



# Remortgages

## Time to discuss protection

A remortgage (or product transfer), is a good time to check your client's financial protection still suits their circumstances.

## A changing landscape

Coronavirus has affected the UK mortgage market significantly.

During the first nationwide lockdown the new purchase market was largely frozen, and ever since, lenders have been understandably cautious about new purchases:

- They fear a rise in unemployment will make new purchases a higher risk
- They're tightening lending criteria
- There's a scarcity of high loan to value (LTV) deals - first time buyers are being squeezed out.

As new purchase mortgages have become considerably harder to place, remortgages continue to present a viable alternative; **in August 2020 alone, there were 33,400 remortgage approvals<sup>1</sup>.**

## The right time for a conversation

Remortgaging is a great opportunity to address your client's protection needs. Not only might they save money on the remortgage, which they can spend on protection, but things may have changed since you last spoke to them:

- Has their income increased?
- Has their spending reduced as a result of working from home or going out less?
- Have they got married?
- Have they had children or are they planning to have children?



People can save an average of £4,500 a year by remortgaging<sup>2</sup>.

The pandemic has brought the need for financial protection into sharp focus, so there is arguably no better time to talk about it – particularly critical illness cover.

# Time to talk about critical illness cover

If your client has got married, had children, or is planning/expecting children, then they could need critical illness cover – and crucially, the right type of critical illness cover.

If their income has increased, they're spending less, or they'll save money on the remortgage, then perhaps they can afford critical illness cover now when they couldn't previously.



## Tailoring cover to the client

When designing our new critical illness, we wanted to provide flexibility to build cover that works for your clients' budget and family needs. When their life changes, their critical illness cover should be able to change too.

Core cover is designed for those on a tighter budget, while enhanced cover is more suitable for those with higher disposable income or who are planning/expecting children. And either way, children's cover – which can be added or removed at any time from both core and enhanced cover – is a must for those with children.

## More than financial support

All customers of AIG Life, and their partner and children up to the age of 21, also have **unlimited (and free) access to Smart Health** – which includes a 24/7 online GP service and an expert second medical opinion service from Best Doctors<sup>®</sup>, and is **valued at £43 per month<sup>3</sup>**.

## Contact us

Get in touch with our sales team to find out more.



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<sup>1</sup> [www.bankofengland.co.uk/statistics/money-and-credit/2020/august-2020](http://www.bankofengland.co.uk/statistics/money-and-credit/2020/august-2020)

<sup>2</sup> [www.homesandproperty.co.uk/mortgages/save-money-remortgage-svr-coronavirus-a139031.html](http://www.homesandproperty.co.uk/mortgages/save-money-remortgage-svr-coronavirus-a139031.html)

<sup>3</sup> Average value based on a sample of 2,000 individuals (source: AIG Life commissioned research, ID Consulting, January 2020).

\* Smart Health is a non-contractual benefit which can be withdrawn at any time without notice.