

Aldermore

Your guide to product switching

Here's everything you need to know about switching to a new mortgage deal, including some frequently asked questions.

This guide is for:

Landlords who already have a mortgage with us

30 April
2024



Why product switch?

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Our product switch rates are available to existing customers looking to move to a new deal when their initial rate or early repayment charges are coming to an end or have finished.



Product switch rates

A choice of 2 and 5 year fixed rates for existing customers



No fees

No valuation, solicitor or product fees



Switch early

You can switch to a new deal up to 17 weeks before your current rate or Early Repayment Charges (ERCs) end



Hassle free

No new affordability or credit checks



Overpayments

You can make overpayments of up to 10% of your outstanding balance in any 12 month period without incurring an early repayment charge.

Am I eligible to switch?

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You'll need to meet our eligibility criteria to switch your mortgage to a new deal with us. Please read the details below and if you have any questions our product switch team are here to help.



Your mortgage payments

As long as your mortgage payments are up to date, you can be considered for a product switch.

If you've taken a mortgage payment break, your agreed missed payments during your payment break won't affect your ability to switch rates.



Ground rent arrears

You can't have any ground rent arrears on your buy to let accounts with us.



Switching your current mortgage balance

To switch your mortgage, you need to maintain your current mortgage balance and not make any other changes.



Making changes

If you'd like to make changes to your mortgage, such as amending your term or repayment method or adding or removing someone from your account, please call or email our product switch team.



Borrow more

If you're eligible and would like to borrow more on your mortgage you'll be offered a different choice of product rate options to the product switch rate(s) we've included in this guide. [Find out more >](#)



How it works

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When you come to the end of your current mortgage deal, we make it as easy as possible for you to switch to a new rate with us. We'll write to let you know what your rate options are and the ways to switch in plenty of time before your current deal ends.

When can I switch my mortgage?

- I'm on a fixed rate: up to 17 weeks before the end of your current fixed rate
- I'm on a term variable rate: up to 17 weeks before the end of your Early Repayment Charge period (ERCs)
- I'm on the variable Aldermore Managed Rate: you can switch at any time
- I'm on a 2 Year Discount variable rate with the 'Switch to fix' option: you can switch to a new fixed rate, within your 2 year discount period, without incurring ERCs.

Your service choice

We offer product switches on an 'execution only' basis. This means you're responsible for choosing a mortgage that's right for you. You won't receive any advice or a recommendation from us. You can switch by filling in the form at the bottom of your letter or by contacting the product switch team.

Through your broker

If you'd like advice and a recommendation based on your needs and circumstances, you can contact a broker who'll be happy to help you find the right mortgage.

You can find a mortgage broker by searching online or by asking friends or family for personal recommendations.

Don't forget to check they're registered with the FCA. You can do this by searching the register.fca.org.uk

Need any help?

Call or email the team on the details below

How to switch

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If you'd like to switch to a new rate you can apply in three ways:



Contact your mortgage broker

They'll take you through the process and arrange everything for you. If you'd like advice and a recommendation based on your needs and circumstances, you can contact a broker who'll be happy to help you find the right mortgage.

You can find a mortgage broker by searching online or by asking friends or family for personal recommendations. Don't forget to check they're registered with the FCA. You can do this by searching the register.fca.org.uk



Apply by post

We'll write to you around 4 months in advance of your deal or ERCs ending with details of what new rates we can offer you. Fill in the form at the end of your letter and it send back via email to product.switch@aldermore.co.uk. We accept a clear scan or picture of your completed form.

Alternatively, you can send it back to us in the pre-paid envelope we've provided.

We'll send you a mortgage offer in the post.



