

Armed forces mortgage guide

We'll help you find a Barclays mortgage that's right for you.







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Introduction

We understand that applying for a mortgage can seem a complicated and time-consuming process when you're serving in the armed forces – but it doesn't have to be. As a proud signatory to the Armed Forces Covenant, we've produced this guide to show you how to get a mortgage with us. We'll explain how to choose from our range of mortgages that we've designed to meet your needs, and provide tips on managing the application process – wherever you are in the world at the time. We hope you find this guide useful and look forward to helping you.

Get in touch with us

Call us on 0333 202 7580. Lines are open all day, every day, except on bank holidays.

Start a web chat at barclays.co.uk/mortgages/guides

Start a video call – find out how to start using Video Banking with the Barclays app at barclays.co.uk/ways-to-bank/video-banking

How we can help

We have a range of mortgage services tailored to the specific needs of armed forces personnel.

Help to buy

We support the government-backed **Forces Help to Buy scheme**, which lets service personnel borrow up to 50% of their salary to a maximum of £25,000. This money can be put toward a deposit or used to pay for estate agent and solicitor fees.. Find out how to apply at barclays.co.uk/current-accounts/armed-forces

Flexible access to our services

Wherever you are in the world we want to make it **easy for you** to bank with us, and that includes applying for and managing your mortgage. You can find out in minutes whether you could borrow the amount you need from us with an **online Agreement in Principle** (just remember it's not a guarantee that we'll offer you a mortgage), and our **telephone and video mortgage advisers** are on hand if you're deployed overseas.

You can even send and sign documents securely online (although you might need to visit a UK branch to verify your ID). Once your mortgage completes, our secure online and mobile banking means you can manage your mortgage anywhere, anytime.

No UK address?

When someone applies for a mortgage with us we usually need to see proof of address for the past two years. But as we know that you may need to change location frequently and at short notice, we're happy for you to **use your British Forces Post Office address on your application**.

Permission to let

If you have a mortgage with us and you're moving barracks or being deployed, in most cases **we'll allow you to rent your property for up to two years** without changing to a buy-to-let mortgage. You can then cancel this agreement on your return and continue as before, giving you flexibility with your mortgage throughout your forces career.



Preparing to apply

So, you've decided to apply for a mortgage with us – what happens next?

See what you could borrow

Use our [calculators \(barclays.co.uk/mortgages/mortgage-calculator\)](https://www.barclays.co.uk/mortgages/mortgage-calculator) to work out roughly how much you may be able to borrow and see examples of what various mortgages would cost. Then see if you could borrow the amount you need with an [online Agreement in Principle \(AiP\)](https://www.barclays.co.uk/mortgages/agreement-in-principle) – it's not a guarantee we'll offer you a mortgage, but it will help you make realistic plans ([barclays.co.uk/mortgages/agreement-in-principle](https://www.barclays.co.uk/mortgages/agreement-in-principle)).

Work out your deposit

You'll usually need a deposit of 10% of the property value, but as we mentioned in section 1, you can take advantage of both the Armed Forces Help to Buy scheme and the government's equity loan scheme. Visit the websites below to find out how to use these schemes to reach your deposit goal in conjunction with your savings.

Another way to get help with a deposit is to apply for our Family Springboard Mortgage, which lets your loved ones help you out without having to spend their savings – we'll tell you how in section 4.

- [barclays.co.uk/current-accounts/armed-forces/](https://www.barclays.co.uk/current-accounts/armed-forces/)
- [barclays.co.uk/mortgages/help-to-buy/equity-loans](https://www.barclays.co.uk/mortgages/help-to-buy/equity-loans)
- [gov.uk/guidance/forces-help-to-buy](https://www.gov.uk/guidance/forces-help-to-buy)

Assess your finances

We need to understand your finances to make sure you can afford to borrow the amount you apply for, so you'll need to tell us about:

- Your basic annual salary
- Any extras such as allowances or bonuses
- Details of any finance agreements, credit cards and other mortgages
- People who depend on you financially, and any school fees, day care or maintenance payments.

Gather the right documents

You'll also need to provide **proof of income** for you and anyone you're applying with, such as a partner or relative – go to [barclays.co.uk/mortgages/appointment](https://www.barclays.co.uk/mortgages/appointment) to see a list of the documents you'll need. If you don't get paper copies of payslips and bills, you can submit digital copies securely online – we'll tell you how.

