

Mortgage Matters

News from the Independent Mortgage Store Ltd.



Independent Mortgage Store celebrates ten years of success



The Independent Mortgage Store Ltd. – a name synonymous with high-quality financial services – celebrates its tenth anniversary this year. Over the past decade Paul McGowan and his team have arranged in excess of £400m of mortgages in Glasgow and across the UK. While our growth continues apace, we haven't lost sight of our original aims – providing affordable advice and top-quality customer service. You'll never receive impersonal, corporate-style service from us.

We believe our commitment to delivering consistently high standards is more important than ever during this period of market turbulence. Following the recent credit crunch, choice in the mortgage market has become more restricted. For instance, it is no longer possible to borrow more than 100% of a property's value.

We continue to work harder than ever to get you the very best mortgage to suit your circumstances. With access to thousands of products, the Independent Mortgage Store aims to identify the one that best suits your needs.

Whether you are moving house or wish to arrange a remortgage on your existing property, we can research the market and talk through the options with you. We look forward to hearing from you soon.*

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Win Sunday lunch for four at One Devonshire Gardens



Independent mortgage store

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Meet the team



**Paul McGowan,
Director**

Paul qualified from Glasgow University with an honours degree in cell biology, but moved into financial services after a chance encounter, and has never looked back. He trained with Financial Planning Services where within a year he had moved through the ranks to become a senior unit manager in charge of a team of 16. By this stage he knew that mortgages were his specialist strength, and joined Roy Slater Estate Agency as a Mortgage Broker.

Paul worked with Slater's for ten years, and was their top broker for his last seven years. After being offered the position of Mortgage Director at age 32,

Paul decided that it was time to look at pastures new and start his own company. He opened his office at 93 Byres Road in April 1998, and has remained busy from the moment the doors opened. During that time market conditions have changed, and the Independent Mortgage Store's client bank has changed with it.

In 2007, due to its continued growth, the company opened a second office in Chancellor Street, where Paul is now based. He puts his success down to providing a highly professional but friendly service to his clients.

David Bremner, Senior Mortgage Manager. David moved into financial services in 1990 after working in local government finance for ten years. After working for a major insurance company, he became an Independent Financial Advisor in 1997, spending part of the following years based at a busy solicitors practice where he gave financial advice – including mortgage advice – to clients. He joined the Independent Mortgage Store in 2002, and has spent the last six years giving advice on mortgages and all aspects of mortgage-related products, including protection, life insurance and general insurance. David has a wealth of experience in the mortgage market and is now assisting his growing client bank to enlarge their property portfolios through buy-to-let acquisitions.



Laura Carson, Administration and Compliance Manager. Laura began a career in financial services after starting a family in 1985, and initially worked part-time with a number of banks and financial services sales teams. In 1992 she joined Roy Slater Estate Agency as personal assistant to Paul McGowan for mortgage administration. Laura has worked with Paul ever since (for 16 years). When Paul opened the Independent Mortgage Store in 1998 she was delighted to start as office manager. Ten years later she is based in our new administration office in Chancellor Street, with an expanded role overseeing all the company's administration and compliance.

Chris Sheridan, Mortgage Adviser. Chris started out in financial services in 2000 working in the life and pensions industry for Prudential where he undertook his initial training. In 2003 he took the chance to enhance his career and move into the financial advice sector, where he quickly qualified to give advice on a wide range of products, including investments, pensions and mortgages. As his strengths lay in mortgages he decided to concentrate purely on mortgage advice, and moved into this market three years ago. Chris joined the Independent Mortgage Store in April 2007, and quickly established himself as a key member of staff, dealing in specialist areas of the mortgage market, as well as undertaking training in commercial mortgages.





Buy-to-let: still a good investment?

Are you fed up with hearing about other people owning that second, third or even fourth property? Now may be the time to look into expanding your own property portfolio.

The popularity of buy-to-let mortgages has soared since their introduction ten years ago. In 2006, 10% of all mortgages taken out by UK homeowners were buy-to-let mortgages (a record £17.5 billion), highlighting their growing popularity. In fact, over 152,000 buy-to-let mortgages were issued in the first six months of 2006.

Despite the doom and gloom mongers out there, the buy-to-let market is stronger than ever and continues to grow. Councils are building fewer houses, the UK population is increasing, and our housing stock deficit – currently sitting at 500,000 – is set to rise by over 100,000 a year according to the Town and Country Planning Association.

Coupled with a tougher residential mortgage market – particularly for first time buyers, who may find it harder to get on the property ladder – buy-to-let looks like an attractive option as an alternative investment. With UK divorce rates on the rise, and our student population increasing faster than ever before, it all adds up to some very good reasons to consider dipping your toe in the waters of buy-to-let and investing for your future.

