



SELF BUILD / CUSTOM BUILD / CONVERSION / RENOVATION PROPOSALS

IMPORTANT INFORMATION BEFORE YOU START YOUR APPLICATION

Please ensure you a) check the product details for the basic criteria; b) read our guide to self build mortgages; and c) understand the difference between Self Build and Custom Build.

Please submit the application on the basis of the required mortgage **AFTER** the project is complete i.e. if a 25 year capital repayment mortgage will be required then submit the proposal on that basis – bearing in mind that during the build the mortgage will benefit from an Interest Only concession (subject to a maximum 2 years). For Interest Only mortgages the ultimate exit strategy must comply with our Lending Policy – review the Criteria page on our website for acceptable Repayment Vehicles.

The Supplementary Information Sheet on the next page **must** be fully completed and uploaded as part of the DIP request. This will enable us to provide you with a quicker and more robust response.

Key Points to Note:

- The self build product is for owner occupation **ONLY** – whereby the applicants will move into the property upon completion of the project. It is not for multiple property builds or single development projects.
- Properties linked to land owned by a family member are unlikely to be acceptable as security.
- Where the plot is on a multi plot site, we will only consider if the total number of plots is no more than 10.

When calculating affordability, consider the circumstances both during the project (factoring in additional living costs that will exist e.g. rent payments) and after the project.

The applicants must have the liquid resources to complete the project at the outset – projects dependent upon the sale of an illiquid asset e.g. current property, requires a Bridging Loan - which Saffron currently does not offer. Applicants also need to inject their own funds contribution into the project first, before they start drawing on the borrowing. However, we do have a minimum drawdown requirement of £1k which will need to be drawn down upon legal completion of the mortgage. Staged drawdowns will be agreed once full project details are known.

At point of full application we will require detailed plans and a comprehensive breakdown of costings (including an appropriate contingency amount) drawn up by qualified professionals.

We expect the builders to be reputable and experienced in the type of project being undertaken (we may undertake appropriate due diligence). For most projects we require a fixed price JCT contract to be entered into, which is assignable to the Society or contains Step In Rights in the event of default.

Building Regulation approvals and consents must have been applied for or granted (dependent upon the project) before drawdown.

A Contractors All Risk Insurance policy, with our interest noted, is required providing:

- At least 125% of the professional reinstatement cost
- Public Liability cover of at least £5M
- Employers liability cover of at least £5M

For all new builds we require a full standard 10 year warranty. Check criteria for list of acceptable providers.

For other projects where the standard 10 year New Build Warranty is not available (i.e. renovations or conversions) we will accept a Professional Consultants Certificate provided it offers cover for a minimum of 6 years. The Consultant must hold one of the following recognised qualifications: FRICS, MRICS, F.I.Struct.E, M.I. Struct. E, FCIQB, MCIQB, FASI, MASI, C.Build E MCABE, C.Build E FCABE, MCIAT, ARB, RIBA, FICE or MICE.

We will consider Modern Methods of Construction subject to the relevant components being UK accredited by BOPAS, BBA or BRE with 60 year durability guarantees. Please note, for timber framed properties we require that the majority of the external walls are built from brick/masonry.

SUPPLEMENTARY INFORMATION SHEET FOR SELF BUILD/CUSTOM BUILD/CONVERSION/RENOVATION PROPOSALS

Property Address including Post Code	
Local Authority approving the Planning Consent and the reference number	
Planning Stage reached – Outline or Full (Please note, no valuation would be instructed until Full Planning Consent had been obtained)	
Brief description of proposition – ie Self build plot, knock down and rebuild, Custom Build*, renovation, barn conversion, etc. * Confirm total number of properties on site overall and number of custom build plots	
Purchase Application:– State purchase price of plot/property	
Remortgage Application: State Plot Value (If this is a knock down and rebuild project –provide the value of the Plot only with Planning Consent)	
What are the total Build Costs for the project	
What is the anticipated End Value of the property when it is completed	
Total loan amount required	
Initial Loan amount required	
Details of the New Build Warranty (or Professional Consultants Certificate) that is being obtained	
Provide details of : <ul style="list-style-type: none"> • Who will be managing the project • The Builder / Developer • The type of Building Contract proposed – ie, will it be a Fixed Price JCT? If not, please provide details. 	
Will a Quantity Surveyor be appointed to oversee the project?	
Property Construction Type? If non-standard (not brick and tile) or a Modern Method of Construction please provide full details of both the roof and wall construction materials and the relevant accreditation (BOPAS or BBA or BRE)	
Please provide details of where you will reside during the building project, including associated costs i.e. rent	
For long term Interest Only mortgages - what is your ultimate exit strategy at the end of the mortgage term? (Please refer to Lending Criteria for acceptable repayment vehicles)	
Any other information you feel is relevant to support this application?	