The application process

Here's a step-by-step guide to the mortgage application process.

Before your appointment

- We'll confirm your appointment time and details, and your mortgage adviser's details
- We'll also explain how to use DocuSign to upload your documents securely.

Mortgage adviser calls

- Your mortgage adviser will contact you before your appointment to introduce themselves
- They'll confirm which documents you'll need, answer any questions and arrange to speak with any joint applicant who won't be attending the appointment.

Prepare your documents

- Branch appointment – check you have all the documents we'll need before you set off
- Phone or video appointment – your mortgage adviser will have sent your DocuSign details, so make sure you upload your documents before the call.

Attend your appointment

- Your mortgage adviser will check your application details, and verify your identity if that hasn't been done
- They'll also go through your income and regular outgoings to ensure you can afford to pay back the amount you want to borrow.

Your lending decision

- They'll then run a credit check to confirm whether we can offer you a mortgage – this is called a Decision In Principle (DiP)
- Your DiP is valid for 30 days, but it's not a mortgage offer.

We'll recommend a mortgage

- Your mortgage adviser will discuss what type of mortgage is suitable for your needs
- They'll also talk to you about protecting your mortgage with insurance, such as life insurance, critical illness and home cover
- Based on your conversation, they'll then recommend a mortgage for you.

Sign your documents

- Branch appointment – if you're happy with our recommendation, you need to sign your documents to confirm this
- Phone or video appointment – your mortgage adviser will ask you to confirm using DocuSign
- We'll then submit your application for final approval.

Processing your application

- After your appointment, our team of experts will check every detail of your application
- The mortgage adviser you spoke to may get in touch if we need to arrange a property valuation or ask you for more details.

Mortgage offer

- If we're happy to approve your application, we'll send you a formal mortgage offer
- The offer is valid for six months and sets out the terms and conditions of the deal
- We'll send one copy to you and another to the solicitor handling your purchase or remortgage – so they know the mortgage money is in place.

That's it – you now have a formal mortgage offer.

Once the solicitors are ready to complete the purchase or remortgage, we'll send them the money to complete your mortgage.

Our mortgages

We offer a wide range of mortgages designed to suit everyone's needs, from first-time buyers and those looking to remortgage to buy-to-let investors. The rates on our mortgages change regularly but you'll always find the following types.

Fixed rate

You pay a fixed rate for a set time, so your payments won't change until that period ends. Then you'll automatically switch to the follow-on rate noted in your mortgage offer letter – but you can apply to switch to a new deal up to 90 days before your fixed rate period ends.

Tracker

Your rate can go up or down depending on the market, which means your monthly payment amount could change.

Offset

Link your savings to your mortgage to reduce the mortgage balance we charge interest on – then use your savings to either pay off your mortgage faster or reduce your monthly payments.

Buy to let

Buy property and rent it out or build on your current buy-to-let portfolio with a fixed-rate or tracker mortgage to suit your business plan.

Family Springboard Mortgage

Unique to Barclays, this mortgage lets your loved ones help you get on or move up the property ladder without having to spend their savings. Here's how it works.

You don't need a borrower deposit

Your family or helper provides security to your mortgage by opening a Helpful Start account with 10% of your property purchase price.

Your family gets their money back with interest

If you make all your mortgage payments on time, we return their money after five years with interest.

You keep full rights to the property

Your family or loved one isn't considered a guarantor – but we may retain some of their money for longer than five years if you miss any payments.

Fixed monthly payments for five years

We charge a fixed rate of interest for the first five years – then you move to our lifetime tracker rate.

Protecting your mortgage

A mortgage is likely to be the **biggest financial commitment** you'll make during your lifetime but, crucially, it can also be **one of the riskiest**. In the event of an untimely **death or critical illness, or serious damage to the property**, you'd still need to pay the mortgage. If you didn't have the money, you could risk losing your home.

That's why we'll talk to you to make sure you have the **right cover for your needs**, and give you the opportunity to protect yourself with life and critical illness cover through our partner Legal & General, and home insurance through our partner Aviva.

