

You remortgage when you change your mortgage for a different one, without moving home. Many people re-mortgage their property, not only to get a better rate from a lender, but also to make use of equity that has built up in their property for other purposes, such as home extensions or refurbishments. Borrowing this way may prove cheaper than taking out a personal loan, but as the debt is secured on your property, you risk losing your home if you cannot make the repayments

There may be other legal work associated with a remortgage such as a Transfer of Equity but we will explain that to you when we check the title. We aim to complete your remortgage in line with your requirements as quickly and efficiently as possible. Providing your lender allows it, we use search insurance rather than undertaking full Local Authority searches, in order to minimise cost and delay.

Top Tips for Remortgaging

Make a note to contact your mortgage broker well before the end of your fixed fee or discount deal, to allow enough time to select and process a new mortgage application.

If you are presently tied in through a special deal, don't risk an early repayment charge by remortgaging before the end of the deal. These penalties can be very expensive and there may be other costs involved. Your mortgage adviser should be able to help you decide what is best.

Frequently Asked Questions

Q: Why do you need an in-depth Form signed by us when we have already given this information to our new lender and/or our broker?

A: We often see differences in information provided to us (e.g spelling of surnames, omission of middle names, property address slightly different), and our Form includes details where we should send any surplus monies at completion.

Q: How long does the process take?

A: There is no simple answer. A lot depends on what our check of your property title reveals, whether others respond promptly to our enquiries (eg. any second lender who you might not be paying off, housing associations, landlord agents, others who may have to consent to you remortgaging), whether you have borrowed enough, transfers of ownership etc.

Q: If I specify a date I want you to complete my remortgage, will you stick to it?

A: A lot depends on when we receive your mortgage offer, whether any title-related matters have been resolved, whether we have all that we need in order to complete. Your specified date is a guide to us, but we cannot promise to meet it. We have the same desire as you to complete your remortgage at the earliest appropriate opportunity so that you get the mortgage deal you want.

Q: What common problems affect speed of completing the process?

A: Many things, including delays in returning Forms to us, buildings insurance details not received or out of date, co-operation of other lenders to enter into Deeds of postponement, transfers of equity, shared ownership leases, mortgage offers not received, Restrictions registered against the title of your property, early settlement charges, your preference, telephone volumes (ours and lenders).

Q: Is telephoning you the best way to keep track of how my remortgage is progressing?

A: No. We all dislike call menus and being on hold. We will regularly contact you, especially where we need your help to move the transaction forward. The fewer the phone calls, the quicker we can help all our valued clients in this type of process. You may wish to email us or write.

Q: Why should I worry about having a “shortfall” if I am borrowing the same amount?

A: Lenders do not focus on your method of budgeting. Your old lender will charge a closing fee and maybe other admin fees. Your new lender will deduct from the money they send to us an electronic transfer fee (“CHAPS”) and maybe a further fee if you arrange your own insurance. A recent mortgage payment might not be included in the redemption statement they provide. If you borrow the same amount, expect to have a shortfall when it comes to completion day.

Q: What happens then if I have a shortfall?

A: Either pay it on your debit card or arrange a new mortgage offer if the sum is, in your opinion, too large for you to proceed. If this happens on the cusp of completion, we will have to put your case on hold and incur additional admin expenses for which you will incur a Reset fee.

Q: Can’t you send me a Statement at an early stage in the process to alert me to a shortfall?

A: We have designed a process around fast completions which means our Completion Statement is usually sent to you on the cusp of completion and not earlier. Keep in mind the answer above re borrowing the same amount.

Q: I want to pay my new mortgage at the end of each month, or when I prefer. Can I?

A: Discuss this with your new lender or your financial adviser.

Q: When do I have to make my first mortgage payment to the new lender?

A: Please refer to your mortgage offer or liaise with your lender.

Q: I don’t have a current mortgage? Does this affect progress?

A: Not necessarily. We may need any deeds you, your solicitors or your bank may hold.

Q: Since I first bought the property, I have changed my name. Does this matter?

