

MORTGAGES

THE FAMILY BUILDING SOCIETY

PETER (70)
RETIRED

JULIA (56)
HOUSEWIFE

YOUR MORTGAGE WILL BE
SECURED ON YOUR HOME

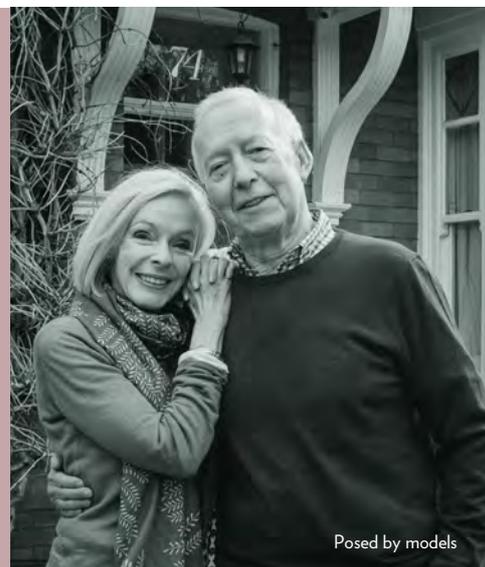
YOUR HOME MAY BE
REPOSSESSED IF YOU DO
NOT KEEP UP REPAYMENTS
ON YOUR MORTGAGE

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FAMILYBUILDINGSOCIETY.CO.UK

Family Building Society is a trading name of National Counties Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

*“We’re
relieved to
have found
a solution.”*



Ever since the changes to mortgage regulations a few years ago that tightened up how mortgage lenders could assess interest only loans, Peter and Julia were worried about their interest only mortgage with a high street bank. When they originally took out their interest only mortgage, Peter and Julia said they planned to repay the capital using inheritance. However, as time went on, they became concerned that this was not going to be a suitable way to repay their mortgage when the term ended in 2027.

“We didn’t know what to do.”

After a couple of years of worrying that their mortgage lender would contact them about their chosen repayment method, the couple decided to see if they could do something about it. Their original lender would accept Peter and Julia for a 10-year mortgage term, however that would have made the mortgage unaffordable for the couple with their income.

Before deciding to take out another mortgage, Peter and Julia looked at some of the alternatives available – equity release and downsizing. They quickly felt equity release was not a suitable option for them and so considered selling their home and downsizing to pay off their mortgage.

“Of course, that begged the question of where would we go next? We couldn’t afford to move somewhere else.”

After doing some research online, Peter and Julia got in touch with a local mortgage broker firm who recommended the Family Building Society.

Their mortgage adviser looked at their circumstances and financial situation and recommended the couple move their mortgage onto a repayment mortgage over a longer term with the Society. This allowed Peter and Julia to stop worrying about how they would eventually repay the mortgage at the end of the term.

The new mortgage also allowed them to consolidate some credit card debts they had. Although for Peter and Julia their monthly repayment each month for their mortgage is higher than before, they feel relieved to know at the end of their 15-year term their mortgage will be paid off, along with their credit cards.

“Undoubtedly we pay out more each month but on the other hand there are savings by not having to pay the minimum each month with our credit cards.”

The new mortgage has given us both a lot more peace of mind. The only other asset we had was the increasing value in our home. We were pleased the Family Building Society were able to accommodate the extra loan amount to take away our credit card debt, which was getting quite large.

By consolidating our debt and moving back to a regular repayment mortgage we both feel a lot better about things. We’re relieved to have found a solution and get the Family Building Society’s support in all of this.”

For privacy reasons, the names in this case study have been changed.