

Important Information About Debt Consolidation

You're using some of the money from your new mortgage to pay off other debts you already have. These debts might be things like credit cards or loans that weren't linked to your home before.

Now, by adding them to your mortgage, they are linked to your home. This means your home could be at a higher risk of being repossessed by adding these debts if you are unable to keep up with the repayments as a result.

Even though the interest rate on your mortgage might be lower than your other debts, there are things to think about:

- Your old debts might have been set to be paid off sooner. By adding them to your mortgage, you might end up paying more interest over time.
- Your overall monthly payment might be lower now, but because the mortgage lasts longer, you could pay more overall.
- If you have a joint mortgage (with a partner or someone else), and any of the debts were only in one person's name before, you are both now responsible for paying back the full mortgage amount and any missed or late payments or arrears on your mortgage will affect you both equally.

Make sure you've looked at the debt consolidation table in your Mortgage Record of Suitability report. It explains the costs and other important details.