Mortgages Explained – Remortgages

When you remortgage, you are switching your mortgage to another deal, and frequently, another lender.

Remortgages can be used for various reasons, most people simply switch mortgages because it will work out cheaper for them. For example, the introductory discounted interest rate may have finished with your current lender; therefore you could get a discount, or a lower interest rate, with another lender. Other individuals may use a re-mortgage to consolidate their debts.

It is possible to remortgage up to 90% of your property if you have already paid off a large proportion of your mortgage.

It is worth noting that a remortgage is not the best option in all cases, even if the lender you are considering switching to is offering a lower interest rate, you must take into consideration the facts that:

- The new lender may charge you for valuation and solicitors fees, **even if** you have already paid these for your mortgage, with your current lender.

- If you switch mortgage, you could be extending your repayment period, and although you will be paying less monthly, the total amount you repay could be more.

Also; you may be able to switch your mortgage deal with your current lender, avoiding any un-necessary costs. Many lenders will allow you to switch your mortgage deal reasonably frequently.

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