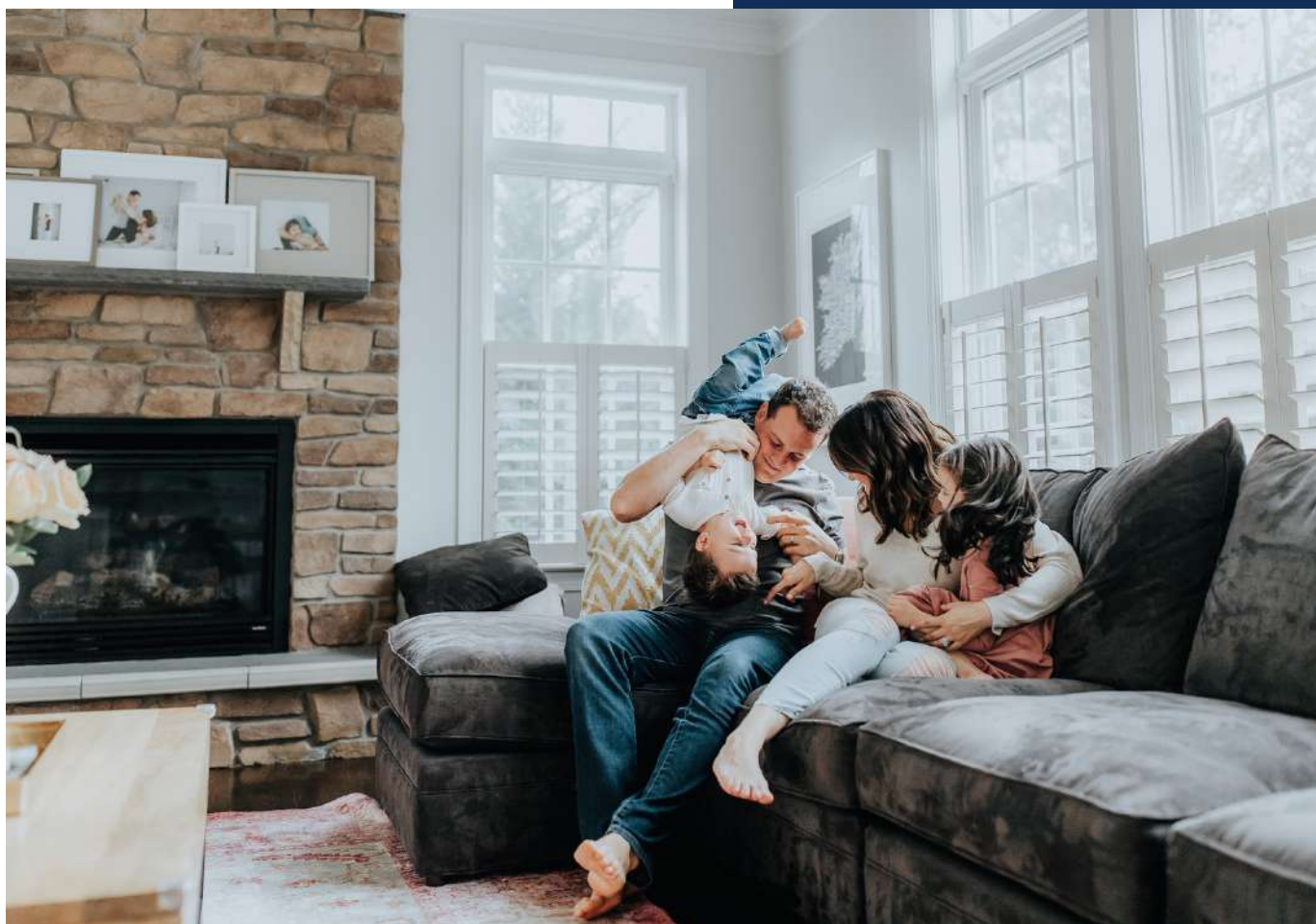




Remortgaging Guide

*Stronger
Together*



Your guide to remortgaging

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WHY SHOULD I REMORTGAGE?

Find the right deal for you and save some money!

There are a variety of reasons people look to arrange a remortgage. Whether you want to cut your costs by moving to a more competitive rate or simply need to raise some extra cash, remortgaging can work for all kinds of purposes.