Life and critical illness cover

Life insurance

- Pays out a tax-free sum on death during the policy term
- Pays out a tax-free sum on diagnosis of a terminal illness
- Premiums are guaranteed for the life of the policy, if no changes are made.

Critical illness

- Pays out a tax-free sum on diagnosis of a critical illness (such as a heart attack or stroke)
- Pays out on diagnosis of a total and permanent disability
- Premiums are guaranteed for the life of the policy, if no changes are made

Why Legal & General?

Expert claim handlers

If you need to make a claim it will be dealt by one of Legal & General's claim handlers. They've all been specially trained to deal with people facing difficult situations, so you can count on their sensitivity.

Claim statistics

Many people worry that their insurance policy won't pay out when they need it most. In 2016, Legal & General paid out on over 98% of their life claims and more than 92% of their critical illness claims.

Talking about your protection needs

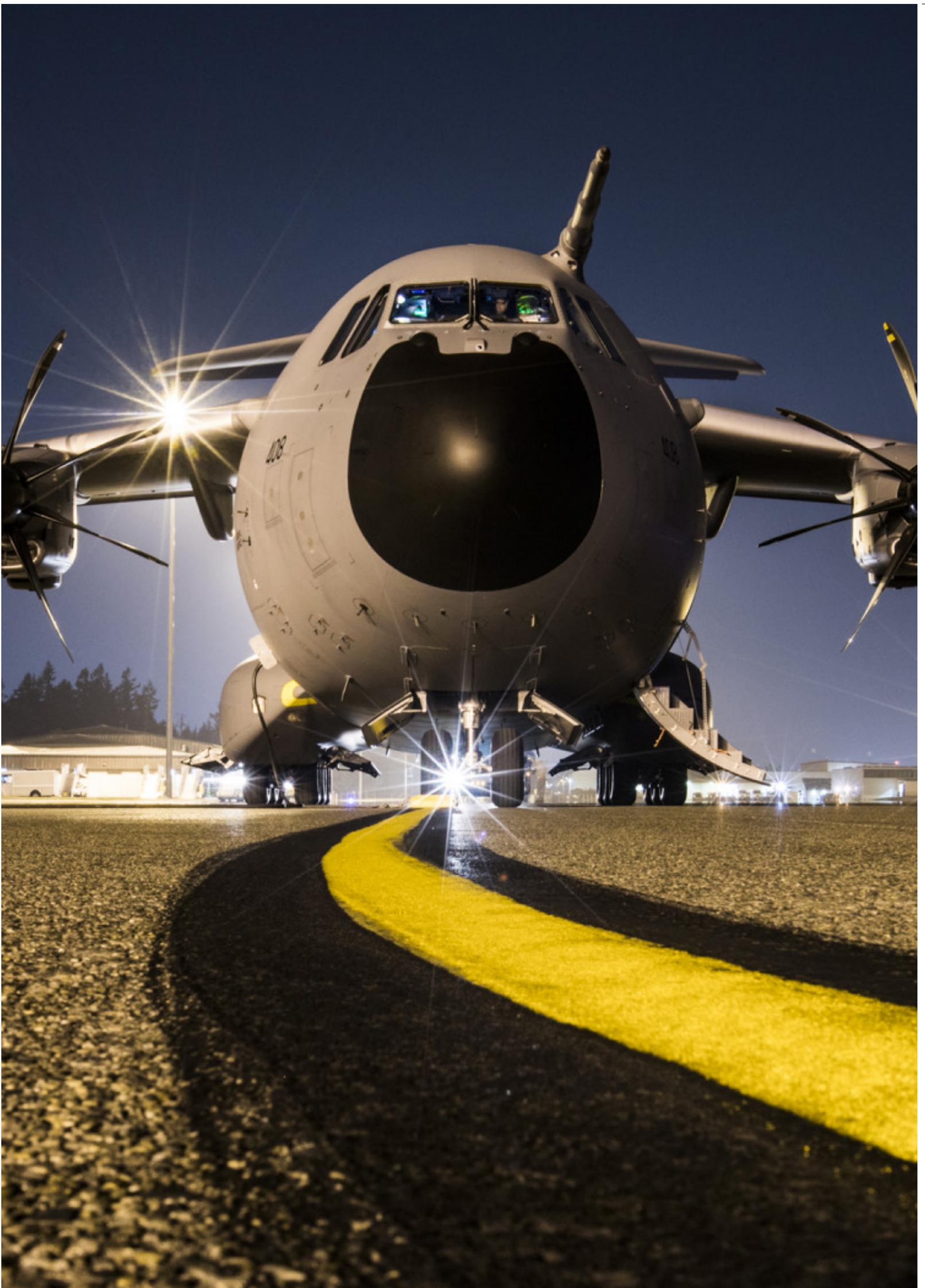
All our mortgage advisers are qualified to advise you on Legal and General's policies, and will give you a tailored illustration to protect your mortgage as part of the application. We've highlighted the steps involved and the choices we'll give you so you can select the right product for your needs and preferences.

