



How can you accelerate your mortgage?



When diving deep into the world of property, it can sometimes feel hard to resurface. Constantly making payments month after month can become exhausting and may seem never-ending, but paying off your mortgage can truly be accomplished quicker than you assume.

We are here to shine a light on your mortgage this summer with simple tips on how you can accelerate your mortgage.

The benefits of accelerating your mortgage

Accelerating your mortgage may finally give you freedom from your monthly payments sooner than you expected. There are numerous benefits to accelerating your mortgage deal which could save you money in the long term.

A mortgage usually lasts around 25–40 years, depending on how much your home deposit was and what you are willing to pay back per month. So, the longer you stretch your mortgage term, the cheaper your monthly repayments will be but the longer you will be paying back your mortgage. We recommend overpaying on your monthly repayments to shorten your mortgage loan term.

Reduce your interest rates

By overpaying your mortgage, you are far better off in the long run as you save on your interest rates and shorten your overall loan term. The interest is added onto your mortgage loan daily, so by paying more quickly you reduce the amount of interest added. Once you finally pay off your mortgage, you will also receive access to better mortgage deals in the future with other properties, as you have proven reliable for repayments.

How does it work?

Accelerating your mortgage occurs by overpaying on your monthly repayments or by performing weekly repayments rather than monthly. Before accelerating your mortgage, you need to check with your lender about the terms of your mortgage agreement and make them aware of what you are doing. This is because your lender could easily mistake your overpayments for reducing your next monthly repayment, when in fact you want to reduce your overall term.

If you are on a fixed-rate mortgage, it is harder to achieve acceleration as you are typically only able to overpay by 10%.* Sometimes it can be better to remortgage your home to escape a fixed-rate mortgage and get a variable-rate mortgage. This allows you to overpay your mortgage without any early repayment charges. By paying more each time or by paying weekly, you reduce your outstanding mortgage quicker, resulting in a faster decrease in the amount owed on your mortgage.

Is it worth it?

If you were to overpay your mortgage by just £100 a month for a year, it would allow you to take off nearly 3 years of mortgage repayments. This is all due to the interest charge added to each payment, as mortgage interest is calculated daily.


It is worth paying that little more or changing your mortgage payments to weekly, as this leads to less overall interest accumulating on your remaining balance as you are paying off your loan quicker, reducing the term of the mortgage. Weekly repayments are where you change to paying the monthly agreed amount weekly, split into four payments a month rather than one. This will lead to 52 payments a year rather than 12, allowing you to achieve financial freedom sooner.

What happens when I pay off my mortgage?

When you have finally paid off your mortgage sooner than you knew was possible, you will have a new sense of pride. You will now outright own your property and feel proud while noticing extra disposable cash each month.

Accelerating your mortgage can make a huge difference in your overall financial freedom throughout your life. By overpaying or making more frequent payments, it can take away a large amount of interest added to your owed amount. Speak to your lender to discover your options and see how you could gain financial freedom this summer.

**Contact us today if you'd like to speak to
an independent financial advisor about any of the tips in our blog**

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