



## [Conveyancing Marketing Services Ltd](#)

### **Remortgage Information**

**Fixed Fee Remortgages from £95** (plus vat and disbursements)

#### **Terms and Conditions of Remortgage Conveyancing**

- Applies to registered title only
- Local Search Indemnity is included within the quote. However, if the lender insists upon a full local authority search, the full local search fee must be paid.

#### **Your Fixed Fee Remortgage Conveyancing Quote includes:**

- Solicitor's Fee and VAT
- HM Land Registry fee and search fee
- Bankruptcy Search
- ID check
- Bank Transfer Fee
- Local Search Insurance

### **Your Complete Guide to Remortgages**

#### **What is a Remortgage?**

When you re-mortgage your property, you are changing your mortgage from your existing mortgage lender and moving to another mortgage lender.

#### **How do I arrange a Remortgage?**

If you are confident in your ability to compare interest rates and deals you can shop around your local mortgage lenders on the High Street or you can search the Internet. There are hundreds of different types of mortgage product available so you may find it difficult to obtain and compare all the information.

**OR**

You can appoint a mortgage advisor or Individual Financial Advisor (IFA) to act for you.

To find an IFA in your area check out [www.searchifa.com](http://www.searchifa.com). When using a mortgage advisor or IFA it is important to check that they are regulated by the Financial services Authority (FSA).

Mortgage Advisors generally tend to work within banks/building societies and estate agencies. They may only be able to offer mortgages from a limited number of mortgage lenders and they should advise you of this.

Other Mortgage Advisers and IFAS are able to search the whole mortgage market for you, using sophisticated software that is updated daily, to find the best deal for you.

Once you have decided upon the deal that you wish to accept you then apply to your new lender by completing a 'Mortgage Application' form. Your lender will check your income and check the value of the property before confirming that they are prepared to grant you a mortgage. When they are satisfied that you can afford to repay the mortgage and that the property is good security for the mortgage they will then issue a written mortgage offer.

### **How do I know how much I can borrow?**

The mortgage lender will usually calculate the amount they will lend you on:-

- The amount you earn. They will require proof of income, if you are employed they usually ask for pay-slips or a P60. If you are self employed they will want to see audited accounts.
- The value of the property. Lenders will charge you a 'Valuation Fee' to value the property. They do not always carry out a physical survey of the property although with older/specialised properties they may do this. More often an Automated Desk top Valuation is carried out where they compare the value of your property with information gleaned from Internet sites such as Rightmove and from the Land Registry.

### **What types of remortgage are available?**

The mortgage market changes daily and it is therefore advisable to do your home-work to see what is currently available. Below are the typical types of mortgage available in the UK.

## **Variable rate mortgages**

With a variable rate mortgage the interest may go up or down during the life of the mortgage depending on what the bank base rate is doing. The benefits of a variable rate mortgage are that there is not usually a 'tie in' period so you can repay the mortgage whenever you wish and if interest rates go down you will get the benefit. However, if interest rates rise you will pay more.

## **Fixed rate mortgages**

With a fixed rate mortgage the interest rate is fixed for a set period of time - usually 2, 3 or 5 years but sometimes longer. During the fixed rate period the interest rate will not go up or down whatever the bank base rate does. There is usually a penalty clause which applies during the fixed rate in which you have to pay a lump sum to the lender if you want to repay the remortgage during the fixed rate period. So you are effectively 'tied in' to the mortgage for the period of the fixed rate and sometimes longer. You have the advantage of knowing how much your monthly payments will be during the fixed rate, but you are tied to the mortgage unless you want to pay a penalty and if interest rates go down then you will still pay the higher rate.

## **Tracker mortgages**

A tracker mortgage tracks a stipulated bank base rate and usually guarantees not to rise beyond a certain percentage above the bank base rate. This means that your mortgage can go up or down depending on what the base rate does. You have the benefit of paying less if the mortgage rates go down but you will pay more if they go up.

## **Interest only mortgages**

If you are trying to keep your monthly costs down you may opt to pay only the interest on your mortgage. This means that at the end of the mortgage you will still owe the amount you borrowed 'the Capital'. Most lenders will insist that you take out a 'repayment vehicle' i.e. an insurance policy, pension etc. to repay the mortgage at the end of the term.

