



# SIMPLY MORTGAGE

NEWSLETTER FROM A1 FINANCIAL SOLUTIONS

APRIL 2026

ISSUE #31

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## REMORTGAGING EXPLAINED

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in the UK are set to expire in 2026

## HOW TO BOOSX-T YOUR CREDIT

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Small changes that improve borrowing  
power, broaden your options, and reduce  
borrowing costs over time

# REMORTGAGING EXPLAINED

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**R**emortgaging is often seen as a way to secure a lower rate, but that's only one piece of the puzzle. For many homeowners, it's an opportunity to assess whether their mortgage still aligns with their current circumstances, future goals, and risk tolerance. Understanding when and why to remortgage helps you avoid entering into a deal that no longer suits your needs.

Approximately 1.8 million fixed-rate mortgages in the UK are set to expire in 2026, requiring borrowers to remortgage or transition to their lender's standard variable rate. In our experience, those who approach remortgaging as a proactive financial review rather than a rushed, last-minute decision tend to make more confident and well-informed choices.

### **WHAT REMORTGAGING ACTUALLY INVOLVES**

At its simplest, remortgaging means switching your existing mortgage to a new deal, either with your current lender or a different one. The process usually involves new rates and terms, and, in some cases, a reassessment of affordability.

Some homeowners remortgage to reduce monthly payments, while others do so to release funds, change mortgage type, or gain greater flexibility. Motivation matters because it shapes which options are genuinely suitable.

### **WHEN REMORTGAGING IS WORTH EXPLORING**

A common trigger is the end of an introductory rate. Allowing a mortgage to move onto a lender's standard variable rate

can increase costs without adding value. Reviewing options several months in advance creates room to act without pressure.

Changes in personal circumstances can also prompt a review. Changes in income, household growth, or shifting plans often mean the original mortgage no longer aligns with reality. Remortgaging can be an opportunity to reset rather than persist with a poor fit.

### **BALANCE BETWEEN SAVINGS AND COSTS**

While lower rates are appealing, it is essential to factor in costs. Early repayment charges, legal fees, and valuation costs can reduce or outweigh any savings, particularly if the remaining fixed period is short.

This is why timing matters. In some cases, waiting until penalties are reduced or have expired can lead to a better overall outcome, even if the headline rate appears higher in the meantime.

### **CHANGING MORE THAN JUST THE RATE**

Remortgaging is also an opportunity to change how your mortgage works. Moving from a variable rate to a fixed rate can introduce certainty, while switching the other way may create flexibility for future plans.

Some homeowners remortgage to adjust the term, manage overpayments, or consolidate debt. These changes can have long-term implications, so it is essential to clarify your objectives.

### **WHY EARLY PLANNING REDUCES PRESSURE**

Leaving remortgaging decisions until the

final weeks often limits choice. Lenders need time to assess applications, and delays can occur. Starting the conversation early keeps options open and reduces the risk of rushed decisions.

A considered review also allows you to check assumptions. What looks attractive on paper may feel less suitable once fees, penalties, and lifestyle factors are taken into account.

### **REMORTGAGING AS AN ONGOING HABIT**

Remortgaging is best treated as a regular check-in rather than a one-off event. Reviewing your mortgage alongside broader financial changes helps ensure it continues to support your plans.

A mortgage that once felt right may no longer be appropriate. Periodic review keeps it aligned with where you are now, not with where you were when you first applied. ■

### **IS IT TIME FOR A REVIEW TO AVOID UNNECESSARY COSTS LATER?**

We help homeowners understand when remortgaging makes sense and when waiting may be the right choice. For a conversation tailored to your situation, please contact A1 Financial Solutions.

# FIRST-TIME BUYERS

The mortgage market is experiencing considerable volatility

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**B**uying your first home is often celebrated as a major life milestone, but for many first-time buyers, the journey can feel daunting. With unfamiliar jargon, fluctuating interest rates, and the weight of making the right choice, it is easy to feel overwhelmed before you even get started.

Add to this the recent global economic shifts and geopolitical uncertainty, and the property landscape appears even more complex. Disruptions in the global supply chain and changing international relations are driving inflation, prompting central banks to raise base interest rates. As a result, the mortgage market is experiencing significant volatility.

## WITHDRAWAL OF FIRST-TIME BUYER SCHEMES

You might have noticed that certain government or lender-specific assistance schemes have recently disappeared from the market. Economic instability makes lenders more risk-averse. When the financial outlook is uncertain, banks often

withdraw products designed for buyers with small deposits (like 95% mortgages) because they carry a higher risk of negative equity if property prices fall. Do not let this discourage you. Lenders frequently reintroduce these products once the market stabilises, and alternative options often arise to take their place.

The good news? The mortgage process isn't as daunting as it appears. It follows a straightforward, step-by-step structure, and once you understand the stages, navigating it becomes much easier. To prepare yourself for success with your first mortgage application, it is crucial to approach the process with knowledge and confidence. In this article, we outline the key steps to replace uncertainty with clarity and guesswork with informed decisions.

