOUR 2023 MORTGAGE STATEMENT



**YORKSHIRE
BUILDING SOCIETY**

A GUIDE TO EACH SECTION OF YOUR STATEMENT

Section 1

Your mortgage statement summary

This section shows:

- What you owed on 1 January 2023
- How much you paid in 2023
- How much in interest and charges have been added to your mortgage
- What you owed on 31 December 2023.

Section 2

Your new monthly payment from March 2024

This section shows:

- Your new monthly payment, including insurance premiums (if applicable). If you have a fixed payment in place, this is shown in your covering letter
- Any payments (arrears) you owed on 31 December 2023
- Any payments you've made in advance, or payment arrangements you've set up.

If your monthly payment amount has changed, it could be because:

- You've missed some payments in 2023
- You have Mortgage Payment Insurance (MPI) and your premium has gone up
- You've had fees or charges added to your mortgage which you've not yet paid (see section 3)
- Your mortgage deal is ending (see section 5)

- You have an Offset mortgage and you've taken some money out of your Offset savings account
- You have an interest only mortgage and the amount you owed on 31 December 2023 is more than the amount you originally borrowed, so your new monthly payment has been worked out to repay any excess balance over the rest of your mortgage term.

Changes to our SVR

If part, or all, of your mortgage is on our Standard Variable Rate (SVR), or is linked to our SVR, and there's a change to the rate in 2024, your monthly mortgage payment won't be automatically recalculated. This means that if we increase our SVR, the interest you pay won't cover the interest being charged. Or, if we decrease our SVR, you'll be paying more interest than you need to. At the end of each year we'll review your mortgage account and calculate a new payment taking into account the new rate and any over or underpayment made in the previous year, with the new payment taking effect from the following March. If you'd like to request a payment recalculation after a change to our SVR, please call us on 0345 120 0200 or visit ybs.co.uk/paymentrecalculation

If you're having difficulty making your mortgage payments or think that you might in the future, please call us on 0800 138 2404 so that we can help.



Section 3

Interest and charges

This section shows:

- How much interest we've charged you in 2023
- Any fees or charges added in 2023
- The cost of any insurance premiums
- Interest you've saved by having an Offset mortgage and how much you had in your Offset savings account on 31 December 2023 (if applicable).

Section 4

Payments and refunds

This section shows all the payments you made during 2023 and any refunds or overpayments.

Making overpayments



A one off lump sum or regular overpayments could reduce the amount of interest you pay overall and help you pay your mortgage off earlier. It can also lower your loan to value which means you may have more options the next time you need to make a product transfer. To see what difference overpaying could make, you can use our calculator at ybs.co.uk/mortgages/mortgage-calculators. Please be aware that early repayment charges will apply if you overpay by too much, so check your mortgage offer first to see what your limits are.

Section 5

Your mortgage repayment method and interest rates

This section shows:

- Each part of your mortgage (you could have more than one part if, for example you have more than one mortgage deal or if you've taken out an additional loan)
- An example of how much it would've cost to pay off your mortgage on 31 December 2023 and any early repayment charges that would apply (for information only). Early repayment charges apply if you transfer to another product, overpay more than is allowed, or completely repay your mortgage while you're in the early repayment charge period for your mortgage product. You may be able to port your mortgage product from your current property to a new property if you're wanting to move, however this depends on our lending criteria at the time
- If you have an Offset mortgage, we'll have provided an estimate of when you'll have repaid your mortgage by. If your estimated term end date is different date to your original mortgage term end date, it's because you're currently on Offset option 3 and have a static payment in place because you're planning to pay your mortgage off earlier. If your estimated term end date is the same as your contractual term end date but you



were aiming to pay your mortgage off early, it could be because your new monthly payment from March 2024 won't be enough to repay your mortgage any earlier than your original term end date

You'll find more information about your Offset options in the Guide to Your Offset Options leaflet that we've included in this pack (if you already have an Offset mortgage with us).

- How you're repaying your mortgage (for example repayment, interest only or a combination of the two). If you've transferred all or part of your mortgage to interest only for a temporary period, this will show as 'interest only' until the period ends and then change back to 'repayment'.

Paying off your repayment mortgage

If you have a repayment mortgage, as long as you keep up with your monthly payments, your mortgage will be completely paid off when your term ends.

However, please be aware that if you have a variable rate mortgage, your monthly payment will increase if interest rates rise and if you have a fixed rate mortgage product, you need to make sure that you'll be able to afford any increase in your monthly payment when your fixed term ends.

Paying off your interest only mortgage

If all or part of your mortgage is being paid on an interest only basis, your monthly payment only covers the interest (and not the capital) on your loan and so you'll need to have a plan for how you'll repay the money you originally borrowed at the end of your term. If you'd like to talk to us about preparing to repay your mortgage, or if you have any concerns, we have a dedicated interest only team you can speak to on **0800 138 1009**. Please make sure you have details of your current repayment plans to hand when you call. Alternatively you can get in touch with the Money Advice Service (moneyadviceservice.org.uk).

Paying back your mortgage in retirement

No matter what kind of mortgage you have, if you're planning on retiring before you've finished paying it off, you'll need to be sure that you can afford it. If you're concerned about this, please call us.

Section 6

Your payment method details

This section shows how you're making your mortgage payment (for example by Direct Debit), and if you pay between the 29th and the 31st of the month, a payment schedule is also included so you know when to expect the payments to be collected each month.

Section 7 and 8

Your property insurance and mortgage payment insurance

These sections show details about your property insurance requirements and your mortgage payment insurance (if it's arranged by us). If we arrange your insurance, we debit the premium amount from your mortgage account on the 15th of the month so if you pay after the 15th, interest will be charged on the premiums until we receive the payment.



Buildings insurance protects your home against damage from fire, flooding and other unpredictable things which can cause structural damage. It is a condition of your mortgage that you maintain valid buildings insurance at all times

If you haven't already, you might want to consider the following types of insurance to help protect your home and cover your mortgage.

- **Life insurance** provides a lump sum payment that could be used to repay your mortgage if you pass away so that you or your family don't have to
- **Mortgage Payment Protection Insurance** covers your monthly mortgage payment if you're not able to work because of an accident or illness, or if you unexpectedly lose your job
- **Contents insurance** pays for damage to, or loss of your personal possessions. Some policies will also cover your possessions if you take them out of your home. This type of insurance can be purchased separately or as part of an overall buildings and contents policy.

Section 9

Important Information about compensation arrangements

This section provides some information about how you're covered under the Financial Services Compensation Scheme (FSCS), as part of Yorkshire Building Society.

CONTACTING US

If you have any questions about your statement please visit **ybs.co.uk/your-mortgage-statement** where you'll find the answers to some frequently asked questions. Alternatively you can call us on **0345 1200 200**. Please check our website for up to date opening times.

If you're having difficulty making your mortgage payments or think that you might in the future, please call us on **0800 138 2404** so that we can help.

If you'd like to register a complaint, please write to Yorkshire Building Society, Service Quality Department, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ or call us on **0800 056 5252**. If you cannot settle your complaint with us, you might be entitled to refer it to the Financial Ombudsman Service.



Our printed material is available in alternative formats e.g. large print, Braille or audio.

Please visit us in branch or call us on **0345 1200 200**.

All communications with us will be monitored/recorded to improve the quality of our service and for your protection and security. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile. Calls to 0800 numbers are free of charge from a landline or mobile.

Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085. Head Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ.