how to **arrange** a remortgage through us

sequence

Taking out a mortgage is an ongoing financial commitment that needs reviewing regularly. It's unlikely you'll stick with the same mortgage product for the whole term – you can take advantage of a new product to suit your needs and current finances.

This guide explains everything you need to know about the remortgaging process.

1 what is a **remortgage?**

This is when you move your current mortgage to a different lender or a new mortgage product (known as a product transfer if you stay with the same lender) without moving home. You pay off your existing mortgage with the proceeds of a new one, and you continue to use the property as security against the new loan.

2 why **remortgage?**

There are lots of reasons why you might want to remortgage. Here are a few:

your current mortgage product is ending

Most lenders offer a product with attractive rates for the initial benefit period (typically 2-5 years). When that time's up you're automatically moved to the lender's Standard Variable Rate (SVR) by your current lender, which might not be beneficial. Remortgaging, when your current product runs out, means you could take advantage of a better deal from either another lender or your existing one.

raise money

If you wanted to borrow additional funds but your current lender has said no to lending you the additional monies (known as a 'further advance' or a 'top up'), you may want to remortgage to a new lender that will allow you to borrow more. This could be used for carrying out home improvements, helping your children raise a deposit for their own home or paying off existing debts (see 'debt consolidation'). There may be fees and additional costs involved, but our Mortgage Consultant will discuss these with you.

change in circumstances

Your current mortgage might not be the most suitable if your situation changes. Things like marriage, having children, receiving inheritance, an increased salary or divorce might mean you would like to take another look at your financial commitments, including your current mortgage arrangement.

pay off some capital

If you find yourself with extra funds you might want to reduce your mortgage amount by paying off extra. Remortgaging with a new lender may let you do this if your existing lender does not allow you to make large overpayments on your current mortgage.

debt consolidation

Should you need to manage your financial commitments, there are products that can be used to consolidate debt, including:

- Taking out a personal loan
- Taking out a further advance on your existing mortgage
- Remortgaging to a new lender with an increased mortgage amount

Taking out a further advance, or remortgaging to a new lender with an increased mortgage amount to pay off existing debts,* can help since the mortgage will likely have a lower interest rate than a personal loan or other forms of credit. You'll be repaying the further advance over the term of your mortgage though, so it might not be the most cost-effective option.

3 things to **consider**

If your current mortgage deal is coming to an end or your financial situation has changed, it's a good idea to check what other mortgage products are out there. You've been paying off a mortgage on a property that might be worth more now, so you may have an increased amount of equity in the property. This could make you eligible for a wider range of mortgage products with better rates.

Here are a few things to consider before remortgaging:

product transfers

A product transfer allows you to transfer your existing mortgage to a new mortgage deal with the same lender. For example, you may currently be on an interest rate of 1.99% with your lender and approaching the end of your initial benefit period. To avoid your interest rate going up when you are transferred to your lender's SVR, you may be able to apply for a new product with the same lender (instead of switching lenders). Our Mortgage Consultants will be able to compare what your current lender is offering you against other products from our panel of lenders to find you the most suitable deal.**

early repayment charges

Most mortgages have an Early Repayment Charge (ERC) that usually covers the initial benefit period. If you remortgage during this time you might have to pay that charge.

It's worth checking with your lender to see if your mortgage has an ERC, how much it is, and when it expires.

* Think carefully before securing other debts against your home.

** Subject to status and lender criteria.

outstanding mortgage

Before applying for a remortgage, you'll need to confirm how much you owe on your existing mortgage from your current lender. Our Mortgage Consultants can help you with this.

Bank of England base rate

The official bank rate (also called the Bank of England base rate BOEBR) is the interest rate the Bank of England charges banks for secured overnight lending. Most UK lenders use the base rate to help calculate interest rates on their own products.

4 how much does a **remortgage cost?**

Although there are some mortgage products without fees, some mortgages do have costs. Our Mortgage Consultant will discuss these with you.

Here are some fees you may incur when you remortgage:*

- **Arrangement fee –** paid to the lender for arranging your remortgage
- **Booking or reservation fee –** usually charged upfront, it reserves the mortgage product offered while your remortgage application is being processed
- **Valuation/survey fee –** pays for the valuation/survey carried out on the property
- **Legal fee –** costs incurred by your conveyancer for the legal work required for a remortgage
- **Broker fee –** a one-off fee payable to us, for lifetime membership to our mortgage services, which comes with a number of benefits. If you are already a lifetime member this fee will not be payable
- **Administration fee –** payable to us for handling all the administration on existing and future remortgage applications

* The total fees payable will depend on your lender.