For most people, their mortgage is their biggest financial commitment. If you're the kind of person who shops around to get the cheapest television or broadband deal, then you're missing a trick by not using the same skills to save money on your mortgage.

WE CAN ALSO HELP WITH...

- Equity release
- Bridging finance
- Secured loans
- Life insurance
- Home insurance
- Income protection
- and much more!



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OTHER REASONS YOU MAY WANT TO REMORTGAGE

It's not just about saving money. It's also about getting a mortgage which is right for you and your situation. So here are some more reasons to think about remortgaging:

Remortgaging means shifting your mortgage from one lender to another to get yourself a better deal. And you don't even have to move house to do it. There are many reasons why remortgaging could make sense for you but the main one is simple. **Saving money.**

For most people, their mortgage is their biggest financial commitment. And it follows that streamlining the largest debt can produce the largest saving. If you're the kind of person who shops around to get the cheapest television or broadband deal, then you're missing a trick by not using the same skills to save money on your mortgage.

Once your introductory offer has ended, you'll be on the lender's Standard Variable Rate (SVR). However, it's unlikely this will be the cheapest option, so it's worth looking to remortgage.

Your mortgage doesn't fit any more

You've had a pay rise or maybe you've inherited some money. You want to make extra payments to your mortgage but your current deal won't let you, or it will only let you make a small overpayment.

Or perhaps you need to be able to miss a payment. Changing jobs or going back into education — whatever the reason, there are mortgages which will let you take payment holidays.

You want to borrow more

Perhaps your current lender has said no to lending you extra money (called a 'further advance') or the terms it's offering aren't very good. Remortgaging to a new lender might allow you to raise money cheaply on low rates.





With so many different products available, the market can be confusing.

Our expert advisers have many years' experience in the financial services industry and are here to help you navigate the market in a clear and concise way.

We can assess your current deal, take your financial circumstances into account and find you the most suitable deal from the whole of the market. We can also alert you to any lock-ins or unfavourable aspects of the deal, so you don't get caught out further down the line.

Making the right choice at the right time can potentially save you thousands of pounds over the mortgage term.

FAQ's

What if I'm on a fixed rate?

If you're on a fixed rate mortgage and tied in for a number of years, your lender will probably apply an early repayment charge if you leave your deal early. Our advisers will be able to answer all your questions and help you understand all the costs which will apply, taking all your circumstances into account.

Do I need a deposit?

You don't need a deposit for a remortgage as you can use the equity you have in your home. If you wanted to get a cheaper mortgage, using a deposit to add to the equity you already own is an option and this will lead to you needing a smaller mortgage.

Will I need a valuation?

Most lenders will instruct their own surveyor or valuer to value your property as part of the remortgage process. The valuation gives the lender a clear understanding of the value of your property. This will be used to calculate your loan to value, which helps the lender decide the deal they are able to offer you.

Repayment options

There are two main mortgage repayment options available to you: repayment and interest only. The availability of both will depend upon your circumstances. Please note that part repayment part interest only mortgages may also be available. We can discuss this with you.

The repayment mortgage:

Each monthly repayment to your lender consists of capital and interest. Gradually your loan reduces, building up equity in your home. At the end of the term, your mortgage loan will be repaid, providing you keep up your monthly repayments. Therefore, this is the safest type of mortgage.

Interest only mortgage:

Each monthly payment to your lender consists of interest alone. Therefore, at the end of the term you will still owe 100% of your mortgage amount borrowed. As no capital repayments are made during the term, monthly costs could be lower.

It is your responsibility to ensure an adequate repayment plan is in place to repay the mortgage at the end of the term. This is likely to be some form of investment or savings plan.

It is your responsibility to monitor the performance of any investment or savings plans performance to ensure they will provide sufficient funds to repay the capital amount borrowed. Making this higher risk than a repayment mortgage.

This type of mortgage is not available from all lenders.



TYPES OF MORTGAGES

You have several options, each of which has advantages and disadvantages.

