
Adviser reveals borrowers' most urgent questions and fears

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Borrowers questioning whether they will be able to afford their mortgage repayments next year is the key concern, according to Largemortgageloans.com (<http://Largemortgageloans.com>).

The specialist broker has compiled the most common queries from clients over the past few weeks. And it would appear from the questions that mortgage applicants are considerably nervous about the months ahead.

As well as fretting about what will happen if they can't meet repayments, there have been a host of queries around remortgaging.

Borrowers are wondering if they should remortgage early or wait.

To remortgage or not to remortgage

Paul Welch (*pictured*), chief executive and founder of Largemortgageloans.com (<http://Largemortgageloans.com>), said: "Many clients have asked us about whether it's worth remortgaging early, before the end of their existing mortgage term, for which there is no simple answer.

"As each mortgage deal is unique, remortgaging early could well save money, even taking into consideration payment of early redemption fees to exit their current deal.

"However, waiting until a fixed term is close to expiring may also be a better option, as it all depends on the existing deal versus the new deal that is offered. Factors to consider include the amount they want to borrow, the loan to value and their current income and personal circumstances."

Five-year fix or longer?

Clients also asked whether mortgage rates will go up and if it's a good idea to get a five-year or longer-term fixed rate.



Welch added: "My main message to our clients has been try not to panic.

"We are not in a credit crunch like the one we experienced in 2007/08. The difference between then and now is that lenders want to lend, unlike back then when they stopped lending altogether because of the risk.

"Rates have risen because of the sudden increase in the cost of funding which lenders have to pay from the money markets and so there are solutions available."

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