

The Re-mortgaging Process

Why might you re-mortgage?

The fixed rate period of your existing mortgage or the mortgage term itself may be nearing an end. You may therefore be looking at switching to a new mortgage with better rates and this could be with your existing lender or a completely new lender. You can choose to compare mortgage deals yourself or instruct a mortgage advisor to assist in finding the best deal for you.



Instructing a Legal Advisor

Once you have found a suitable mortgage deal you should then instruct solicitors to act on your behalf. We would be happy to assist you on your re-mortgage and advise you on the terms. You will be required to our terms of engagement, provide up to date identification and proof of address and complete any other information forms they use.



Survey

If you choose a mortgage deal with a new lender they may wish to carry out a basic survey on your property to ascertain the value is sufficient to repay any money being loaned. An existing lender may not require a new survey.



Mortgage Offer

A mortgage offer detailing the terms of the new mortgage deal will be issued to you and a separate offer also issued to us. You should check the terms are as you expect. We will check the terms and report to you on these however noticing any discrepancies earlier on is helpful as a revised offer may need to be issued.



The next stages

1. We will obtain up to date copies of the Title Register in respect of the property from the Land Registry.
2. If required we will either submit searches (e.g. Local Authority, Water and Drainage, Environmental etc.) or obtain search indemnity insurance, if the lender is happy to proceed without searches. We will clarify the lender's instructions on receipt of the offer.
3. We also write to your existing lender to inform them that we have been instructed in connection with the re-mortgage and to obtain a redemption figure which is the amount needed to repay the existing loan. You will therefore need to ensure you give us account details for the existing mortgage.
4. You will need to provide documents to us such as a copy of your buildings insurance, planning permissions and building regulations compliance certificates in respect of any works you have carried out at the property.
5. If the property is Leasehold then we will also need to obtain details of the Freeholder and any Management Company as they are likely to have their own registration requirements.



Reporting on the Mortgage

Once we have all the relevant paperwork and redemption figures from the existing lender we will report to you in detail on the terms of the new mortgage. Provided you are happy with the terms you will be required to sign the Mortgage Deed which is a legally binding document between you (the borrower) and the lender under which you are bound by the terms and conditions of the mortgage and the lender will obtain security over the property.

If any other persons over 17 years of age will be occupying the property at the time the mortgage completes, for example any children over this age, they will need to sign a form of Consent and Postponement. By signing this document essentially the individual waives any rights in the property they have acquired by occupation in favour of the lender. Lenders may require these individuals to obtain independent legal advice. We would not be able to provide such advice as they are already instructed to act on behalf of you and the lender and there would therefore be a conflict of interest.



Requesting Mortgage Funds

Once everything is signed we will then request the mortgage monies to arrive on a completion date, a date of which you can decide. Most lenders require at least five or seven working days to release the funds so bear this in mind when choosing a completion date. Some lenders may release funds on shorter notice though this is often by deducting a fee from the funds released or adding a fee to the mortgage account.

Please also note that completion can only take place on a weekday.



Pre Completion Checks

We will be required by the lender to carry out bankruptcy searches on all borrowers and obtain a clear result before the mortgage completes. Searches will also be carried out at the Land Registry to obtain first priority when registering the new mortgage against the property's title. An up to date redemption figure from your existing lender will also be requested to ensure the correct amount is paid to redeem the mortgage, particularly if you have made mortgage payments since the first redemption figure was obtained.



Completion & Registration

On the day of completion your existing mortgage will be redeemed from the new mortgage funds received. If there are any funds left over these will be paid to you.

We will write to the existing lender confirming the existing mortgage has been repaid and request that the lender removes their charge from the property's title at the Land Registry. Once this has been removed the new mortgage can be registered and the associated Land Registry fees will be paid. Registration at the Land Registry can take a number of weeks and as soon as an updated register of title is received from the Land Registry we will write to you with a copy for your information.

If the property is Leasehold then we will also need to write to the Freeholder and any Management Company to confirm there is a new charge secured against the property and pay any registration fees in this regard.