

A Guide to Remortgaging in 2026

Everything you need to know about switching your mortgage to save money and achieve your goals

This guide contains 15 pages and will take approximately 12 minutes to read



Inside This Guide

With 1.8 million mortgage deals ending in 2026, now is the time to understand your options. This guide covers everything from the basics to practical steps for securing a better rate.

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What is Remortgaging?

Key reasons to remortgage



Why Remortgage in 2026?

The year presents both challenges and opportunities for homeowners. With millions of fixed deals ending and rates stabilising, proactive planning could save you thousands.

1.8m

Fixed deals ending in
2026

7.27%

Average SVR (January
2026)

4.23%

Average 2-year fixed
rate

The SVR trap

If you took out a 5-year fix in 2020 when rates averaged just 3%, your deal is likely ending soon. Switching onto an SVR of 7.4% could mean extra monthly payments of hundreds of pounds. For a £200,000 mortgage, that's around £100 more per month, or nearly £1,200 extra per year.

Did you know?

When interest rates peaked in 2023, many homeowners switched to SVR. But now, with rates falling, staying on a fixed rate could be more beneficial. For the same mortgage, a 4.5% fixed rate could save you nearly £1,000 per year compared to an SVR of 7.4%.

When to Start the Process

Timing is everything when remortgaging. Start too late and you risk falling into an expensive trap. Start too early and you may face early repayment charges.

The ideal timeline

Most lenders allow you to look to a new rate up to 6 months before your current deal ends. This gives you time to shop around while protecting against rate rises. Some lenders offer deals up to 7 months in advance.

- 1** 6 months before
Start researching rates and check your credit score
- 2** 4-6 months before
Get an Agreement in Principle and compare deals
- 3** 3 months before
Submit your full application
- 4** 4-6 weeks before
Receive your new mortgage

Check your current deal

Before you start your search, check your deal ends and whether you face any early repayment charges. This information should be in your mortgage statement or OMR statement.

The Remortgaging Process

Remortgaging is simpler than getting your first mortgage, but still requires preparation. Here is what to expect at each stage.

Step 1: Check your current mortgage

Review your existing deal. Note the end date, any early repayment charges, your current interest rate and your exit fee (typically 2% of LTV).

Step 2: Check your credit score

Your credit score affects the rates you can access. Check your reports with Experian, Equifax, and Transunion. Correct any errors before applying.

Step 3: Get an Agreement in Principle

Most lenders offer this online. It confirms you're willing to lend without a full credit check. It helps you understand your options.

Step 4: Apply and complete

Submit your application with proof of income and savings. The lender will arrange a valuation and will send you the legal pack.

Typical Timeline

4-8 weeks

From application to completion

months

From the start of the process to completion

Few days

From the start of the process to completion

Product Transfer vs External Remortgage

When your deal ends, you have two main options: switch to a new product with your current lender, or move to a different lender entirely. Each has advantages.

Product Transfer

- ✔ Keep your existing lender
- ✔ No need to check a credit score
- ✔ No need to calculate fees
- ✔ No 2% administrative charge
- ✘ Limited to your lender's offer
- ✘ Cannot add a new borrower

Get the full guide, including a complete checklist

OFTEN BETTER VALUE

External Remortgage

- ✔ Access the whole market
- ✔ Offer the best value product
- ✔ Can change to a better rate
- ✔ Can add a new borrower
- ✘ Fees & charges
- ✘ May have to check credit

Get the full guide, including fees

SAMPLE - FULL GUIDE AVAILABLE

Understanding Costs and Fees

Remortgaging can involve several fees, but many lenders offer deals that cover some or all of these costs. Always factor fees into your comparison.

Fee Type	Typical Cost	Notes
Valuation fee	£150-£500	Often free with remortgage deals
Legal fees	£300-£800	Often free or cashback available
Product/arrangement fee	£0-£999	Can be added to mortgage
Exit/deeds release fee	£50-£300	Charged by current lender
Booking fee	£100-£300	Non-refundable, not all lenders
Broker fee	£0-£500+	Many brokers are fee-free

