

Reasons for a larger mortgage deposit



Have a look at the difference in the mortgage you can get if you can raise a higher deposit.

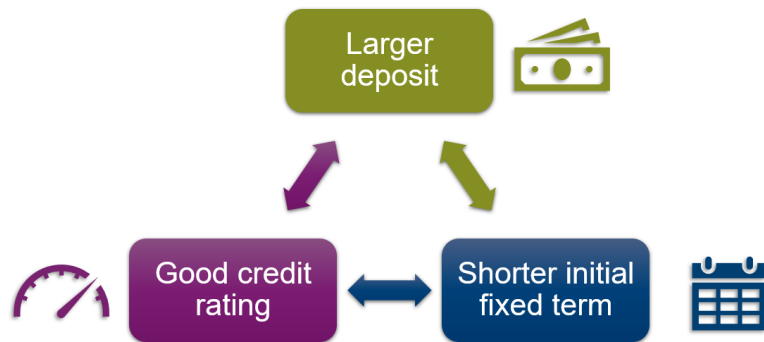
Raising a deposit

- Work out the maximum deposit you can afford
- Help To Buy ISA?
- Lifetime ISA?
- Other savings?



	Help to Buy ISA	Lifetime ISA
Available for new customers?	No	Yes (age 18-39)
Can you pay in?	Yes	Yes
Maximum savings	Up to £200 per month	Up to £4,000 per year to age 50
Government bonus	Yes. 25% up to a maximum bonus of £3,000	Yes. 25% up to a maximum bonus of £1,000 each year
Minimum savings for Government bonus	£1,600	None
Maximum house value	£250,000 (or £450,000 in London)	£450,000

What will help you get the best deal?

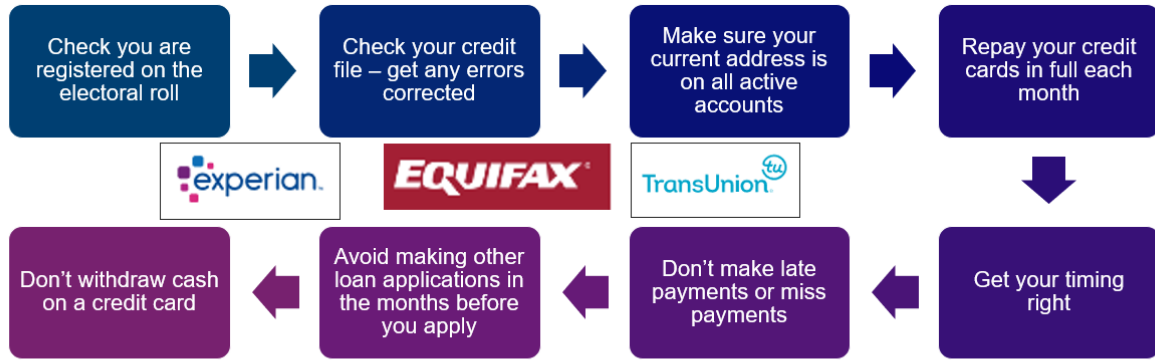


Before you apply for a mortgage



Increase your chances of getting a mortgage

Increase your credit score



Don't reapply straight after rejection – repeat the steps above.

Mortgage types

- A mortgage has two parts:
 - The **capital** or **mortgage loan** (this is the money you borrowed)
 - The **interest** (charged by your lender until the loan is repaid in full)



Repayment mortgage

- Most popular type
- Monthly repayments
- Until you've repaid the **mortgage loan** and the **interest** in full
- Mortgage loan decreases each month to zero at the end of the term

Interest only mortgage

- You only pay the **interest** on the mortgage loan each month
- At the end of the mortgage term you still owe **all** the mortgage loan
- Need a suitable repayment plan in place to pay off the mortgage loan

Online resources



[Mortgage affordability calculator](#)

[Stamp Duty calculator](#)

[Government schemes for first-time buyers](#)



Money Matters website

[Learning Pathway on mortgages](#)



Recordings of the webinar

Home Money Matters Events Unilever Benefits Saving for Retirement Borrowing and debt Financial Wellbeing General savings About First Actuarial



Summary of this Learning Pathway

There are two separate series of videos in this Learning Pathway:

- The first series of videos is aimed at first-time buyers anyone who is interested in understanding how mortgages work.
- The second series will be of particular interest to anyone who currently has a property and is considering moving house or remortgaging their existing property.

In this section

- Understanding Debt - the basics
- Best ways to borrow money
- Mortgages
- Under The Bonnet of Car Finance