

Repaying your Interest Only loan

Considerations and options

Your Interest Only loan

Your loan is being repaid on an Interest Only basis which means that you will still owe a balance at the end of your loan term. You are responsible for payment of this balance.

What should I do?

From time to time, you should consider whether your plan to repay your loan balance at the end of term remains realistic. Based on the type of repayment plan you have, the considerations may be relevant.

Repayment Plan	Points to consider
Investment or savings plan e.g. Endowment, pension or ISAs	<ul style="list-style-type: none">Review your latest statements and consider whether your plan is growing satisfactorilyThink about whether you need to increase your payments to the plan or take out an additional savings planTake advice on the suitability of the relative split between lump sum and periodic payments under any pension plan that you may haveGenerally, consider taking independent debt or financial advice if you are concerned about the projected value of your plan
Sale of property	<ul style="list-style-type: none">Think about whether the value of your property will be sufficient to repay your projected balance on expiryConsider how long it will take to sell the property and plan your marketing strategy accordinglyThink carefully about your accommodation arrangements following the sale of your property, including whether you will be able to afford to “downsize” or rent a new property

What if I do not have any arrangements in place to repay the capital at the end of the term?

Think about taking independent debt or financial advice as soon as possible – and contact us to let us know of your plans or concerns.

The sooner you act, the more likely it will be that you can arrange to repay the capital by the end of the term.

Swift 1st Limited is authorised and regulated by the Financial Conduct Authority.

Swift 1st Limited administers its own regulated mortgage contracts and those of Swift Advances plc on its behalf.

Swift 1st Limited and Swift Advances plc are both registered in England and Wales under company numbers 5020019 and 1800474 respectively.

Registered Offices: Arcadia House, Warley Hill Business Park, The Drive, Great Warley, Brentwood, Essex CM13 3BE

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Is there anything else I can do?

If you are concerned about any funding gap between your current plans and the amount projected to be repaid at the end of your loan term, here are some options for you to consider.

Think about taking **independent advice**, whether from a financial adviser or a free agency such as Citizens Advice. This will ensure that you have explored every option that may be available to you in order to repay your loan.

Details of free, independent agencies are set out overleaf.

If you need **more time to repay your loan** beyond its current term, we may be able to agree an extension to allow this. We would first need to talk to you, or to someone on your behalf, to ensure we fully understand your circumstances.

You must be aware that if we give you more time you will repay more than you were originally contracted to pay, and that you must be able to afford the ongoing monthly payments.

Do you have any **investments or savings** that will enable you to repay the balance of your loan? E.g. bank accounts, endowment, pension or ISAs?

If you have investments or savings that you can't access until a later date, you can contact us to see if the loan can be extended until the funds are available.

Can you afford to **increase your monthly payments**? Paying more now would reduce the amount of interest you have to pay overall and will reduce any amount remaining outstanding at the end of your loan term.

Consider carefully whether you can afford to increase your payments without causing yourself financial difficulties.

You might want to repay your Swift loan with **another loan** provided by another lender.

Think carefully about any plan you might have to repay this loan with another loan by ensuring it is affordable in meeting your longer term financial and housing requirements.

If you have no other options you may wish to consider **selling your property** to repay the outstanding balance you owe.

Think about whether the value of your property will be sufficient to repay the amount you owe today or the estimated amount you will owe at the end of the term of your loan. Consider how long it will take to sell the property and plan your marketing strategy accordingly.

Think carefully about your accommodation arrangements following the sale of your property, including whether you will be able to afford to "downsize" or rent a new property.

Free independent advice

If you ever need guidance, there are many organisations who can offer free, impartial advice on a range of topics, including debt and housing issues, and how to cope with the rising cost of living.



MoneyHelper

www.moneyhelper.org.uk

0800 138 7777

A government-backed service that can help people find a way forward. Whether it is living on a squeezed income, working out how to prioritise bills and payments, or access to free, expert debt advice.



Citizens Advice

www.citizensadvice.org.uk

03444 111 444 (England)

03444 77 20 20 (Wales)

0800 028 1881 (N.I.)

0808 800 9060 (Scotland)



National Debtline

www.nationaldebtline.org

0808 808 4000

Debt advice charity



PayPlan

www.payplan.com

0800 280 2816

Free advice and debt management services



StepChange

www.stepchange.org

0800 138 1111

A leading UK debt charity



Age UK

www.ageuk.org.uk

0800 055 6112

Support and advice for older people



Housing Rights

www.housingrights.org.uk

028 9024 5640

Housing and debt helpline for Northern Ireland



Shelter

www.shelter.org.uk

0808 800 4444

Help with housing issues or homelessness



Turn2us

www.turn2us.org.uk

0808 802 2000

Practical help for people who are struggling financially



GOV.UK

GOV.UK

www.gov.uk

HMRC helplines: 0800 328 5644 - Universal Credit, 0345 300 3900 - Tax Credits

Pension Service: 0800 731 0469 – Pension Credit

Jobcentre Plus: 0800 169 0310 - Income Support, JSA, ESA

Government services and information on subjects including benefits, jobs and housing

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