5 how we can **help**

Our Mortgage Consultants are fully authorised to give mortgage and insurance advice, and are regulated by the Financial Conduct Authority (FCA) for your peace of mind. Whatever your situation we can tailor the right mortgage and insurance products to suit your circumstances.*

Long-standing agreements with our panel of lenders mean we sometimes have access to exclusive rates not available anywhere else. Our Mortgage Consultants know the details of each lender's criteria, so they can advise you based on your circumstances.

what we'll do for you

- **Search thousands of mortgage deals** from our panel of selected lenders to find the right mortgage for you*
- **Confirm how much you may be able to borrow** and all the costs involved*
- Take care of all your **mortgage and insurance arrangements***

6 secure a **remortgage**

how much can you afford to borrow?

How much you can afford to borrow for a mortgage depends on lots of things: your income, expenditure, financial situation and personal circumstances are all factors.

Lenders need to know much more about you than just your salary before making a decision on how much they're willing to lend by way of a mortgage. The lender will look closely at your financial history and existing commitments before making a decision. This is done for every mortgage application, including remortgages.

Each lender's criteria can be a little different, so what might be enough for one isn't guaranteed to be accepted by another. Speak to one of our mortgage consultants who can explain each lender's criteria and advise you on what you can afford to borrow.

* Subject to status and lender criteria.

how to apply for a remortgage

We can handle all the paperwork for your remortgage application. Please have available original copies of the following documents. Don't worry if you don't have them all to hand – our Mortgage Consultant will advise you which documents you need, depending on the lender.

photo ID

- Valid UK/EU passport
- Valid driving licence
  (if not being used for address verification)
- Valid firearms ID card
- National ID card

income proof

- Latest P60 and last 3 months' payslips
  (some lenders may accept less than 3 months' documents)
- If self-employed, last 3 years' audited accounts/SA302 form, including tax year overviews
  (some lenders may accept less than 3 years' documents)
- Accountant's certificate
  (which includes their name and address)
- Proof of any bonuses/recent pay rise
- Pension/benefit statements

address verification

- Utility bill dated in the last 3 months
  (not a mobile phone bill or junk mail)
- Valid driving licence
  (as long as the address is correct and it's not being used for photo ID verification)
- Annual council tax bill
- HMRC/DWP letters dated within the last 3 months
- Last 3 months' bank statements
  (showing income and expenses)
- Latest credit card statement
- Latest mortgage statement

If you're making the application with another applicant(s), we'll need to see these documents for all of you.

Once our Mortgage Consultant has recommended a remortgage based on your circumstances,* they'll submit a remortgage application to the lender with certified copies of your documents (to prove they have seen the originals) and details of your property.

The lender will process your application and arrange a basic mortgage valuation on the property.

mortgage offer

Once the lender is satisfied with the results of the valuation and the details you provided as part of the remortgage application, they will be in a position to issue a mortgage offer and send a copy to the conveyancer involved, who will work towards completion. You will also receive a copy of the mortgage offer.

conveyancing

This is all the legal work involved in remortgaging. Our Mortgage Consultant will advise if there are any fees to pay and will arrange the conveyancing for you.

* Subject to status and lender criteria.

7 insurance

protecting your home and yourself

The mortgage lender will require you to have buildings insurance in place from the point you complete on your remortgage on a freehold property. Some buildings insurance policies have an element of accidental damage cover included, but you may want to add additional cover for more protection to the physical structure of your home.

You might want to consider adding contents insurance for your possessions too. You can also add accidental damage cover to this.

If you require insurance, or would like to review your existing cover, our Mortgage Consultant can help you with this.

There are other insurance products you may also want to think about:

- Life insurance
- Critical illness
- Income protection

making a will

If you haven't made a will yet, planning what happens to your money, possessions and property would save your loved ones additional stress, worry and cost.

Our will-writing partner can provide a simple, straightforward service for your peace of mind, just ask our Mortgage Consultant for details.

8 lifetime membership

Our lifetime members receive ongoing mortgage and insurance support for life. We're constantly reviewing the products and services we offer to make sure lifetime members get great value. If you join, we'll be in touch about finding you another great mortgage product when your initial benefit period is coming to an end.

You'll always have access to our advice, you'll get a discount on our conveyancing service, and should you decide to sell with us in the future, you'll get a discount on our estate agency fees too. We'll also reward you* if you recommend a friend who goes on to arrange their mortgage with us.

Don't forget: once you're a member you'll never pay another broker fee again – no matter how many times you move.**

* Can be withdrawn at any time.
** An administration fee will still apply on mortgage applications.

For buyers in Scotland
insurance: The mortgage lender will require you to have buildings insurance in place from the point you complete on your remortgage.

A BROKER FEE MAY BE PAYABLE UPON MORTGAGE APPLICATION AS WELL AS AN ADMINSTRATION FEE. THE TOTAL FEE PAYABLE WILL DEPEND ON YOUR CIRCUMSTANCES. YOUR MORTGAGE CONSULTANT WILL EXPLAIN ANY FEES APPLICABLE IN YOUR INITIAL APPOINTMENT.

THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME. YOUR HOME OR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE. YOU MAY HAVE TO PAY AN EARLY REPAYMENT CHARGE TO YOUR EXISTING LENDER IF YOU REMORTGAGE.

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