



## Case Study – Mortgage Extension

Back in 2013, the Financial Conduct Authority warned of a large number of interest-only mortgage holders with mortgages coming to term who were expected to face shortfalls, with the average amount being £71,000. There were a number of articles produced at the time in [newspapers](#) and since then, on advice websites like the [Citizens Advice Bureau](#).

It was around this time that we started offering our Mortgage Extension finance which would essentially enable people to re-mortgage so that their existing mortgage holder could be repaid.

On one occasion we were approached by [STEPS](#) (a housing support charity for the over 60s living in East Sussex) who had a client that was being contacted by their mortgage company as her mortgage had expired, she owed £41,120.00 and the company was not prepared to extend the term. The client was concerned as she had been sold a short term interest only loan and was led to believe that it would not be a problem to extend the term.

After completing a full financial review at the clients' home – with someone from the referral agency present – and due to the disposable income available, we were able to offer a capital repayment loan over a 20 year term and the client has been able to continue living in her own home.

We received the following feedback;

*“This scheme seems more secure than (previous mortgage company) and is tailored to my needs. I appreciate the helpful attitude of the organisation and the more personal approach”*

We are keen to help people who find themselves in this position and would encourage anyone concerned about their own mortgage, to contact Parity Trust on 023 9237 5921 to speak to one of our team.