## **Capital repayment mortgages**

With a capital repayment mortgage you pay the interest plus part of the loan off each month. In the early years it is mostly the interest which is paid but over the life of the mortgage you gradually reduce the loan until it is all paid off at the end of the term.

## **Self-Certified mortgages**

With a self-certified mortgage the lender trusts you to certify how much income you earn. This can be beneficial to self-employed people or people whose income cannot be certified in the usual way. Few lenders now offer these types of mortgages and they usually cost far more in interest than a standard mortgage.

## **Equity release mortgages**

This type of mortgage was set up so that home owners could release equity from their properties in order to raise funds to supplement their income, pay for home improvements or residential care etc. The idea is that the funds are advanced by the lender and the money is re-paid from the proceeds of sale of the property once the home-owner has passed on. The home owner needs specialised advice on this type of mortgage and CMS can provide a quotation for this. Please call us on **0845 060 33 55** for a quote

## **What happens once I need remortgage conveyancing?**

Once you have an offer of remortgage 'in principle' you must then appoint a solicitor to carry out the remortgage conveyancing for you.

## **Why do I need a Solicitor?**

Your mortgage lender will insist that you instruct a solicitor. The solicitor must ensure that the property has good legal title (i.e. that the deeds are in order), they must also ensure that you are properly advised about the new mortgage and that you have signed the mortgage documents properly. When the re-mortgage is completed they must then repay the old mortgage and register the new mortgage at the Land Registry.

## **Remortgage and Divorce or Partnership breakdown**

Very often a re-mortgage is required when a couple divorce or there is a partnership breakdown. A re-mortgage may be necessary to raise funds to buy out one of the owners of the property.

Following divorce or separation it is always important to deal with the property issue quickly. You may also need to revise your Will.

If the names on the deeds are to be changed at the same time as the re-mortgage then you will also need a 'Transfer of Equity'. You can obtain a quote for a Re-mortgage and Transfer of Equity by clicking [here](#).

## **Remortgage and marriage or adding a partner to the mortgage**

Upon marriage or entering into a partnership many couples decide to put the mortgage and the property into joint names. If you wish to add a partner to your deeds as well as your mortgage you will need a quote for a Re-Mortgage and Transfer of Equity which you can get by clicking [here](#).

## **Buy to Let Remortgages/Portfolios**

If you own a buy-to-let property or portfolio then you may wish to re-mortgage your property/portfolio to obtain the best deal currently available. If you are re-mortgaging a number of properties we can offer a significant discount. Please call us on **0845 060 33 55** and we shall be happy to discuss your requirements and provide you with a competitive quote.

## **Islamic Remortgages**

We have solicitors on our panel who specialise in Islamic mortgages and who are on the panel of the lenders offering this type of mortgage. **Please call us on 0845 060 33 55 for a quote.**

## **How long will my remortgage conveyancing take?**

It will generally take 2-4 weeks for your new mortgage lender to issue a written mortgage offer. During this time you should instruct your solicitor and they will be able to obtain your deeds, deal with identification and money laundering requirements, and obtain a repayment statement from your lender. Once the mortgage offer is issued they will then send you the mortgage deeds to sign and return. When they have the signed mortgage documents they can then arrange a completion date with your new lender. The new lender usually requires a working week's notice to send the mortgage funds. From when you get your written mortgage offer it is usually possible to complete within 2-3 weeks provided there are no unusual complications.

## **I have a second mortgage/secured/business loan on my property - what happens about that?**

If you intend to repay the second secured loan out of the re-mortgage funds your solicitor will arrange this for you.

If you do not intend to repay the second secured loan you will need to notify your new lender and obtain their permission for the second charge.

You should also notify your solicitor who will need to obtain the second lender's permission to the new mortgage and they will need to arrange a 'Deed of Postponement' to ensure that the second mortgage stays a second mortgage.

Additional legal costs will be incurred if there is a second mortgage please call us on **0845 060 33 55** for a quote.

### **What happens after completion of my remortgage?**

Your solicitor will pay off your old mortgage. They will send you any funds that are left-over and arrange to register the new mortgage at the Land Registry. Once this is complete they will send you a copy of your title deeds. They will then archive their file.

**[For Additional Services including Mortgages - Click Here](#)**



**Conveyancing Marketing Services Ltd**

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