



KRD Mortgage Advisers

# Thinking About A Mortgage



KRD Mortgage Advisers

# Looking for a Mortgage or To Re-Mortgage

## Firstly, we search the whole of the market for you

We are a friendly and experienced team of professional mortgage advisers who can make sure that you are on the right course when either buying or remortgaging your home and that it's being done in the most cost effective way possible.

## WHY US?

Well, firstly because as a team we have many years experience in dealing with all types of mortgage business and we use the latest internet based technology to source and place mortgages from across the whole of the mortgage market.

But, we are not a comparison site, behind which sit algorithms and search engines, behind our site sit helpful people. We are trained, and we are experienced, so that you can be assured that whilst your initial contact may be via this website, there will always be someone who you can talk to, someone who will find out exactly what you are looking to achieve, and what your personal circumstances are. And, once we know your full circumstances we will find the best solution for you.

Our aim is to make sure you are not overpaying your lender for one of, if not the, most prized assets you will own, so we will search and check out your existing loan to make sure you are not overpaying your lender.

Our first step is to work with you so we can gain a full understanding of your needs. We then tailor our approach to your requirements so we can provide exactly the service you need. We are friendly, helpful and professional, and we will work with you every step of the way.

So, why not call us now on **0800 080 7653** and take advantage of our free consultation to see if we can help you with your mortgage needs.

# Looking for a Mortgage or to Remortgage

## Mortgage Services

### First Time Buyers

We are experts in providing whole of market advice and we are here to listen to you, to answer your questions, and to provide tailored advice and to give you specific product recommendations

### Remortgages

Our first step is to work with you so we can gain a full understanding of your needs. We then tailor our approach to your requirements so we can provide exactly the service you need. As we have access to the whole of the mortgage market we will search to find you the best possible deal to suit your own personal circumstances.

### Buy-To-Let

These types of mortgages are designed for property investors and private landlords, who do not intend to live in the purchased property. Buying additional property for the purpose of letting it to earn rental income can be risky and complicated since there is no guarantee that house prices will rise nor that rental income will be uninterrupted. That said, letting a second property to tenants could return respectable financial rewards over the longer term, but it's important to properly consider the risks, as well as rewards, involved in 'Buy to Let' first.

We are experts in providing whole of market advice and we are here to listen to you, to answer your questions, and to provide tailored advice and to give you specific product recommendations.

We will take care of you and help you.

# Looking for a Mortgage or to Remortgage

## Fixed Rate Mortgage

The interest rate remains the same throughout the period of the deal – typically one to five years, though it is possible to get ten year fixed rates. If you opt for a fixed-rate, you'll have the security of knowing exactly how much your mortgage will cost you for a set period of time.

## Tracker Mortgage

The interest rate on a tracker mortgage is linked to the Bank of England base rate. So, if the base rate changes, your mortgage rate will change. If the base rate was 0.50%, and you took a tracker mortgage with a rate that is 2% above the base rate you'd pay an interest rate of 2.50%. If the Bank of England put the base rate up to 1%, your mortgage rate would increase to 3.00%. This would add about £25 a month to the repayments on a £100,000 mortgage. As with fixed rate mortgages, trackers are available over different terms: most commonly two or five years. With these deals, you'll be charged a penalty if you want to get out of the mortgage during the term. You can also get lifetime, or term, trackers and these are often completely penalty free so they are very flexible and can be a great option if you don't want to be tied into your mortgage.

## Discount Mortgage

Trackers aren't the only type of variable mortgage. Discounts are another. However, unlike trackers the interest rate isn't linked to the Bank of England base rate. Instead, it's linked to the lender's standard variable rate (SVR) and this is a significant difference because lenders can change their SVR even if there has been no change in the base rate. Discount mortgages are available over different terms – typically one to five years – and as with trackers and fixed rate deals you will probably be charged a penalty if you want to get out of the deal during the term.

# Looking for a Mortgage or to Remortgage

## Off-set Mortgage

Offset mortgages are linked to a savings account and combine savings and mortgage together. Each month, the lender looks at how much you owe on the mortgage and then deducts the amount you have in savings. You pay mortgage interest just on the difference between the two. For example, if you have a mortgage of £100,000 and savings of £5,000, your mortgage interest is calculated on £95,000 for that month. This cuts the amount of interest you pay but the mortgage rate is likely to be more expensive than on other deals. You can still access your savings if you need to but the more you offset, the quicker you'll repay your mortgage. When you use your savings to reduce your mortgage interest, you won't earn any interest on them but you won't pay tax either which is particularly helpful for higher rate taxpayers.

## Interest Only Mortgage

With interest-only loans, you pay just the interest month by month and repay the capital at the end of the period with money you've saved elsewhere. This is quite different from a repayment mortgage because at the end of the loan you'll have to find enough money to repay the whole debt. You can save up any way you want or use money from an inheritance but you must be confident of having the money to hand when the time comes to repay. If you don't, you might have to sell the house to pay off the mortgage. You could be lucky and find that your home has increased so much in price that the extra value is enough to remortgage and pay off the debt. There's still a risk that won't be able to repay the mortgage on time so, before granting an interest-only mortgage, lenders can insist you show them how you intend repaying the loan at the end. The big advantage of interest only mortgages is that your monthly repayments are lower than with any other mortgage because you are paying only the interest due. If you find you're getting nervous about being able to repay the loan on an interest only basis, you may be able to switch to a repayment loan at a later date.

For information on Adverse Credit Mortgages go to [www.krdmortgages.co.uk](http://www.krdmortgages.co.uk)

# Looking for a Mortgage or to Remortgage

## Insurance is Protection

Your home is probably your most important asset and your mortgage may well be one of your biggest outgoings. So you will quite naturally want peace of mind of knowing you have everything properly, and adequately, insured, should you fall ill or your working circumstances change.

It is a fact that whilst most of us understand the need to insure our car, our house and our travel arrangements to their full value, not all of us take quite as much consideration to our health and to our employment. However, given that our mortgage is often one of our biggest outgoings, it is critical that we give thought to what would happen if our circumstances change. **So.....**

## What Is Mortgage Life Assurance

Mortgage Life Assurance is designed to pay off the remaining mortgage debt on repayment mortgages and interest only mortgages if you die within a set period. It helps to ensure that your dependants needn't worry about repaying the mortgage if you die. For more information go to: [www.krdfa.com/protection](http://www.krdfa.com/protection)

## What Is Critical Illness Cover

Critical Illness insurance is designed to help with the extra costs incurred as a result of contracting a particular condition. It is important to note that the policy only pays out if you contract one of a defined list of illnesses specified in your policy. It is important to remember that if you contract an illness which is not covered by your policy you will not receive a payout. These policies differ in what they cover, so you should always check the policy wording. For more information go to: [www.krdfa.com/protection](http://www.krdfa.com/protection)

# Looking for a Mortgage or to Remortgage

## What is Income Protection Insurance

Income Protection Insurance is designed to pay you a regular monthly income if you are incapacitated and unable to work due to illness or injury. The amount of cover is based on a percentage of your gross earnings and is suitable for both employed and self-employed people. There is no limit on the number of claims you can make and, if you are never able to work again due to illness or injury, the benefit will usually be paid until the earliest of your selected retirement age or for the term of the policy if earlier. For more information, go to: [www.krdfa.com/protection](http://www.krdfa.com/protection)

## Other Types of Insurance Cover

There are other forms of insurance cover, that you may need to consider, when thinking about a mortgage. For more information, please go to: [www.krdfa.com/protection](http://www.krdfa.com/protection)



### KRD Mortgage Advisers

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