



Guiding you home

Mortgage and protection advice from Rouse Limited





Guiding you through the mortgage maze

The process of buying a new home can be a confusing and daunting experience, riddled with wrong turns and dead ends. We can help you through this.

Why choose Rouse?

Taking out a mortgage is one of the most important financial decisions we can make. Poor advice could cost someone their home so it's vital that the advice process is fit for purpose.

The Financial Conduct Authority

We aim to remove the confusion from the mortgage market and guide you to an appropriate solution for your specific needs. There is a broad range of products available to us and, as we are not tied to any lender, we provide advice on all kinds of mortgage based on a comprehensive assessment. However, we don't offer advice on mortgage products that are only available by going directly to the lender.

We advise on all kinds of mortgages including residential and buy-to-let through to lifetime mortgages. We can also advise on the current government schemes available.

It has become more challenging to obtain a mortgage since the Mortgage Market Review came into effect in April 2014 and we offer a service that will guide and help you through the complex process from start to finish. It includes dealing with estate agents, valuers, solicitors, and all other associated parties to ensure your house-buying process is as smooth and stress free as possible

Qualified and experienced

Phil Moore is our Property Finance Adviser. He holds the Financial Planning Certificate, Mortgage Advice Qualification, and Certificate in Equity Release. Having worked for over 30 years in the mortgage business, he is not only qualified to advise you on all of your mortgage, protection and equity release requirements but his knowledge and experience is invaluable in today's complex mortgage market.

Accessible and flexible

We can discuss your mortgage and protection requirements at our office in Newport, at your home, or you can contact us by phone or email; whichever works best for you.

Paying for our service

Our initial consultation is always free. If you decide to proceed with us Rouse Limited charges an initial fee of £150, followed by a fee of £250 following completion.

We are also paid a procurement fee by the mortgage lender.

This combination of fees covers the cost of the fact-finding process, our research, presenting our recommendation and processing your application through to completion.

Protect your income protect your mortgage

Once you've secured your mortgage and the home of your dreams, don't risk losing it by not having appropriate protection for your income.

Research published in 2014 (by Friends Life) revealed that more than half of UK mortgage payers are unprotected against the risk of being unable to work. And with many people currently not having enough savings either this leaves millions of people vulnerable to the risk of repossession.

Don't panic!

Start by thinking about what would happen if you were to fall ill or die, have an accident or lose your job. What income can you rely on to cover your living costs and specifically, your mortgage? Don't add to your worries or those of your dependants by leaving them potentially without a home.

At Rouse we are able to arrange protection from a comprehensive range of insurers with products designed to protect you, your income and your mortgage should life take an unexpected turn. How much and what type of cover you need will depend on your individual circumstances – the other side of having no cover is having too much or the wrong type. We can help you put together a protection package that's appropriate for you - call Phil Moore for further information.

1. Life insurance (Level term and decreasing term)

- With a level-term life insurance policy the amount for which you're covered remains the same throughout the term; the premiums usually remain the same too
- With a decreasing-term life insurance policy, the amount you're covered for decreases over the term of the policy; premiums can be cheaper than those for level term
- Can include mortgage protection to ensure your mortgage is paid off when you die
- Can include critical illness cover
- Pays your dependants a lump sum, or regular payments, if you die
- Pays out on your death or terminal illness

2. MPPI* (Mortgage Protection Insurance)

- Designed to cover your mortgage payments if you're unable to work due to illness, accident or unemployment
- Pays you a set amount each month
- Pays for a limited period (usually 12 or 24 months)
- Medical checks only carried out when you make a claim so you can't be sure if any pre-existing medical conditions will be covered until you actually make a claim
- Usually have an exclusion period meaning you won't be able to claim straight away
- Don't confuse with PPI

* This is for information purposes only as Rouse Ltd does not provide advice on this type of policy

At a glance

3. Critical illness cover

- Pays a tax-free lump sum if you're diagnosed with one of the serious illnesses covered by your policy
- Designed to pay off your debts, fund medical treatment or allow a change of lifestyle
- No restriction on how you use it
- Pays out once then the policy ends

4. Income protection

- Pays out a regular amount if you're unable to work owing to illness or injury
- Payments are tax free
- It's not the same as PPI (which covers a particular debt and payments go to your lender)
- Policy can be tailor-made to suit your individual requirements



Paying for your home

Once you've identified your dream home the bottom line is how to pay for it. We can guide you through the process and help you get the solution that works best for you.

