

## Information for Residential Mortgage Customers

This booklet outlines some of the key generic conditions relating to our residential mortgage product. These conditions may change from time to time.

The booklet does not seek to explain all our policies and procedures nor does it replace our Residential Mortgage Terms & Conditions or your Offer Letter.

**YOUR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE**

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Turkiye Is Bankasi A.S. is registered in England and Wales under Company No. FC012054.

Turkiye Is Bankasi A.S. is incorporated in Turkey with limited liability at the following registered office address  
İSBANK HEAD OFFICE, İS KULELERİ, 34330, 4. LEVENT - İSTANBUL, TURKEY

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## 1. Our residential mortgage product

We offer the following residential mortgage product subject to our terms and conditions:

- Capital and interest repayment mortgage (tracking the BoE Base Rate) with the option of a 1 year or 2 year fixed rate period.
- First time home buyer/non portable mortgage. The property being your only or main home.
  - Maximum term 15 years.
  - Loan to value maximum 75%.
  - UK resident customers only.

## 2. You will need to obtain mortgage advice

**We cannot provide you with mortgage advice.**

### **What does this mean?**

We want to be clear about the service we provide. Our bank does not offer mortgage advice.

#### **What We Can Do:**

- Provide factual, general information about our mortgage products
- Answer questions about our application process and timelines
- Supply you with a standard Mortgage Illustration document
- Help with practical matters related to your application
- Keep you updated on your application's progress
- Explain our fees and charges

#### **What We Cannot Do:**

- Recommend specific mortgage products for your situation
- Advise you on whether a mortgage is right for you
- Suggest which type of mortgage would best suit your needs
- Compare our mortgages with other lenders' products

Our communications with you - whether in person, by phone, email, or text - will be limited to providing general information and handling your application process.

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**Next Steps:****Mortgage advice**

- You will need to obtain advice from an Independent Mortgage Adviser and provide us with a signed declaration that you have received such advice before we can proceed further with your enquiry and your mortgage application.

Your Mortgage Adviser should take the necessary steps to obtain adequate information from you to allow them to assess your needs and recommend the right mortgage for you. In particular, your Mortgage Adviser should provide you with confirmation that they are happy that the mortgage from us is suitable and appropriate for your needs and circumstances.

An independent mortgage advisor can:

- Review your personal circumstances
- Compare products from different lenders
- Recommend the most suitable mortgage for your needs
- Explain the advantages and disadvantages of different options

You can find FCA-regulated mortgage advisors through:

- Independent financial advisors (IFAs)
- Mortgage brokers
- Other financial institutions

**Execution only service**

We offer our mortgage product on an 'execution-only' basis exclusively to High Net Worth Mortgage Customers. This means you can only apply for our mortgage if you meet one of these criteria:

- Annual net income of at least £300,000, or
- Net assets of at least £3 million

To confirm your eligibility, you must provide a signed declaration validated by a registered accountant.

**What Execution-Only Means for You****Understanding the Service:**

- We will provide information about our mortgage product, but not advice
- You will need to make your own decision about whether the mortgage is right for you
- You should carefully consider whether you need independent mortgage advice before proceeding

**Important Information:**

- We will not assess whether our mortgage product is suitable for your needs
- You will not be protected by the FCA's rules on mortgage suitability
- We will still carry out an affordability assessment to ensure you can afford the mortgage payments
- You retain your right to complain and seek redress if other aspects of our service fall short

While this is an execution-only service, you still have important rights:

- We must still treat you fairly
- We must assess whether you can afford the mortgage
- You maintain your right to complain about our service
- You can still seek redress through the Financial Ombudsman Service if something goes wrong

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**We strongly recommend you consider seeking independent financial advice before proceeding with an execution-only mortgage application.**

### **3. Will I qualify for a residential mortgage?**

#### **Basic Eligibility**

You must be a UK resident. We accept applications from both employed and self-employed individuals.