Over the past few years, more and more people have taken to investing in buy-to-let property as a long-term opportunity to make profitable returns, as well as a way of securing finance for their retirement plans.

Past performance is not a guide to future performance. The value of property investments and income from them can go down as well as up and investors may not get back the amount originally invested.*



Mortgages for students

With the constant shortage of decent university accommodation, combined with expensive private rents, many students choose to buy a flat while at university and let out the other rooms to friends. Indeed, when the Independent Mortgage Store first opened in 1998 some 60% of our business came from arranging mortgages for students.



dentistry or law – taking out a mortgage can be even more appealing. By the time you're ready to sell up and move on, you could already be seven years through a standard 25-year mortgage.

Rather than spending thousands of pounds on rent, students can find themselves leaving university with a significant bricks and mortar asset to counterbalance their other debts. One of our clients left university aged 22 and netted a profit of over £100,000 when he sold his student flat!

Although the student mortgage market remains buoyant, the criteria have changed due to the introduction of Houses in Multiple Occupancy (HMO) rules, which restrict the number of tenants allowed to stay in any one property, so it's important to do your homework before buying. We can provide guidance on this, as well as arranging your mortgage for you.*



Being flexible could help you pay off your mortgage early

Flexible offset mortgages are relatively new to the market, and are growing in popularity all the time. They could reduce the amount of interest you pay on your home loan by combining your savings and current accounts with your mortgage. This can reduce the overall size of your mortgage, making your money work harder for you by reducing the interest you pay on your borrowing. It's very straightforward, but the effect on your finances can be significant, with the potential to cut years off your mortgage.



that you won't earn any interest on your savings when they're combined with your mortgage. However, with base rates currently low, using your savings to reduce your mortgage payments can be a more sensible option. These mortgages are often popular with people who have large and volatile incomes (bonuses or the successful self-employed) or significant savings.

Because most offset mortgages are so flexible, you can overpay to clear your mortgage more quickly, or underpay or even take a break from your payments if you need to. Some lenders, such as The One Account, set an agreed borrowing limit (currently available up to 95% of the value of your home) that you can withdraw up to at any time, just like a pre-agreed overdraft. As long as you repay your mortgage by the time you retire, and stay within your borrowing limit, how you run your account is up to you.*



Advantages of flexible mortgages:

- pay off your mortgage early, without penalty, by making overpayments
- borrow against mortgage overpayments or equity in the property more easily, often at a lower interest rate than a secured loan (dependent on the type of flexible mortgage)
- change mortgage at any time without being penalised, as some products (such as The One Account) have no early redemption penalties
- interest rates are generally variable, so if the Bank of England's base rate falls this could lead to a fall in your lender's standard variable rate

Win Sunday lunch for four at Hotel du Vin

To celebrate the Independent Mortgage Store's tenth anniversary, we are offering you the chance to win Sunday lunch for four people at the fabulous Bistro at Hotel du Vin

Set in a tree-lined terrace in the fashionable West End of Glasgow, Hotel du Vin at One Devonshire Gardens is a luxury boutique hotel – a Hotel du Vin with a little bit more.

The Bistro deluxe is located in House 1 and has recently been awarded 3 AA rosettes. You'll find great classic and modern dishes with a Scottish influence, all supporting our philosophy of quality

food, cooked simply with the freshest of local ingredients. Naturally, wine to accompany your meal is of fundamental importance. Guests can visit the wine cellar accompanied by their own sommelier, and choose from over 600 bins.

If you prefer to eat outside, our two terraced gardens are perfect for alfresco dining, while those who enjoy a cigar will love our heated outdoor cigar shack.



To enter simply answer the following question: What is the address of Hotel du Vin? Send your answer by email to paul@independentmortgagestore.co.uk, including your name, address and a daytime phone number. Closing date 31.05.08. The winner will be picked at random and notified by email within two weeks of the closing date. Prize excludes drinks.

We would like to add your details to the Independent Mortgage Store's mailing list and send you occasional email updates about the services we offer (no more than once every three months). We will never share your details with any other organisation. If you would rather not be added to the mailing list, please include the word 'unsubscribe' when you email your competition answer to us.

*There will be a fee for mortgage advice. The precise amount will depend upon your circumstances, but we estimate it will be £99. Your home or property may be repossessed if you do not keep up repayments on your mortgage. You may have to pay an early repayment charge to your existing lender if you remortgage. The features of flexible mortgages and offset mortgages are particular to the product and will vary from lender to lender. The Independent Mortgage Store Ltd. is registered in Scotland (SC 242881). Registered address: 4 Chancellor Street, Glasgow, G11 5RQ. Information about mortgage products correct at time of going to press (31/03/08).