Mortgage repayment types

There are two main ways to repay your mortgage and there are some stark differences between them. We can help you identify which is appropriate for you.

Capital and interest

- Also known as repayment mortgage
- Monthly payment consists of part capital and part interest
- In early years payment consists mainly of interest with more capital being repaid as term progresses
- Certainty of mortgage being repaid (provided all repayments are made)
- Cautious method

Interest only

- Only interest paid each month
- No reduction in capital unless made voluntarily
- Must have a suitable savings vehicle or repayment strategy (e.g endowment policy, ISA, pension or sale of property)
- Regular reviews required
- Adventurous method

Mortgage rate types

The long and winding road that leads to your dream home becomes even more complex here. In a Spaghetti Junction of options we can help provide the SatNav.

Standard variable rate

- Rate is the commercial 'default' rate set by the lender
- Generally no arrangement fee payable
- Generally no early repayment charge
- Rate is set by lender and can move up or down

Discounted variable rate

- An incentivised rate to provide lower payments in the early years
- Linked to lender's standard variable rate
- Discount for a set period, typically 2,3 or 5 years
- May be an arrangement fee
- May be early repayment charges
- Rate is variable and so can move up or down

Tracker rate

- Generally linked to the Bank of England base rate
- May track for a set period e.g 2,3 or 5 years or for whole mortgage term
- May be an arrangement fee
- May be early repayment charges
- Rate is variable, so can move up or down

Capped rate

- Generally a tracker rate with an upper limit
- Product generally for a set period, typically 2,3 or 5 years
- Generally an arrangement fee payable
- Generally, early repayment charges
- Although rate is variable, so may move up or down, the cap provides a degree of stability

Fixed rate

- Rate is fixed for set period typically 2,3 or 5 years
- Payment stability during fixed rate period
- Generally an arrangement fee payable
- Generally, early repayment charges
- No benefit from drop in interest rates

Your home may be repossessed if you do not keep up repayments on your mortgage.

The Financial Conduct Authority does not regulate some forms of Buy to Let Mortgages.

To understand the features and risks of a lifetime mortgage you should ask for a personalised illustration.

With you every step of the way

As Independent Financial Planners, Rouse Limited offers end-to-end financial services to support you. From investments, savings and pensions to tax and trust planning, and of course mortgage and protection advice: our team of Financial Planners can help you understand and choose the most appropriate products to suit your lifestyle and goals.

From the moment you decide to engage our mortgage and protection advice service we guide you through the journey. But it doesn't end when you get the keys to your new home. When your initial mortgage product ends we can help you review your mortgage arrangements and help you once again to find an appropriate solution for your particular set of circumstances.

Step 1

- We'll meet to establish your objectives, borrowing potential, and plan budgets and costs.
- If you decide to proceed with us we then search the market for the most appropriate mortgage product for you.

Step 2

- You look for, and find, your ideal home.
- Receive agreement in principle from mortgage lender.

- We meet again and, using the information gathered at the first meeting, decide which way to move forward and if appropriate, you make an offer.

- Agree together the next steps.

Step 3

- We meet to complete your mortgage application once you've had an offer accepted.
- Choose a solicitor.

Step 4

- Discuss and arrange mortgage survey, home buyer report and structural survey.
- Local searches undertaken by solicitor.

Step 5

- Mortgage offer is issued to you by the lender, with a copy sent to your solicitor and to ourselves.

Step 6

- Solicitor completes the legal work.

Step 7

- Exchange contracts.

Step 8

- Completion.

Step 9

- Mortgage review.

If you'd like further advice on mortgages and protection contact Phil Moore on 01983 535740 or email phil.moore@rouseltd.co.uk.



Rouse
INTELLIGENT FINANCIAL PLANNING

Rouse Limited. Mill Court Cottage, Furlongs, Newport, Isle of Wight, PO30 2AA.
Tel: **01983 535740** email: admin@rouseltd.co.uk visit: www.rouseltd.co.uk

Issued by Rouse Limited which is authorised and regulated by the Financial Conduct Authority. The contents of this brochure do not constitute advice and should not be taken as a recommendation to purchase or invest in any of the products mentioned. Before taking any decisions, we suggest you seek advice from a professional Financial Planner.