The preparation call

- Your mortgage adviser will contact you before your appointment to discuss what cover you have or may need
- They'll arrange for you to send them the details of any policies you already have
- They'll ask you to start thinking of a budget for mortgage protection on top of your mortgage payments.

Illustration and recommendation

- During your mortgage appointment, your adviser will document any existing cover, highlight any cover shortfalls and discuss the benefits of a Legal & General policy
- They'll then give a tailored illustration to protect the mortgage
- You can amend the cover we suggest to suit your priorities.



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Answers to common questions

We understand that armed forces personnel have particular needs, so we've answered some of the most common questions from our armed forces customers for you.

How long does it usually take to get a mortgage offer?

It depends on the type and complexity of the application, but normally going from first contact to offer takes around three weeks.

How do you work out how much I can borrow?

It's based on your income and any amounts you have to pay out regularly, such as repayments for other types of borrowing. Our aim is to make sure you have enough disposable income to afford your mortgage payments - even if interest rates go up in future.

If I'm deployed overseas, will I need to change my mortgage to a buy to let?

In most cases we'll allow you to rent your property for up to two years on a permission-to-let basis (a non-permanent rental arrangement).

Can I apply for a mortgage in my last year of service?

Yes, you can. We'll base your application on your current income but take into account any future changes in your circumstances.

What happens if I have difficulty paying my mortgage?

There are various ways we can help you with financial worries, especially where your mortgage is concerned. The most important thing to do is get in touch as soon as you can. The earlier you speak to us, the more options we can provide. You can read a more about how we can help at [barclays.co.uk/mortgagehelp](https://www.barclays.co.uk/mortgagehelp).

Will my application be affected because I move barracks every few years?

No, as long as you can provide a three year address history (either your home or BFPO address) that can be traced through your credit file, moving barracks won't affect your application.

Will I have to pay solicitor and valuation costs to move my mortgage to Barclays?

No. Unlike some lenders, we offer a free legal service and mortgage valuation to make the process of switching to us easier and more cost-effective. But check whether your current lender will charge you for leaving them so you have the full picture.

Will you need to see me in person to complete my mortgage application?

It depends. We offer telephone and video mortgage appointments, but if you don't have a bank account or other services with us, you'll need to visit one of our UK branches to show us your proof of ID and address. Your mortgage adviser will let you know if you need to do this.

Can I apply for a mortgage if I've had problems with my credit history?

It depends. Some information in your credit history could mean we can't offer you a mortgage until a period of time passes with no occurrences of those problems. But if those problems are behind you, we may be to lend to you.

Can I apply if I'm an army reservist?

Yes, as long as you can provide recent monthly payslips that show your income from your reserve duty.

Any more questions?

If you have a question we haven't answered and would like to speak to one of our mortgage team, we're here to help. You can find our contact details on the front of this guide, or if you'd rather visit us at a branch then feel free to drop by. Visit [barclays.co.uk/branch-finder](https://www.barclays.co.uk/branch-finder) to get the details of your nearest branch.



Your home may be repossessed if you do not keep up repayments on your mortgage

You can get this in Braille, large print or audio by calling **0800 400 100*** (via Text Relay if appropriate) or by ordering online from barclays.co.uk/accessibleservices

Call monitoring and charges information

Please note that this guide is for information only, is constructed from publicly available information and does not constitute an offer of, or the provision of, advice

To maintain a quality service, we may monitor or record phone calls. Find out about the cost of calling us at barclays.co.uk/callcharges.

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