#### **Age Requirements**

- You must be at least 18 years old to apply
- Your mortgage must usually end before you reach 75
- If your mortgage term extends past your normal state pension age or your expected retirement age (whichever is sooner), we will assess your retirement income to ensure you can afford the monthly repayments

#### **Deposit Requirements**

- You will need a minimum deposit of 25% of the property's value
- The source of your deposit must be evidenced (e.g., savings, gift from family)
- We may require a larger deposit for certain property types

#### **Affordability Assessment**

- We will assess whether you can afford our mortgage product based on your income and expenditure
- We lend up to maximum of 6 times your annual income (or joint income for joint applications)
- We consider various income sources including:
  - Basic salary
  - Regular overtime or bonuses
  - Self-employed income (minimum 2 years' accounts required)
  - Investment income
  - Rental income (if applicable)

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- We will review your regular outgoings, including:
  - Credit card payments
  - Personal loan repayments
  - Day-to-day living expenses
  - Other financial commitments

This assessment helps us determine your maximum affordable monthly mortgage payment

### **Credit Assessment**

#### Credit Search

- As part of our affordability assessment, we will request your permission to contact a credit reference agency
- This search will provide information about:
  - Your previous financial conduct
  - Existing credit commitments and their duration
  - Payment history and reliability
- We require a minimum credit score of 650 (or equivalent)
- If you have had credit issues, we may consider your application if these are more than 6 years old

#### Credit Scoring

- Our credit scoring system awards points based on information from:
  - Your application details
  - Existing relationships with us (if any)Your credit file at the reference agency
- A higher score increases your chances of approval

#### Agreement in Principle (AIP)

- An AIP indicates how much you could potentially borrow before finding a property
- We can provide an AIP if:

You have received advice from an Independent Mortgage Adviser and provided a signed declaration, or

You are a High Net Worth Mortgage Customer proceeding with an 'execution-only' service and have provided a signed declaration validated by an accountant

- The AIP process requires:
  - Basic personal details of all applicants
  - A credit reference agency search
  - Meeting our credit score requirements
- Our AIP is valid for 90 days
- Multiple AIP applications in a short period may affect your credit score
- The AIP is free of charge

**Important Notes:**

- The final lending decision may differ from the AIP if:
  - Your circumstances change
  - We cannot verify your information
  - Your credit status changes
  - We cannot meet our compliance obligations
- The maximum loan amount may vary depending on:
  - Property type and value
  - Your deposit size
  - Property location



#### Required Documentation

- Proof of ID (passport or driving licence)
- Proof of address (utility bills less than 3 months old)
- Last 3 months' payslips and P60 (employed applicants)
- Last 2 years' accounts or SA302s (self-employed applicants)
- Last 3 months' bank statements
- Proof of deposit source

## 4. What type of property can we lend against?

We will consider lending you money to buy different types of old and new property, purpose-built flats or conversions that you wish to buy outright. We may ask you to provide a bigger deposit on some types of property than others. Any loan we make will be subject to a satisfactory property valuation by a surveyor of our choice.

#### Freehold

- If the property is freehold, then you will own the property and the land it is built on. We will not lend on freehold flats.

#### Leasehold

- If the property is leasehold, then you will own a temporary right to occupy the property and the land it is built on. The property and the land are owned by someone else and they lease them to you for a number of years. Leases can last for decades or centuries. There is usually an annual charge for the lease, called a ground rent. We will only lend on leasehold properties with at least **85 years** left on the lease when you apply.
- Before you buy, your conveyancer will check the lease terms to make sure they are acceptable.

We don't lend on:

- Self-build/custom build
- Properties with non-standard construction
- Mobile homes or houseboats

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## 5. What happens after we send you a mortgage offer?

### Steps in the Home Buying Process

#### Important Documentation

- Review your mortgage offer and conditions thoroughly - these are legally binding documents
- Your conveyancer or Mortgage Advisor can explain any terms or conditions you don't understand
- Arrange necessary insurance:
  - Buildings insurance (mandatory)
  - Contents insurance (recommended)
  - Life insurance or critical illness cover (optional, but recommended to protect dependents)

#### Your Conveyancer's Role

Your conveyancer will handle the legal aspects of your purchase:

#### Pre-Exchange Tasks:

- Conduct property legal searches
- Review and explain your mortgage offer and conditions
- Prepare and verify all legal documentation
- Arrange for document signing
- Collect funds for:
  - Property deposit
  - Search fees
  - Legal costs
  - Stamp duty (if applicable)