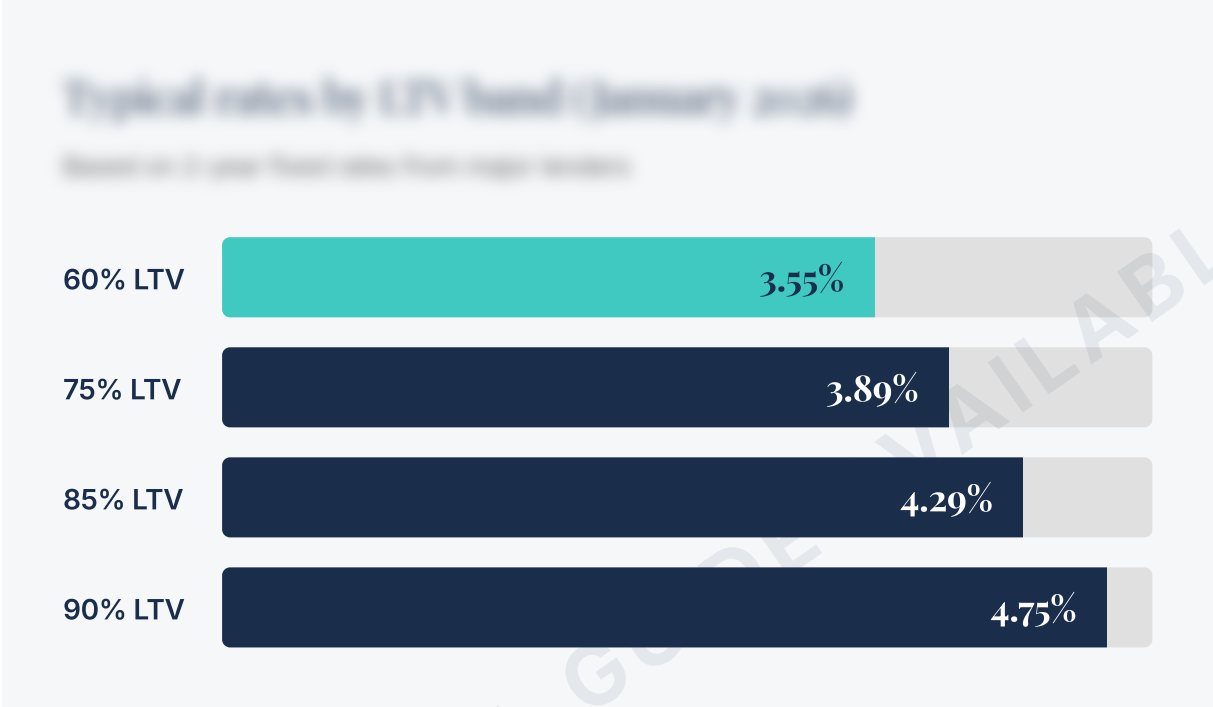
Important: Compare the total cost

A deal with a low rate but high fees may cost more overall than a slightly higher rate with lower fees. Always calculate the total cost over the deal period.



How LTV Affects Your Rate

Lower LTV means lower risk for the lender, which translates to better rates for you.



Calculate your LTV

Divide your mortgage balance by your property's current value, then multiply by 100. For example, if you have a \$200,000 mortgage on a \$400,000 home, your LTV is 50%. If your home has appreciated, and you bought it, your LTV may be lower than you think.

Early Repayment Charges

Early Repayment Charges (ERCs) are fees you pay if you leave your mortgage deal before it ends. Understanding these can help you decide whether to remortgage early or not.

How ERCs work

ERCs are typically calculated as a percentage of your outstanding balance, ranging from 1% to 5%. They often reduce each year of your deal. For example, a 5-year fix might have ERCs of 5% in year one, reducing to 1% in year five.

When ERCs apply

- Switching to a new lender before your deal ends
- Paying off your mortgage early (e.g. selling your home)
- Overpaying more than the allowed amount (usually 10% per year)

Example calculation

If you have £100,000 outstanding and a 5% ERC, you would pay £5,000 to leave early. This must be weighed against the savings from a better rate.

Check your mortgage

The ERCs are detailed in your 100% Mortgage Remortgage Information Sheet or 95% LTV Lender. Your current statement should also show any applicable charges.


When NOT to Remortgage

Remortgaging is not always the right choice. Consider staying with your current lender or on your own if any of these situations apply to you:

- 1 High early repayment charges**
If you have a mortgage with high early repayment charges, it may be more expensive to remortgage than staying with your current lender.
- 2 Small mortgage balance**
If you have a small mortgage balance, the fees and charges associated with remortgaging may outweigh the benefits of a lower rate.
- 3 Negative equity**
If you have negative equity on your mortgage, you may not be able to remortgage as you will need to bring the mortgage up to date.
- 4 Poor credit rating**
If you have a poor credit rating, you may not be able to secure a mortgage with a better rate than your current one.
- 5 Mortgage arrears**
If you have mortgage arrears, you may not be able to remortgage as you will need to bring the mortgage up to date.
- 6 Property in poor condition**
If your property is in poor condition, you may not be able to remortgage as you will need to improve the property.
- 7 High debt**
If you have high debt, you may not be able to remortgage as you will need to improve your credit rating.
- 8 Poor timing**
If you are remortgaging at a time when interest rates are high, you may not be able to secure a better rate than your current one.

Case Study: The Hendersons

The Hendersons are looking to remortgage to reduce their monthly payments and fund their home improvements.



Mark & Helen Henderson, 50s
Two children, £100k in existing debt

Property value	£425,000
Mortgage balance	£280,000
Current rate	1.89%

Their goals: Lower payments

Kitchen extension Financial stability

Current

Monthly payment: £1,100

Rate: 1.89% (fixed)

£280,000

£100,000 in existing debt

After remortgage

Monthly payment: £750

Rate: 2.5% (fixed for 5 years)

New borrowing: £150,000

£100,000 to be repaid

What this means for the Hendersons

The Hendersons are looking to remortgage to reduce their monthly payments and fund their home improvements. They are looking to reduce their monthly payments from £1,100 to £750, which will allow them to fund their kitchen extension and other home improvements. They are also looking to reduce their borrowing from £280,000 to £150,000, which will help them to pay off their existing debt.

Your Next Steps

Ready to explore your remortgaging options? Follow these steps to get started.

1 **Check your current deal** **10 MINS**

Find your mortgage statement or log in to your lender's website. Make sure your deal ends and any early repayment charges.

2 **Check your credit report** **15 MINS**

Use free services like ClearScore, Credit Karma, or Experian to review your credit score. Correct any errors before applying.

3 **Estimate your property value** **5 MINS**

Use online tools like Zoopla or Rightmove, or ask your lender's current valuer and valuer your CVR.

4 **Speak to an adviser** **30 MINS**

A mortgage adviser can search the whole market and find deals you cannot access directly. Make sure you take consultations.

Ready to take the next step?

Contact us on [0800 000 000](tel:0800 000 000) or visit www.example.com to start your remortgage today.



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Your Financial Adviser | 123 High Street, London EC1A 1AA

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