AL RAYAN BANK

Banking you can believe in

Home Purchase Plan

Tariff list

alrayanbank.co.uk

Fees when you apply

Administration fee

Al Rayan Bank charges a fee that covers the administrative and operational costs in processing your HPP application.

The fee charged depends on the product that you take. The fees that currently apply are detailed on our website, and the fee that relates to your particular product is detailed in the Risks and Features document that we provide to you.

If we choose not to progress with your HPP application through no fault of yours, we will issue you a full refund of the administration fee. If you withdraw your application or if we decline your application because you have misrepresented yourself, the administration fee will not be refunded.

Valuation fee

To progress with your HPP application, we require a property valuation report to establish the value of the property and if the property is suitable security for the HPP.

We will arrange the property valuation report. The fee for the report is paid by you and is non refundable.

The cost of the valuation depends on the type of valuation report and the value of the property. Please refer to the table of valuation fees on page 4 to find out the charges.

Valuation reports when you apply

Automated Valuation

We may be able to assess the property value without a physical inspection by using an Automated Valuation Model (AVM) which uses the values from similar properties to determine a value for your property.

If we use an AVM, we will not give you an inspection report, but we will give you an indication of the value of the property.

However, not all properties are suitable for this method of valuation, in which case we will arrange for a surveyor to visit the property and you can choose between the two following types of valuation report.

Standard valuation report

A standard valuation report is a general inspection carried out on behalf of Al Rayan Bank by a qualified valuer to help Al Rayan Bank decide if the property is suitable security for the HPP.

The standard valuation report does not consider the wider condition of the property because many aspects of the condition do not directly affect the value of the property or, the security of the HPP.

For this reason, the standard valuation required by Al Rayan Bank may not be suitable for you, particularly if you require specific details about the general condition of the property.

Royal Institute of Chartered Surveyors (RICS) HomeBuyer report

The HomeBuyer report is an easy to understand guide to the significant defects evident within a property. The main aim of this report is to help you understand the condition of the property, before you commit to the transaction. It is not used by Al Rayan Bank as we will rely on our own standard valuation report to find out about the property.

RICS owns the HomeBuyer report format and controls who can use it. Only a RICS qualified surveyor can provide a HomeBuyer report.

The HomeBuyer report looks at both the exterior and interior of the property, and includes advice on defects that may affect the value of the property, with repair and ongoing maintenance advice.

In general, it helps potential homeowners to evaluate the financial and practical implications of the property in its present condition and can be used as a tool to negotiate when defects are identified.

A HomeBuyer report comes at an additional cost to the standard valuation report, and can be carried out at the same time as the standard valuation report that we require.

A HomeBuyer report can also be carried out in its own right which might be useful for you if we have valued the property with an AVM.

Please refer to the table of valuation fees on the next page to find out the charges for the different types of valuation report.

Table of valuation fees

Property value	Automated valuation fee	Standard valuation report fee	Refinance valuation report fee	Combined valuation & HomeBuyer report fee	Homebuyer report
£300,000	£55	£366	£366	£998	£632
£350,000	£55	£423	£423	£1,081	£659
£400,000	£55	£481	£481	£1,166	£685
£450,000	-	£549	£549	£1,261	£711
£500,000	-	£619	£619	£1,358	£738
£550,000	-	£668	£668	£1,431	£764
£600,000	-	£716	£716	£1,498	£791
£650,000	-	£744	£744	£1,553	£817
£700,000	-	£773	£773	£1,608	£843
£750,000	-	£814	£814	£1,661	£870
£800,000	-	£854	£854	£1,714	£896
£850,000	-	£874	£874	£1,740	£922
£900,000	-	£896	£896	£1,767	£949
£950,000	-	£937	£937	£1,845	£975
£1,000,000 +	-	On request	On request	On request	On request

Reinspection fee	Up to £250,000	Up to £500,000	Up to £1,000,000	£1,000,000 +
	£264	£373	£449	£506

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Fees during the processing of your HPP application

Solicitors fees and expenses

The Law Society suggests that for Islamic finance transactions, two sets of solicitors are involved. One set of solicitors represents you, the other set of solicitors represents Al Rayan Bank.

The cost of both sets of solicitors is covered by you.

Al Rayan Bank has created a panel of solicitors who are experienced in the conveyancing process for Islamic finance transactions.

We are confident that by using one of our panel solicitors, the conveyancing process will proceed more smoothly than if you choose your own solicitor, who may not have the same level of experience with Islamic finance.

You are not obliged to use one of our panel solicitors and you can opt to instruct a firm of your own choosing.

However, if you choose to proceed with one of our panel solicitors, Al Rayan Bank will make a **£400** (including VAT) contribution towards the Al Rayan Bank legal costs, which are usually around **£500** (including VAT).

Due to the level of administrative work required, the legal costs incurred for the new build properties could be substantially more.

If for some reason the fees are substantially more than this, you will be advised as early as possible in the process.

If after you have received your HPP offer you make the decision not to proceed, or if we exercise our right to withdraw the offer because our full requirements have not been fulfilled, you will be liable to pay our actual legal costs incurred.

Fee assisted HPP

Al Rayan Bank offers a range of fee assisted HPPs which are designed to help cover some of the costs associated with taking out a HPP. For details of the fee assisted HPP range, please visit our website **alrayanbank.co.uk**.