### Exchange of Contracts

- Your conveyancer will agree a completion date with the seller's solicitor
- Contracts are formally exchanged
- The purchase becomes legally binding

Important: Buildings insurance must be in place from exchange of contracts

### Between Exchange and Completion

Your conveyancer will:

- Request the mortgage funds from us
- Conduct final Land Registry checks
- Prepare completion statements
- Arrange for remaining funds to be transferred

You should:

- Arrange removals
- Set up utilities
- Organize mail redirection if needed

### Completion Day

- Your conveyancer transfers the purchase funds to the seller's conveyancer
- Once funds are received, keys can be collected from the estate agent
- You can move into your new property

#### After Completion

- We will send confirmation that your mortgage has started
- Your conveyancer will:
  - Register your ownership with the Land Registry
  - Send you the completed registration documents
  - Provide a final statement of accounts

#### Important Notes:

- Keep all documentation safe
- Ensure your first mortgage payment is set up
- Register for council tax
- Inform relevant parties of your new address

## 6. Changing your mortgage offer

### What if my personal circumstances have changed?

- Tell us if any of the personal information you have given us when you applied for your mortgage has changed for example, we need to know about changes in your employment, your address or your financial circumstances. All these things may affect our ability to give you part or all of the mortgage you have asked for.

### What if the property's purchase price has changed?

- If the purchase price drops, we may not be able to lend you as much as you first wanted.
- If the purchase price rises, you may need to borrow a little more. When this happens, we will check you can afford the increased monthly payments. If you can and we think the property's value will allow it, we can increase the mortgage amount.
- If there are any changes to your mortgage application after we have made you a mortgage offer, you will need to speak to your Mortgage Adviser again.
- You will not be able to complete the purchase of your new property until we have confirmed that we can make you a new mortgage offer.

**What if my house purchase falls through and I have to look for another property to buy?**

- You will need to contact your Independent Mortgage Adviser and we will need to reassess your application.
- If you want the same mortgage amount, you may be able to keep the mortgage deal you arranged on the old property and transfer it to the new property.
- You will need to pay for a valuation on the new property.
  - If the valuation is acceptable and the information we have obtained from credit reference agencies has not changed, we can usually offer you a new mortgage without restarting the whole process.

## **7. Changing your mind**

### **Your Right to Reflect on the Mortgage Offer**

#### **Reflection Period**

- You will have at least 7 days from the date of the mortgage offer letter to consider the terms and conditions
- This reflection period is mandated by FCA regulations to protect your interests
- During this time, you can carefully review all aspects of the mortgage offer

#### **Purpose of the Reflection Period**

- Gives you time to:

Thoroughly read the mortgage conditions

Seek independent advice and ask questions about any terms you don't understand

Make an informed decision without pressure

#### **Important Considerations**

- The reflection period does not obligate you to proceed with the mortgage
- You can withdraw your application during this time without penalty
- Consult with your advisors if you have any doubts
- Keep all documentation for your records

**Next Steps**

- Carefully review the entire mortgage offer
- Compare the terms with your initial expectations
- Ensure you understand all financial commitments
- Seek clarification on any unclear points from your advisors

**8. What we will do when your mortgage starts?**

We set up your new account and start charging you interest from the day we release the loan money.

**How do you calculate my first payment?**

- Your first monthly payment is made up of interest charges from the day we release the mortgage to the end of the month, plus your first monthly payment.

**When will you collect my first payment?**

- We always collect your first payment in the month after your mortgage starts. For example, if we release your mortgage in June, we'll collect your first payment in July.
- When you applied for your mortgage, we asked you what day of the month you wanted to make your monthly payment. We will collect your first payment on the day you choose, unless this day is non-business date. If it is, the payment will be collected following business day.

**When will you tell me about this?**

- On the first working day after we release the money, we will write to tell you when we will collect your first and subsequent monthly payments and which bank account we will collect them from.
- The letter will also give a summary of other information we agreed with you when you applied for your mortgage, such as whether it is a variable interest rate repayment mortgage with a fixed interest period or otherwise.
- Variable interest rates can change. We will not notify you of any change in rates between the date of the offer and the date you take out the mortgage. We will confirm the rates in the letter.

