**Homes for Self-Starters: Exploring Various Mortgage Options for Self-Employed Individuals**

Being self-employed comes with its challenges in every way. When applying for a mortgage as someone self-employed it could seem difficult to choose the right mortgage to suit your finances. Here is a simple guide to all the different types of mortgages available for self-employed people.

**Types of Mortgages**

For many mainstream lenders, there isn't a specific mortgage designed for self-employed individuals. Instead, they assess your eligibility for a mortgage based on your financial situation. If you're not approved by these lenders, due to the perceived risk of being self-employed, you may have to consider smaller lenders that offer self-employed mortgages.

However, these mortgages often come with higher interest rates compared to those offered to individuals with stable jobs.

Here are some of the different types of mortgages:

**Fixed-rate Mortgage:**

A fixed-rate mortgage is when the lender sets an interest rate that remains constant regardless of the chosen length, typically between 2-5 years. This means that you'll be making consistent payments throughout the entire mortgage term, making it easier to budget and plan for your expenses.

**Variable Rate Mortgage**

A variable rate mortgage is the opposite of a fixed rate mortgage. This means that your payments can vary each time the lender adjusts the interest rate. These rates are not linked to the Bank of England base rate. With this type of mortgage, you have the advantage of paying less if the lender's rates decrease, but also the risk of paying more if the lender increases the interest rates.

**Variable Rate Tracker Mortgages**

A variable rate tracker mortgage is like a variable rate mortgage but instead of the lender setting the rate of interest, it is instead set by the Bank of England and therefore will vary depending on what the Bank of England set it out to be.

These mortgages often give a better interest rate compared to a variable rate mortgage, but it does still have the variable element attached to it making it so that your payment could easily go up which does make budgeting harder each month.

**95% Loan to Value Mortgage**

This type of mortgage requires a lower deposit compared to other mortgages. For example, you may only need to put down a 5% deposit, and the lender will provide the remaining 95% as a loan. If a house is valued at £200,000, you would need to pay an initial deposit of £10,000. This allows you to buy a home with a smaller deposit, but it also means you will pay more interest on your mortgage in the long run.

**How am I able to find the most suitable mortgage?**

To find the most suitable mortgage, simply schedule an appointment with one of our representatives. We provide personalised care and help you secure the most suitable mortgage for your needs.

**We’re here to help you:**

As a self-starter, you’re used to taking charge and making things happen—but even the most driven individuals can find the mortgage market overwhelming. That’s where we come in. We’re here to empower you with the knowledge and support needed to make informed, confident decisions. Our expert team offers personalised advice tailored specifically to your financial goals, ensuring that you stay in control while benefiting from our industry insights and guidance.

Contact us today to learn more and schedule a no-obligation consultation. We're here to support you through every step of the process, giving you the tools to succeed in your mortgage journey with confidence and clarity.

Please remember: YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

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