

# The Cost of Redemption

Remortgaging is a great way to save money, however be careful not to get caught out by your current lender. Some mortgages carry early exit fees and early repayment charges.

## Exit Fees

Sometimes also called Deed Release Fees, Administration Charges etc, exit fees are a charge made by your current lender. Under a recent ruling by the Financial Services Authority this fee can be no higher than was notified to you in the original mortgage offer.

## Early Repayment Charges

Most lenders will include a redemption penalty in the terms of their mortgage offer. It is usually a charge that applies if you want to repay your loan early before the agreed or offer period has ended. After this period has ended you are free to repay your loan without penalty.

We want you to avoid paying any early repayment charges by helping you to set your new mortgage up to complete just as the early repayment charge period ends.

Early repayment charges can vary in amounts and terms and it is very important that you understand how and when they will be charged before you complete on a new mortgage deal. If you fail to do this then the financial benefits you hoped to gain from remortgaging can be wiped out by the penalty charge.