## 9. Early redemption charges

What Are Early Redemption Charges?

An early redemption charge is a fee applied when you repay all or part of your mortgage before a specified period. This charge is detailed in:

- Your mortgage offer letter
- Mortgage Illustration
- Annual mortgage statement

Why Do We Charge These Fees?

- When we set up your mortgage, we plan for a specific lending period
- Early repayment disrupts our financial planning
- The charge compensates us for the financial costs associated with early settlement
- It helps us maintain competitive mortgage rates for all customers

When Are Early Redemption Charges Applied?

- Charges apply during the specified early repayment charge period
- The charge will be calculated based on:

Whether you're repaying the full loan or a partial amount

The outstanding balance at the time of repayment

- The charge will never exceed the maximum amount specified in your offer documents

Important Notes:

- Contact us to get an exact calculation of any early redemption charges
- Charges are designed to be fair and transparent
- The specific rates and periods are detailed in your mortgage offer

Recommendation:

Before making any early repayments, speak with our mortgage team to understand the exact implications and charges.

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## 10. Repaying your mortgage in full

You can repay your mortgage in full at any time, as long as you also pay any early repayment charge that applies (see Residential Mortgage Fees & Charges Schedule).

### How do I do this?

- Ask us for the total amount needed to repay your mortgage.
- We will ask you what date you want to repay your mortgage so we can give you an exact figure that includes all costs and charges up to that date.
- You will not need to use a conveyancer to repay your mortgage as your property will be in the UK (excluding Scotland) and we will make arrangements to remove our charge at the Land Registry.
- If you are already using a conveyancer, perhaps because you are moving house, they will usually ask us for the amount needed to repay your mortgage and will deal with repaying it.

## 11. Seeking help if you have financial difficulties

We understand that sometimes circumstances change unexpectedly and it may be difficult for you to meet all your financial commitments. Sometimes you may need some help for a while. If you do, we are here to help as much as we can.

If you need help, you should contact us straight away so we can discuss your options. The sooner you contact us, the more chance we will be able to find a way to help.

### What happens if I fall behind with my monthly payments?

- If you miss your regular monthly payment and we have not agreed that you can do so, we will write to let you know. We may also try to contact you in other ways such as by phone or text message.
- You should contact us as soon as possible if you miss any monthly payments. You will need to set up and maintain a separate payment arrangement in order to repay any arrears as these will not be repaid as part of your regular monthly payments.
- If your mortgage has been in arrears for a period of time we may consider legal action to repossess your property. This is a last resort and something we want to avoid. It is important that you speak to us so we can look at ways to help you deal with your mortgage arrears.
- If we take legal action, the legal costs will be added to your mortgage balance. You will have to pay these and they can be high. Any time we add such costs to your mortgage account we will write to let you know how much it will be.



## 12. When will we contact you?

At times we will write to you about your mortgage and these include:

- Sending a statement of your account each year;
- If we are changing your monthly payment, for example when variable interest rates change;
- When your mortgage products come to an end; and
- If we do not receive your monthly payment when we expect it.

## 13. When can we make changes to your mortgage?

There will be times during the life of your mortgage when we need to make changes to manage your account correctly. This includes:

- Amending your monthly payment;
- Adjusting your mortgage balance; or
- Changing our variable rate.

This section gives more information about some of the changes we may make. For full details of when we can make changes to our agreement and your mortgage, see our Residential Mortgage Terms & Conditions provided with your mortgage offer.

### Keeping your mortgage on track to repay at the end of the term

- Sometimes, the amount of your monthly payment may need to change to ensure it remains at the level needed to repay your mortgage by the end of the term. This might be for a number of reasons, for example;
  - Your mortgage balance may have changed because of a cost or charge you've had to pay;
  - You've made early repayment; and
- We will check your mortgage every year and work out a new monthly payment to ensure that it remains on track to pay off everything you owe other than arrears by the end of your mortgage term.
- If you miss any monthly payments, you will need to set up and maintain a separate payment arrangement in order to repay any arrears as these won't be repaid as part of your regular monthly payments.