## UNDERSTANDING WHAT LENDERS LOOK FOR

Before discussing any figures, lenders focus on affordability and reliability. This is not just about how much you

earn, but also about how consistent and sustainable your income appears. Regular employment, predictable outgoings, and a clean credit profile all play a role.

Credit checks are often a source of anxiety, yet many buyers underestimate how flexible the criteria can be. Minor historical issues do not always prevent borrowing, and different lenders interpret risk differently. This is where guidance matters, as the right lender choice can be just as important as the numbers themselves.

## DEPOSITS, EXPECTATIONS, AND REALISM

One of the most common misconceptions is that you need a large deposit to get started. While a larger deposit can unlock better rates, it is not always essential. Many lenders offer products specifically for first-time buyers with smaller deposits, particularly in high-income areas where spending is controlled.

It is equally important to be realistic about how much you borrow. Stretching



to the limit can leave little room for rising costs or lifestyle changes. Buyers who leave a financial buffer often feel more secure once they move in, even if it means compromising slightly on property size or location.

### **ROLE OF AN AGREEMENT IN PRINCIPLE**

An agreement in principle, sometimes called a decision in principle, is a key step early on. It indicates how much a lender may be willing to offer and signals to estate agents that you are serious and prepared.

This stage typically involves a soft credit inquiry and does not lock you into a mortgage. Instead, it serves as a compass, guiding you within sensible boundaries while strengthening your position when making an offer.

### **CHOOSING THE RIGHT MORTGAGE, NOT JUST THE CHEAPEST**

Rates naturally attract attention, but the cheapest deal is not always the most

suitable. Fixed, tracker, and variable mortgages behave differently, and what suits one buyer may not suit another.

Some first-time buyers value certainty and prefer fixed payments, while others are comfortable with some flexibility if it offers it. Fees, incentives, and early repayment charges should all be weighed alongside the headline rate. A well-matched mortgage should support your wider plans, not restrict them.

### **FROM OFFER ACCEPTED TO COMPLETION**

Once your offer is accepted, the process shifts to verification and patience. Lenders assess the property, solicitors handle legal checks, and documentation flows between multiple parties. Delays can occur, often outside your control, which is why emotional resilience is as important as financial readiness.

Buyers who stay organised, respond promptly to requests, and understand the sequence of events tend to experience fewer surprises. While the final stretch

can feel slow, completion day usually arrives sooner than expected.

### **WHY GUIDANCE MAKES THE MAZE EASIER**

The mortgage maze is not designed to catch people out, but it can feel unforgiving without context. Having someone translate lender criteria, explain trade-offs, and check decisions often turns a stressful experience into a structured one.

First-time buyers rarely regret asking questions early. They sometimes regret waiting too long to ask them. ■

### **CONFIDENCE COMES FROM UNDERSTANDING YOUR CHOICES BEFORE YOU COMMIT**

Our team at A1 Financial Solutions will help you understand lender criteria, borrowing limits, and long-term affordability. Please contact us for more information.

# HOW TO BOOST YOUR CREDIT

Small changes that improve borrowing power, broaden your options, and reduce borrowing costs over time

**Y**our credit score plays a key role in the mortgage process. It helps lenders decide not only whether to lend but also which rates and terms they are prepared to offer. While it is rarely the only factor, a stronger credit profile can broaden your options and reduce borrowing costs over time.

Many people assume credit scores are fixed or slow to change. In reality, small, consistent actions can make a noticeable difference, particularly in the months before a mortgage application.

## UNDERSTANDING WHAT YOUR CREDIT SCORE REPRESENTS

A credit score is a snapshot of how you have managed credit in the past. It reflects patterns rather than perfection. Lenders look for evidence of reliability, such as meeting commitments on time, maintaining responsible balances, and avoiding sudden or erratic behaviour.

It is important to remember that lenders do not see a single universal score. They interpret the information on your credit report in their own way. Improving the fundamentals benefits you regardless of the scoring model used.

## CHECK YOUR CREDIT FILE EARLY

One of the simplest yet most effective steps is to check your credit report well before applying. Errors are more common than many expect, ranging from outdated addresses to accounts that do not belong to you.

Correcting inaccuracies can quickly improve your profile, but updates may take time to filter through. Reviewing your report early gives you time to resolve issues calmly rather than under pressure.

## PAYMENT HISTORY MATTERS MOST

Consistently paying bills on time is one of the strongest signals you can send to lenders. Missed or late payments, even on small commitments such as mobile contracts, can have a disproportionate impact.

Setting up direct debits and reminders reduces the risk of accidental oversights. Over time, a clean payment record builds trust and stability into your credit profile.

## MANAGING BALANCES AND AVAILABLE CREDIT

How much of your available credit you use matters as much as whether you repay it. High utilisation can signal financial strain, even if payments are made on time.

Reducing balances, spreading usage sensibly, and avoiding maxed-out limits can all improve your profile. Closing unused accounts is not always helpful, as long-standing credit can contribute positively when managed well.