A: Yes. We need either your original marriage certificate or a copy certified by a local solicitor bearing the firm's office stamp or a Change of Name Deed from you.

Q: Can anyone witness my signature on the mortgage deed?

A: If they are over 18, a friend, neighbour, work colleague or professional is okay, but not a relative or joint borrower with you.

Q: Why does my child have to sign an Occupier's Consent for the lender when they have no rights in the property?

A: If the child is over 17, it's what the lender requires.

Q: Are there any other costs I should anticipate?

A: We charge additional costs where a deed of postponement is needed, or your property is shared ownership lease. If you are transferring ownership, there are extra fees. If your property is leasehold, almost certainly notice fees will be charged by your landlord. Where we send money by CHAPS to your lender(s) or you, each CHAPS transfer incurs a fee. If checking your property title reveals a "restriction" that requires a consent to registration of the new mortgage, we will charge a fee to get the Restrictioner's consent. The Restriction holder will almost certainly charge fees for dealing with our enquiries. We will request the funds from you where this occurs before we proceed further.

Q: Aren't you and the broker part of the same group, along with our lender?

A: No. Your broker or lender recommended us to you. Our role is to do the legal work. We do not provide financial advice.

Q: When the mortgage completes, do I get the deeds, or does the lender?

A: The time when a property owner had deeds to prove ownership is now history. Many lenders don't want any documents. Some want specific documents, e.g. original lease. Otherwise, it's all electronically stored at Land Registry. They issue a Title Information Document and can issue electronic 'office copies'. We don't store your documents and usually forward any we might have received to you by ordinary post.

Q: Why does transferring the property cause delays?

A: Many reasons. Each party is entitled to take their own legal advice. There may be issues related to stamp duty. If divorce is involved, several months might elapse before a transfer can be concluded. If someone is coming onto the title, you have to decide how to 'hold' the property: on a 'survivorship' or tenancy in common basis.

Q: Why do you make a bankruptcy search?

A: We act for the lender in this matter as well as you. There are legal restrictions on how much a bankrupt can borrow. Where your surname is the same as revealed on the result of a search, we ask you to sign and certify that the entry(ies) does not relate to you.

Q: If I complete my mortgage on say the 7th of the month, and my current mortgage payment is usually claimed on 2nd, will I end up paying double interest?

A: This is a financial question. You have to do the calculations and decide what impact, if any, remortgaging might have on your monthly household budgeting. If in doubt, check your mortgage offer and discuss with your financial adviser.

Q: Why are there difficulties with remortgaging leaseholds?

A: Some landlords and management companies won't provide information without us first paying their fee for providing it, so we have to ask you for funds to do so. Some also demand high 'notice' fees when confirming to them your new mortgage has completed. Also, if you are transferring the leasehold ownership, the lease might stipulate that a new deed of covenant has to be entered into and/or a new share certificate issued if the leaseholder is a member of the management company.

Q: What if I have a shared ownership lease?

A: Some housing associations are slow to respond to our enquiries or to approve your mortgage offer (a common requirement in such leases). Also, certain lenders will not accept shared ownership leases if there are restrictions on marketability in worst case scenario of them taking possession of the property. Therefore, we charge extra fees for dealing with shared ownership leases.

Q: What if I don't want to complete for a few months because of an early repayment fee?

A: Specify it on the Form and we will work towards a date after that date. Bear in mind, your Offer may only be valid for 3 months. Check with your lender or your financial adviser.

Q: What if my current deal ends and I end up on my current lender's standard variable rate?

A: Each file is legally 'approved', and then we aim to complete the matter within 10 business days.

A lot depends on when we receive your mortgage offer and whether we have everything in order. There is always a high percentage chance you will pay standard variable rate for a period of time before we complete.

Q: There are no problems with my property title and my offer is being expedited. How quickly can I complete?

A: Our title check will establish whether this is the case. If so, ideally we aim to complete within 10 business days of receiving your mortgage offer. We will confirm to you our target completion date.