

The Advantages of Overpaying a Mortgage for UK Expat or Foreign National Investors

Mortgage Overpayments are one of the best ways for UK Expat and foreign national investors to increase the profitability of their investment.

MANCHESTER, GREATER MANCHESTER, UK, June 5, 2023 /EINPresswire.com/ -- Record Overpayments.

A great way to combat rising mortgage rates is for [UK expat and foreign national investors](#) to make overpayments on their mortgage. In the last three months of 2022, UK homeowners made [record overpayments on their mortgages - £6.7 billion](#). This is likely as a result of homeowners' fears about rising mortgage rates.



By using an overpayment calculator, you can work out how much you could save over the duration of a mortgage.

'When we talk to prospective or existing UK expat and foreign national investors about how best

“

Overpaying a mortgage is a great way to reduce the cost of an investment, maximise profits, manage cashflow, shorten the duration of a mortgage, combat interest rates, and negotiate a better deal.”

Stuart Marshall

to manage their investment, one bit of advice that we always offer is to overpay on mortgage repayments wherever possible' says Stuart Marshall of Liquid Expat Mortgages. 'Overpaying the compulsory repayments is a great way to reduce the cost of an investment, maximise profits, manage cashflow, shorten the duration of a mortgage, combat interest rates, and negotiate a better mortgage deal.'

How to Overpay on a Mortgage.

There are a number of ways to make mortgage overpayments. The most common way is to make a lump

sum payment. However, some UK expat or foreign national investors choose to increase the amount they pay each month. There are usually limits to the amount that can be overpaid,

though most lenders allow borrowers to overpay 10% of the outstanding value of the mortgage each year, with some allowing overpayments as large as 20%.

In general, overpaying in a lump sum is preferable to monthly overpayments since it will have a more dramatic impact on the amount saved. For example, making a one-off lump sum payment of £20,000 on a £200,000 with a 4% interest rate will save £30,179 in interest. Paying £100 a month on the same mortgage would only save £18,020, even though the total amount being overpaid is higher - £25,900 compared to only £20,000. However, if a lump sum payment is not possible, monthly overpayments will still do a great deal to improve the profitability of a UK expat or foreign national investment property.

Liquid Expat Mortgages offers a free mortgage overpayment calculator for UK expat and foreign national investors to work out how much they can save. [Click here.](#)

Overpay to Reduce the Cost and Duration of a Mortgage.

'Overpaying a mortgage is massively advantageous for UK expat and foreign national investors for so many reasons' says Stuart Marshall. 'The main advantage of overpaying on a mortgage is that it reduces the amount

paid over the lifetime of the mortgage. By increasing the amount of the mortgage, UK expat and foreign national investors will make massive savings on interest payments. In addition, UK expat and foreign national investors will pay their mortgage off much sooner, meaning the path to being mortgage free is much quicker. To put this into real world terms, a £200,000 mortgage for a term of 25 years at an interest rate of 4% will mean that UK expat and foreign national



In general, overpaying in a lump sum is preferable to monthly overpayments since it will have a more dramatic impact on the amount saved on the total cost of the mortgage.



The main advantage of overpaying on a mortgage is that it reduces the amount paid over the lifetime of the mortgage. By increasing the amount of the mortgage, UK expat and foreign national investors will make massive savings on interest payments.

investors pay a total of £116,702 in interest. Increasing mortgage payments by just £100 a month will save over £18,000 in interest and shorten the length of the mortgage by three years and five months.'

'Overpaying a mortgage is a great investment strategy for UK expat and foreign national investors looking to reap the long-term benefits of their property investment. With tenants paying the compulsory mortgage repayments with their rent, it's a good idea for UK expat and foreign national investors to devote some extra capital to overpay on their mortgage. This will reduce the overall cost of the investment, and consequently increase the profitability. Further, once the mortgage is paid in full, UK expat and foreign national investors will have their main monthly cost removed and will see massively increased profits from their rental property.'



Overpaying a mortgage is a great tool for combatting rising interest rates, especially when used in conjunction with moderate rent increases.

Overpaying to Offset Interest Rates.

In the current climate, offsetting the impact of rising interest rates has become a key goal for UK expat and foreign national investors. In many cases, investors have passed these interest rate rises onto their tenants in the form of rent increases. And while this is an effective strategy to deal with interest rate rises, overpaying a mortgage is an even better tool, especially when used in conjunction with moderate rent increases. By reducing the total amount of the mortgage, interest rate rises will not hit the investor as hard as they would, since the interest is charged on a lower amount. Further, if the overpayment amounts are significant enough, UK expat and foreign national investors might be able to move into a lower LTV tier, which can help to negotiate lower interest rates when re-mortgaging. This is another useful way that UK expat and foreign national investors can use overpayments to lower the impact of interest rates.

Click here to use our Mortgage Overpayment Calculator.

Liquid Expat Mortgages

Ground Floor, 3 Richmond Terrace,

Ewood, Blackburn

BB1 7AT

Phone: 0161 871 1216

www.liquidexpatmortgages.com

Any media enquiries please contact Ulysses Communications.

sergio@ulyssesmarketing.com

+44 161 633 5009

Sergio Pani

Ulysses

+44 7811 326463

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

[Instagram](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/636680997>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.