



## Article Side

In what way can you save pounds 20,000 on your mortgage by [John Harry](#)

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You can actually think of saving around 20,000 pounds on your mortgage by switching over your debts in a small portion from a cheap personal finance. The borrower who is home owners can in quite an easy manner, save quite a handful of money that a few hundreds of the pounds in one year just by switching some amount of the mortgage of their borrowings with a personal finance that is cheap. In this way they can in totality reduce their debt by not less than thousands of pounds.

The money lenders are caught into a kind of a war and as a result the rate of interest of personal loans is going down, from the past few months they have fallen by 6.3 percent. Sometimes, when a mortgage is compared to a personal loan it costs more than it. In case the amount in the case of your current mortgage is not so high then also if you would be getting into a transfer of some of your amount into a personal loan, you would on a better side.

The working is also quite simple. In case you wish to buy a house or want a re-mortgage and you take a personal finance for it for instance that has a property rate of 10 percent, then the mortgage which you are going to have would be the cost of your house in small portions. This is going to better for you in terms of rates. The rate of mortgage is always subjected to the 'loan-to-value' of the lender that is a combination of the amount of your home loan and the percentage of the price on which your purchase. Apply with instant personal loans @ <http://www.instantcashpersonalloans.co.uk/> and get instant money for your mortgage payments.

Let us take an example, for instance you want that if you want a property of around 30,000 pounds with a lifetime tracker mortgage whose deposit or equity is 10 percent of this total amount and if in case the amount which you have borrowed is 270,000 pounds on a mortgage then LTV which you are going to face would be 90 percent. On the other hand if you take a person loan of an amount 15000 pounds then the mortgage which you would need would only be 255000 pounds and the LTV here would be 85 percent. The payment and its installment would be better for you in the second option and not in the first one.

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