

# Consolidating 5 Credit Card Debts

## Background Information

- Total Amount of Credit Card Debt: £42,000
- Monthly Payment: £1029.00
- Payment Period Range: 9 Years
- Interest Rate Average: 25%
- Total Interest Payable: £40,177

## Mortgage Details

- House Valuation: £210,000
- Loan Amount: £130,500
- Equity in the Property: £79,500
- Mortgage Term: 21 years
- Fixed Rate: 5.04% for 2 years from completion until 28/02/2025
- Initial monthly payment of £840.36 for 24 months
- Variable Rate: 6.99% for the remaining 228 months of the mortgage term
- Monthly payment of £977.21
- Overall Cost for Comparison: 6.8% APRC
- No booking fee payable on mortgage application
- No survey fee to pay
- Free legal fees if using lender's conveyancing
- Early repayment charges apply for 2 years from completion

## Adding Credit Card Debt to Mortgage

- Total amount to pay back, including the amount borrowed: £242,973
- Interest Payment based on SVR: 6.99%
- Monthly Payment: £317.23
- Term: 21 years
- Total Interest: £37,557

## Important Information

- The above scenario is for illustration purposes only. The mortgage rates will depend on an individual's circumstances.
- Products are subject to availability and can be withdrawn at short notice – interest rates correct at 03/02/2023.
- Your home may be repossessed if you do not keep up repayments on your mortgage.
- Cost Impact of Adding Credit Card Debt to Mortgage
- Monthly Saving over first 9 years: £711.77
- Interest Saving Overall: £2,620

## Conclusion

Consolidating your debt into your mortgage may be a viable option for managing your finances, but it's important to weigh the benefits and drawbacks before making a decision. Seek professional advice and keep in mind that your home may be at risk if you fail to make your mortgage repayments.

## Mortgage Details

- Based on a Remortgage House Valuation of £217,000 with a loan of £166,456 with equity in the property of £50,544 over a term a 29-year term
- 4.44% fixed rate for 5 years from completion – initial monthly payment of £856.45 for 64 months
- Variable rate of 6.74% for the remaining 276 months of the mortgage term with a monthly payment of £1060.82
- The overall cost for comparison is 6.0% APRC
- Early repayment charges apply for 5 years from completion
- Total amount to pay back including the amount borrowed is £356,116

## Additional Fees and Charges

- There is a £995 arrangement fee, which can be added to the loan. The above figure of the initial monthly payment is based upon the loan amount plus the arrangement fee of £995

## Important Information

- Products are subject to availability and can be withdrawn at short notice – interest rates correct at 18/02/2023.
- Your home may be repossessed if you do not keep up repayment on your mortgage.
- The above scenario is for illustration purposes only. The mortgage rates will depend on an individual's circumstances.
- The above example is dated 26/04/2023.

## Credit Card Debt Details

- Total Amount of Credit Card Debt: £17,139
- Monthly Payment: £476.85
- Payment Period Range: 3 Years
- Interest Rate Average: 9.90%
- Total Interest Payable: £5724

## Impact of Consolidating Credit Card Debt into Mortgage

- Adding Credit Card Debt to the Mortgage: £17,166
- Interest Payment based on SVR: 6.74%
- Monthly Payment: £115.69
- Term: 29 years
- Total Interest: £20,923
- Monthly Saving: £361.15
- Interest Cost Overall: £15,199

Note: The above figures are for illustrative purposes only and may vary depending on individual circumstances.