Get in touch with our dedicated team

Get in touch with our dedicated team on **0333 321 1000**
– (follow the instructions from option 2) (Mon-Fri, 9am-5pm)
or email product.switch@aldermore.co.uk



Our product switch rates

Single residential investment properties

2 year fixed rate			
	Individuals/Companies		
Maximum loan size	£1 million		
Mortgage type	70%	75%	85%
Initial rate	6.79%	7.39%	7.64%
Product fee	FREE TO EXISTING CUSTOMERS		
5 year fixed rate			
Initial rate	6.19%	6.79%	7.04%
Product fee	FREE TO EXISTING CUSTOMERS		

HMOs and multi unit freeholds (HMOs up to 6 bedrooms & multi unit freeholds up to 4 units)

2 year fixed rate	
Maximum loan size	£1 million
Mortgage type	80%
Initial rate	7.89%
Product fee	FREE TO EXISTING CUSTOMERS
5 year fixed rate	
Initial rate	7.29%
Product fee	FREE TO EXISTING CUSTOMERS

Reversion rate (at the end of the initial rate period) for accounts reverting to:	
Aldermore Managed Rate (AMR) [^]	9.73% variable (AMR [^] + 0.00%)
Aldermore Mortgages Transition Rate (AMTR) ^{^^}	10.30% variable (AMTR ^{^^} + 4.95%)
If you're unsure which reversion rate applies to you, just get in touch with our team who'll be happy to help. Call us on 0333 321 1000, or email product.switch@aldermore.co.uk	

[^]The Aldermore Managed Rate (AMR) is a variable rate set by us which is currently 9.73%.

^{^^} The Aldermore Mortgages Transition Rate (AMTR) is a variable rate set by us which is currently 5.35%. AMTR will be reviewed on 15th February, May, August and November

Early repayment charges

ERCs	2 year fixed	5 year fixed
Year 1	2.50%	4.50%
Year 2	2.00%	4.00%
Year 3		3.50%
Year 4		3.00%
Year 5		2.50%
You can make overpayment's of up to 10% of your outstanding balance in any 12 month period without incurring an early repayment charge.		

Our rates explained 

Frequently asked questions

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Making changes? I'd like to borrow more on my mortgage

If you're eligible to borrow more on your mortgage you'll be offered a different set of interest rates to the product switch rate(s) we've included this guide. You can contact our Mortgage Advisers at mortgage.advisers@aldermore.co.uk. Find out more at aldermore.co.uk/mortgages/customer-support/borrow-more

I'm on a fixed rate: What happens if I don't switch before my current rate ends?

If you decide not to switch when your fixed rate comes to an end, your mortgage will change to the variable Aldermore Managed Rate. This will happen automatically and the date along with the rate it will change to are included in your renewal letter. We'll also send you a separate letter with the changes to your monthly direct debit. Your monthly payments will then be based on the variable rate and could go up or down.

I'm on a discounted variable rate: What happens if I don't switch when my early repayment charges end?

Once your discount period comes to an end, your mortgage will remain linked to the Aldermore Managed Rate (AMR). This means you'll normally have to make a higher monthly repayment than you made during the initial discount period. As your monthly payments are based on a variable rate they could still go up or down in the future in line with the Aldermore Managed Rate (AMR).

What happens next? When will my mortgage switch to a new rate?

We'll be able to switch your rate up to 17 weeks before the end of your current rate or early repayment charges, if you're eligible. We want to have enough time to change your monthly payment. If you'd like to switch your mortgage for the next calendar month, you'll need to complete your product switch no later than 15 working days before your next direct debit date. We'll then have enough time to set this up for you. E.g. if your direct debit is 1 July 2022, you'll need to have confirmed your product switch no later than 9 June 2022.

How do you work out the Loan to Value (LTV) for a product switch?

Where possible we'll use the latest property valuation that we have on file, along with your existing balance to confirm the product switch rates. However, if you have a HMO/MUF property, we'll use the original valuation. If you'd like us to confirm your clients' property valuation, please contact our product switch team.

Money worries?

If you're ever worried about paying your mortgage, we're here to support you. It's important you get in touch as soon as you can. You can contact us at mortgage.support@aldermore.co.uk or call **01733 821 388** and we'll talk you through your options. Or visit aldermore.co.uk/moneyworries for more information.

Credit is secured on your home. Your home may be repossessed if you do not keep up repayments.

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