

Interest-only

Self-employed case study

Switching her repayment mortgage to an Interest-only means Sarah reduces her monthly mortgage payments so she can invest in her daughter's education.

Sarah (35) is a self-employed marketing consultant and works as a contractor through her own limited company. She's currently reviewing secondary schools for her 10 year old daughter, Sienna, and would love to put her into a good private school locally.

Sarah wants to free up some income each month



Income

**£20,000 salary +
£50,000 share of net profit
after corporation tax**



Property value

£550,000



Current mortgage

£200,000 (repayment)

An Interest-only mortgage reduces Sarah's outgoings

The monthly payments on an Interest-only mortgage only cover the interest charged and so are less than her current repayment mortgage. She'll have extra money each month and this will help her pay for Sienna's school fees.



**Mortgage amount
£200,000**

Sarah has plans to move to Wales and buy a smaller property when Sienna grows up and moves out. She's comfortable about selling her home to repay the mortgage at the end of the term.



0800 121 7788 Monday to Friday 9am - 5pm



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Your client's home may be repossessed if they do not keep up repayments on their mortgage.

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Mortgages are subject to acceptance in accordance with our lending criteria. The information in this leaflet is provided for your information only and should not be taken as advice. Legally binding terms and conditions can be found in the mortgage application declaration, the terms and conditions of your mortgage offer and in our mortgage terms and conditions. For more information contact Coventry Building Society.

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