

Your mortgage, your choice...

Interest only Mortgage

With this type of mortgage you are simply repaying the interest borrowed and none of the capital, so repayments are lower. However, as none of the capital is being repaid you must make arrangements to pay back the loan at the end of your mortgage with a savings or investment plan, endowment or pension policy.

Interest only mortgages can be changed to a repayment mortgage in the future, however you may incur a small fee from your lender.

Capital Repayment Mortgage

There is one payment with a repayment mortgage, which is split between repaying the loan and repaying the interest. Traditionally the mortgage term is 25 years and at the end when the loan is repaid you will own your property outright.

Depending upon the type of mortgage that you have, some lenders will allow you to make overpayments to pay off your mortgage quicker.