



Reviewing your Mortgage Product & Options to Refinance

Remortgaging and product transfers are two popular options for homeowners looking to make changes to their mortgage. While both can help release funds in your home, there are key differences between the two.

What are the differences?

Remortgaging involves taking out a new mortgage on your existing property, replacing your current mortgage with a new one from a different lender. This can be beneficial if you are looking to lower monthly repayments, release equity from your home, or switch to a more favourable interest rate. Product transfers, on the other hand, involve switching from one mortgage product offered by the same lender to another.

If you are refinancing or releasing funds, with a current mortgage lender to borrow more, this would be classed as a type of product transfer known as a further advance. This can also lead to lower monthly

repayments, but the key difference is that you don't have to apply for a new mortgage.

Both remortgaging and a further advance can help you release funds, but the amount you can release will depend on several factors, including the value of your property and the amount of equity you have built up.

What about my finances?

Before deciding to remortgage or transfer your mortgage product, it is important to consider your financial situation and long-term goals. For example, if you have a low credit score, you may have trouble finding a new mortgage with favourable terms.

Additionally, if you have a

variable interest rate, switching to a fixed rate can provide more stability, but may also come with higher monthly repayments.

Refinancing for home improvements

Refinancing, which includes both remortgaging and a further advance, can be a great option when looking to make home improvements. By releasing funds from your home, you can use the money to make upgrades, such as adding a new bathroom, extending your kitchen, or installing a new heating system. This can increase the value of your property, making your home more comfortable and energy efficient.

Although remortgaging and further advances can help you release funds from your home for improvements, it's important to consider your financial situation and long-term goals before making a decision. For more information, contact your adviser who can support you and provide the best outcome for your situation.



If you'd like to discuss the options available to you, contact your adviser today.

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