Type	Description	Advantages	Disadvantages
Fixed	The same monthly payments for the initial period (usually 2, 3 or 5 years). After this period, the rate usually reverts to a variable rate.	Easy to plan as exact costs are known. Payments cannot increase during the initial fixed period.	During the fixed period, payments cannot decrease and early repayment charges may apply.
Variable	The rate will be driven largely by the economy and the market. The lender decides their current rate, which you pay – this does change.	You may benefit from rate reductions and pay less each month. No Early Repayment charges during the term.	Rates may increase and therefore you will pay more each month. Hard to budget.
Tracker	The rate charged is a certain percentage above or below the Bank of England Base Rate for a period of time.	Immediate rate reductions = you pay less. Payments reflect the interest rates of the time.	Immediate rate increases = you pay more. There is no protection from this. Hard to budget.
Capped	This has an upper limit (the cap) for the interest rate but not a lower limit. They are normally a type of variable mortgage.	You get the security of knowing that your payments won't go above a certain level but they can go down if interest rates reduce.	Capped rates can be more expensive than the best tracker or discounted rates; you pay for the security of an upper limit.
Discount	A special offer set below the lender's standard variable rate (SVR) for a fixed period. It's a type of variable rate and your payments can go up and down.	When interest rates are low, your payments will be lower.	If interest rates go up, so will your payments so budgeting is difficult.
Offset	Your savings will be "offset" against the value of your mortgage; you'll only pay interest on your mortgage balance minus your savings balance.	Reduced interest charged on the mortgage. With the interest saved you could shorten your mortgage term or make lower monthly payments.	Mortgage payments may go up if you make a withdrawal from your savings. You cannot earn interest from your savings payment.



YOUR PROTECTION

It is important to keep you, your family and your home safe and secure.

Buildings Insurance

Buildings insurance is a condition of most mortgages. Specific cover varies from provider to provider and it is vital that you have the correct cover in place for your new home.

Contents Insurance

Contents insurance covers your belongings if they are damaged, lost or stolen due to a variety of risks such as fire, flood or theft. Also, you can choose from optional extras, such as accidental damage to contents, pedal cycles, personal possessions away from the home, home emergency or legal expenses.

Accident, Sickness and Unemployment This cover can help you to continue to meet your mortgage repayments for a period of up to 12 months per claim if you are unable to work due to an accident, sickness or involuntary unemployment.

Life Insurance

If you die or are diagnosed with a terminal illness before your cover ends, a Life Insurance policy can pay out a lump sum (or monthly instalments if family income cover is selected). Life Insurance could help towards the outstanding balance of your mortgage and/or provide for your family's future.

Critical Illness Cover

Critical illness cover is designed to pay out a lump sum, or monthly benefit if selected, if you suffer one of a range of illnesses covered by your policy. It can be tailored to suit your needs and also provide cover for your children. Conditions covered will vary from provider to provider.

Income Protection

If you are unable to work due to an accident or sickness, Income Protection is designed to help replace your lost income with a monthly payment, until you are able to return to work or your policy ends.

STAYING IN TOUCH

Part of the ongoing service that Quercus Mortgage & Financial Solutions provide to all of its customers is the opportunity of a mortgage review.

Prior to the end of the initial incentive period on your current mortgage, we will review the options available to you before you revert to your lender's standard variable rate.

Our Mortgage and Protection Brokers offer a straight forward, no obligation mortgage review. We use a panel of UK lenders who offer a wide range of remortgage products - some of which may be exclusive to us. We will ensure that we get the right product to suit your circumstances. We will contact you towards the end of your mortgage incentive period.

However, if you have any questions or queries at any time, please do not hesitate to contact us directly on:

Harrogate office – 01423 317002

Leamington Spa office – 01926 757368

London office - 0208 1763176

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www.quercusmortgages.co.uk



Stronger Together





Think carefully before securing debts against your home. Your home may be repossessed if you do not keep up repayments on your mortgage or any other debt secured on it.

Quercus Mortgage and Financial Solutions Ltd is an appointed representative of The Right Mortgage Limited which is authorised and regulated by the Financial Conduct Authority. Quercus Mortgage and Financial Solutions Ltd is a registered company in England and Wales (registration number 14594651). The registered address is 4th Floor, Silverstream House, 45 Fitzroy Street, London, England, W1T 6EB

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