

If you have an interest only mortgage it's vital you have a plan to pay it off If you don't, you may have to sell your home.

If your mortgage is conducted on an interest only basis, or part interest only/part capital repayment, you will have an outstanding mortgage balance at the end of your mortgage term. It is therefore vitally important that you have a plan in place that will fully repay the outstanding balance. Failure to do this could leave you with no alternative but to sell your home to repay your mortgage. Time is of the essence – follow the steps below to ensure you're on track.

If you don't have a plan...

Act now! Even if you're years away from needing to repay your mortgage, the longer you leave it the fewer options you'll have to get a plan in place and the greater the impact on your budget. You may be able to make changes to your mortgage at any time, even if you're locked into a fixed rate.

Don't forget that it's your responsibility to ensure your chosen repayment plan will cover your mortgage.

Follow these steps:

- 1** Add up any savings you have already – decide if you could release any to reduce the loan. All Skipton International mortgages offer the ability to make overpayments. Simply contact us to determine your options.
- 2** Contact us and ask about switching to a capital and interest repayments – this means you will start repaying your original mortgage balance.
- 3** If your budget is tight, ask about switching to part repayment and part interest only to start with or possibly extending the term of your mortgage to give you extra time to pay more towards the original loan.
- 4** Or speak to a financial adviser to see how much you'd need to start investing now to cover the mortgage by the end of the term – remember the value of investments can rise or fall.

Have a plan already?

That's great news! However, it's important to check regularly that it's still on track to cover your mortgage. If it's under performing, the sooner you act, the easier it will be to make up the difference.

Follow these steps:

- 1** Check how many months and years your mortgage has to run.
- 2** Contact your investment provider, fund manager or financial adviser and ask if your investments are on track to repay your mortgage at the end of the mortgage term.
- 3** If they're not, ask for an estimate of how much extra you need to invest in order to have enough to repay your mortgage when its due to end.
- 4** Remember, Skipton International offer the ability to make full or partial capital repayments to your mortgage on a monthly basis and also one off lump sum repayments – Just call us to determine your options.
- 5** Should you have any questions about your mortgage and the repayment options available please call us. We're here to help.

If you have any further questions please visit our [Existing Mortgages FAQ](#) website page

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

PO BOX 509, TUDOR HOUSE, THE BORDAGE, ST PETER PORT, GUERNSEY, GY1 6DS, GREAT BRITAIN

Tel: **01481 730730** Website: **www.skiptoninternational.com**

Skipton International Ltd is licensed under the Lending, Credit and Finance (Bailiwick of Guernsey) Law 2022.
All mortgages are subject to status and valuation. To maintain service and quality, telephone calls may be recorded
Registered in Guernsey: 30112