### Changing our variable rate

- Our variable rate is the rate your mortgage may transfer onto at the end of your initial product period for example, after your 1 or 2 year fixed rate period has expired. Your offer letter will confirm the variable rate that applies to your mortgage and how it is determined.

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- We can change our variable rate consistent with the terms as set out in your offer letter, so the variable rate you are charged during your mortgage term might be different to the variable rate at the start of the mortgage term.
- We can reduce our variable rate for any reason.
- If our variable rate that applies to your mortgage is increasing or decreasing, we'll tell the reason for the change when we write to tell you to confirm what your new monthly payment will be.

## 14. If you want to make changes to your mortgage

Sometimes during the life of the mortgage, you may want to make some changes to the terms we agreed at the start, for example:

- Change the payment date;
- Extend or reduce the mortgage term;
- Borrow more; or
- Add or remove a person named on your mortgage account

This part explains how you can ask for a change and what will happen if we agree to it.

### Changing your monthly payment date

- When you applied for your mortgage we asked you what day of each month you wanted to make your payment. However, if you need to change the day you pay your mortgage, we will allow you to do this if it is no later than the 28th. Your monthly payment amount may rise or fall if you change the day.

#### How do I do this?

- Contact us to ask if you want to change your payment date. We will update your mortgage details and change the date we collect your repayments. This may not be in the month of your request.

### Changing the mortgage term

- At any time, you can ask to change the mortgage term from what we originally agreed with you. This might be because:
  - You think you can afford to pay more and would like to pay off your mortgage sooner, or
  - You want to reduce your monthly payments by extending your mortgage term.
- You will need to get our agreement to do this.

**Extending your mortgage term will increase the amount of interest we charge.**

#### How do I do this?

- You will need to speak to your Mortgage Adviser. They will discuss your circumstances before recommending whether this change is right for you.
- We will also need to check whether you can afford the new monthly payment before making our decision.

#### Additional borrowing

- When you have had your mortgage account with us for at least six months, you may ask to borrow more money against your property.
- Customers borrow more money for different reasons, for example:
  - To make repairs or improvements to their properties; or
  - To give to their children as a deposit for their own home.

#### How do I apply for additional borrowing or a product transfer?

- You will need to speak to your Mortgage Adviser. They will discuss your circumstances before recommending whether this change is right for you.
- We will also need to check whether you can afford the new monthly payment before making a decision.

#### Adding or removing a person named on your mortgage account

- If you want to add or remove someone on your mortgage account, you will need to apply to us for a re-mortgage.
- Your Mortgage Adviser will discuss your current and future plans and check whether anyone you are adding to the mortgage is suitable.
- You will need to provide with a declaration that you have received the necessary independent mortgage advice in support of your decision.
- You will need a conveyancer to do the legal work.

## 15. What if someone lives with you but will not be named on the mortgage?

Any person aged 17 or over who will occupy the mortgaged property must sign an Occupier's Deed of Consent Form.

By signing this form, the occupier agrees to:

- Acknowledge the mortgage lender's rights
- Waive any potential tenancy claims
- Agree to vacate the property if we take possession due to missed mortgage payments

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## Letting your property

Consistent with the offer letter and our Residential Mortgage Terms & Conditions, we will not allow you let your property to tenants.

## 16. Contacting us

Our promise is to do our best to resolve any problem you have immediately. Where we cannot, we will ensure you know who is dealing with your complaint. Please let us know by contacting any of the following:

- Your Relationship Manager; or
- By email to [complaints@isbank.co.uk](mailto:complaints@isbank.co.uk); or
- By writing to the Head of Compliance, Isbank London Branch, 1 Bartholomew Lane, London EC2N 2AX

If you are still not happy and we cannot put things right to your satisfaction, you can contact the Financial Ombudsman Service provided you have tried to resolve the matter directly with us first, by telephone on 0800 023 4567 (or +44 207 964 0500 if calling from outside the UK) or by email (<https://www.financial-ombudsman.org.uk/>) or by writing to: The Financial Ombudsman Service, Tower Exchange, London E14 9SR.