## AVOIDING SUDDEN CHANGES BEFORE APPLYING

In the run-up to a mortgage application, stability is important. Taking out new credit, switching bank accounts frequently, or making multiple applications within a short period can raise red flags.

Where possible, aim to maintain a steady financial pattern in the months before applying. This allows lenders to see a transparent and predictable pattern.

## HOW LONG IMPROVEMENTS CAN TAKE

Some changes take effect immediately, while others build gradually. Clearing errors or reducing balances may help within weeks, whereas rebuilding after missed payments takes longer.

Patience is part of the process. Even modest improvements can expand lender choice and improve the terms available to you.

## WHY PREPARATION CREATES LEVERAGE

A stronger credit profile opens up more opportunities. It can reduce your reliance on niche products and position you to negotiate terms that align with your goals.

Improving your credit score is about demonstrating your reliability as a borrower and giving lenders the assurance they need to approve your mortgage application. ■

## LOOKING FOR GUIDANCE ON IMPROVING YOUR CREDIT SCORE?

We'll help you understand your credit profile and identify practical steps to improve your mortgage options. To find out more, please contact A1 Financial Solutions.

# SECURING A MORTGAGE WHEN YOU'RE SELF-EMPLOYED

What lenders need to see, including income that can be clearly and consistently evidenced

**B**eing self-employed should not prevent you from getting a mortgage, but it does change how lenders assess your application. Many self-employed borrowers assume the process will be more difficult or that fewer options will be available. In practice, mortgages are achievable, provided your income can be clearly and consistently evidenced.

With our professional mortgage advice, we help freelancers, contractors, and business owners secure successful applications. The difference is rarely how much they earn. It is usually determined by how well the lender presents and understands the borrower's income.

## HOW LENDERS ASSESS SELF-EMPLOYED INCOME

Most UK lenders require a track record of self-employed income rather than relying on a single year. In many cases, lenders require two full years of accounts or tax calculations, though some will consider one year if income is high and sustainable.

Lenders focus on patterns. Stable or rising income is generally viewed more favourably than fluctuating figures, even where averages are similar. This is why choosing a lender whose criteria align with your income structure matters.

## WHAT DOCUMENTS ARE USUALLY REQUIRED

Sole traders and partnerships are usually assessed on net profit, supported by HMRC tax calculations and tax year overviews.

Limited company directors are often assessed on salary plus dividends, although some lenders will also consider retained profits where they are accessible and consistent.

Up-to-date accounts, ideally prepared by a qualified accountant, help reduce queries and delays. Where figures are recent and well organised, the underwriting process is often smoother than expected.

## CONTRACTORS AND DAY-RATE INCOME

Contractors are often assessed differently from other self-employed applicants. Rather than relying solely on historical accounts, some lenders calculate income by multiplying a contractor's day rate by the number of working days in a year, supported by current contracts and evidence of continuity in the sector.

This approach can benefit contractors whose income is high but not yet reflected in long-term accounts, provided their work history is consistent.

## TAX EFFICIENCY AND AFFORDABILITY

Tax efficiency can unintentionally reduce borrowing power. Lowering declared income may be sensible from a tax perspective, but lenders rely on declared figures when assessing affordability and stress-testing repayments.

Balancing tax planning with future borrowing goals is essential. Understanding how today's decisions affect mortgage options tomorrow can prevent future frustration.

## CREDIT PROFILE AND PERSONAL FINANCES

Employment status does not override

personal credit history. Missed payments, high credit utilisation, or unresolved issues can weaken an otherwise strong application, regardless of the income source.

Separating business and personal finances also helps. Clear boundaries make it easier for lenders to assess affordability and reduce the risk of misinterpretation.

## TIMING YOUR APPLICATION CAREFULLY

Timing can significantly affect outcomes. Submitting shortly after filing accounts or tax returns ensures lenders review the most up-to-date information.

Significant changes, such as starting a new business or restructuring, may require further explanation. Where possible, applying during periods of stability improves clarity and lender confidence.

## WHY PREPARATION CHANGES OUTCOMES

Self-employed mortgages are less about exceptions and more about preparation. When income is clearly evidenced and aligned with lender criteria, the process often feels more straightforward than expected.

Understanding how lenders interpret your income and which lenders are best suited to your circumstances turns uncertainty into control. ■



**When it comes to mortgages, taking advice can be a daunting process, whether you are looking to take financial advice for the first time or you've taken financial advice in the past.**

Finances often take a low priority for many people because they are complex, but at Simply Mortgage our clients appreciate our ability to make the mortgage-arranging process both simple and enjoyable.

At Simply Mortgage, we ask the questions, look into your future, give straightforward advice and find the right mortgage solution for you.



Contact us today to begin your journey – we look forward to hearing from you.

**T:** 0131 347 8855 • **E:** [info@simply-mortgage.co.uk](mailto:info@simply-mortgage.co.uk)