The full details of the assistance we provide will be confirmed to you in the Financial Information Statement that we send to you before your HPP completes.

Amendments to offers

If following the receipt of your HPP offer, there is a change in your circumstances which requires us to produce a new offer, a fee of **£50** will be payable by you for each amended offer.

CHAPS transfer fee

Al Rayan Bank uses CHAPS (Clearing House Automated Payment System) to transfer the finance amount to our solicitor.

There is a **£15** charge for using CHAPS which is paid by you.

Fees during the HPP term

Additional Acquisition Payment (AAP)

These are additional payments over and above the regular monthly acquisition payments that you will make to Al Rayan Bank.

AAPs can be used to either reduce your finance term, or reduce your monthly payments.

These payments can be made in each rent review month, and Al Rayan Bank will need to be in receipt of cleared funds by the 20th of that month.

The payments are subject to a minimum amount of **£4,000** and incur a small administration fee of **£25**. You should note that no AAPs are permitted on a fixed HPP product during the fixed rental rate period.

Information about your account

- If you need a further copy of your annual statement - **£5 a copy**
- If you need copies of any correspondence we have sent relating to your account - **£25**
- Copy of Deeds (or any part thereof) - **£25 (up to 10 pages)** or **£50 (11+ pages)**

Additional administration fees

Under the terms and conditions of the legal agreements, we have the right to charge you reasonable fees for any administration in connection with your HPP account.

You will also have to pay our solicitor's charges that may arise from any administration, changes to your HPP account or changes to the terms and conditions of the legal agreements requested by you.

Any additional administration fee will be agreed with you in advance and prior to processing you request.

Fees when you settle your HPP account in full

These include discharge of the Legal Charge at HM Land Registry, administering the account and where necessary, sending documents by secure post.

- England and Wales - **£200 + VAT**
- Scotland - **£175 + VAT and £60 Land Registry Fee**
- Settlement statement and revised settlement statements - **£20**

Fees which may be charged in other circumstances

Delayed payment

We reserve the right to charge an arrears fee on a monthly basis.

This covers charges in respect of your account if you fall behind with your payments.

Whilst your Finance Payment is in arrears, we will make a charge every month towards the administration costs incurred in supervising the account until the arrears are paid. This fee will continue to be charged if we start litigation proceedings until we take possession. Once our costs have been recovered, we will donate any additional amount to charity. This has been approved by our Sharia Supervisory Committee and Al Rayan Bank does not profit from any extra income.

This fee will be waived should you enter into a monthly agreement to clear your arrears and you maintain this arrangement.

We will inform you by letter, when we are charging fees and how they are being collected from you or how you need to pay them.

Any arrangements which are not maintained will result in a Missed Monthly Payment Fee and the Arrears Management Fee being charged.

Circumstances	Fees
Missed monthly payment (This includes unpaid/returned Direct Debit (payable when your nominated bank rejects a Direct Debit collection), unpaid standing orders, returned cheque, insufficient funds in your Al Rayan Current Account	£8
Arrears management fee (payable each time a monthly payment remains unpaid for at least 7 days after a nominated monthly payment date)	£16
When we have to transfer your case to our solicitors to take enforcement action against the finance outstanding	£100
When we have to pay ground rent or a service charge because you failed to do so	£100 plus ground rent or service charge
If we need to check the property whilst you remain in arrears	As per standard valuation report fee
Further costs and fees if legal action is taken	The total amount charged will depend upon the circumstances of your case
Our solicitor's fees	You will have to pay our solicitor's charges if we have to enforce our rights under the legal documents
If we take possession of the property, we will charge costs for securing it and in connection with its sale under our powers of enforcement	The total amount charged will depend upon the circumstances of your case

All fees quoted in this booklet are inclusive of VAT where applicable unless otherwise stated.

AL RAYAN BANK

Want to know more about any of our products or services?

Visit:

alrayanbank.co.uk

Call us on: **0800 4083 084***

*Calls may be recorded for training and security purposes.

Data Protection

Under the prevailing data protection legislation you have the right of access to your records.

Should you wish to access this right, please contact our customer service team or write to:

Data Protection Officer,
Data Subject Access Requests,
Customer Care Team,
Al Rayan Bank PLC,
24a Calthorpe Road,
Edgbaston,
Birmingham,
B15 1RP

If we don't get it right

Al Rayan Bank PLC will endeavour to ensure that you receive the highest standard of service and that you are treated with courtesy at all times. If you are unhappy with any aspect of our service, we would like to know why.

For a copy of our Customer Care leaflet dealing with our complaint handling procedures, please call our Customer Care team on 0800 4086 407.

Membership of the Financial Services Compensation Scheme

Al Rayan Bank PLC is a member of the Financial Services Compensation Scheme.

This scheme may provide compensation, if we cannot meet our obligations. Most depositors including individuals and businesses are covered.

For more information about the Financial Services Compensation Scheme, visit www.alrayanbank.co.uk/fscs

YOUR HOME MAY BE AT RISK IF YOU DO NOT KEEP UP THE PAYMENTS ON YOUR HOME PURCHASE PLAN

**Al Rayan Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 229148.
Al Rayan Bank PLC is incorporated and registered in England and Wales. Registration No. 4483430.
Registered office: 44 Hans Crescent, Knightsbridge, London, SW1X 0LZ.**

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Banking you can believe in