

Taking advantage of the low interest rates

Most of us have had to tighten our belt during recent events and at time of uncertainty with what the future will bring, but one thing that all mortgage holders can be thankful for are the current low interest rates.

It is the perfect time **to save a considerable amount of interest on your mortgage and reduce your term.** You could save years off your mortgage by making over payments. Rather than getting used to the lower mortgage payment once you deal expires take a look at the following examples if you were to make overpayments each month.

Over payment	Interest Saved	Time saved
£1 per day	£6,101	1 year 9 months
£5 per day	£22,357	6 years 8 months
£10 per day	£34,344	10 years 6 months

(based on 25 year repayment mortgage of £130,000 at 4%)

It may not be beneficial to move your mortgage to a new deal at the moment if you are on a low standard variable rate although some people feel they want to take advantage of the low rates by transferring to a fixed rate now before rates start to increase again.

This is something you can arrange but we must ensure the fixed rate deal with the lender allows you the options to make over payments with no penalties if you would like the flexibility of making increase payments.

We will be happy to review your deal and see what the most competitive rate on the market is that you are eligible for including your options with your existing lender.

Protection provisions during these nervous times are also something that is becoming more apparent to members of the public and 'Right-Advice' are happy to assist on this front.

Protecting your Income, as well as Life and Critical Illness protection should be discussed as part of your mortgage application but some borrowers look at these areas as an after thought and this should not be the case.

It seems we are happy to protect items in our life such as the washing machine. If the machine fails to operate, we would view this as an inconvenience rather than a disaster. Yet, not being able to work for a long period of time in which we do view as a potential tragedy is not protected?

Right-Advice are happy to conduct a review of your potential shortfalls of protection and advice on the options that are available to you.

For both a review of your mortgage and/or protection provisions, please feel free to contact us as soon as possible and we will be happy to assist.