



But I've been offered a great deal by my current lender, haven't I?

Case Study - Mr & Mrs S from Wolverhampton.

Our clients were coming to the end of their Halifax fixed rate of 2.69%, with a mortgage repayment of £632.53 per month on their £150411 mortgage balance, over a total term of 28 years (APRC 3.8%)

They contacted us and we met to review their mortgage arrangements.

Our first action was to look at their existing lenders offering to them. In this case the Halifax would offer a fixed rate of 2.49% over the clients chosen period of 2 years, followed by a variable rate of 4.24% at the time – meaning a repayment of £625.84 for the first 26 months, then £759.62 for 310 payments, with no set-up fees from the lender (APRC 4%). The total repaid on the whole mortgage would be £252149.

This is a saving to the client of £160.56 over the next 2 years payments!

However, whilst this looks like a great deal a quick look at the 50 plus lenders available to us and we soon found a 2 year fixed rate with Barclays for just 1.94%, followed by a variable rate of 3.49% above base rate, so this was 3.99% (APRC 3.7%) at the time! Meaning a reduction in the monthly repayments to just £580.20 for the first 27 months, then £730.77 for the remaining 309 months. The total repaid over the whole mortgage would be £241983.

A savings over and above the new, proposed Halifax deal of £1094.40 over the next 2 years!

Even after taking account of our professional fees and the lenders set-up costs, plus adding back in the £200 cash back offered by the new lender, the new proposed mortgage represented a saving of £864.40 over just the next 2 years.

So even when your current lender offers you a new deal that is a lower repayment than your current deal, it could still be better for you to have a full review – you win either way: either you have it confirmed by us that your current lender is offering you a great deal, or you get an even better deal!

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

Clients information and interest rates correct at the time of our meeting (25th July 2018). Interest rates may have changed in the meantime. Our fee would be a maximum of £495, depending on your requirements, payable at the time of application to the new lender. Our typical fee is just £395. Figures based on a remortgage of £150411 on a like-for-like basis on a 28 year repayment term, using 2 year fixed rate deals with free legal fees and a free valuation of the property.

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