

GUIDE TO A REMORTGAGE

1. RAPPORT REVIEW PROCESS / INTRODUCTION TO RAPPORT

In the current market, we would recommend that you initiate the process of reviewing your mortgage six months prior to the expiry of your current deal. This allows us to look at options with new lenders and explore the deals available from your existing lender. The 6 months provides us with sufficient time to discuss your options and put your new arrangements in place in time for the expiry date of your existing deal.

PRODUCT TRANSFER – if we recommend that you stay with your current lender then the process will be much simpler and the rest of this document does not apply in the event that we do a Product Transfer for you. You may be asked to confirm your acceptance of the new product by the lender but this will be the only requirement apart from providing up to date documents for your income for our records (see Appendix 1)

2. MORTGAGE APPLICATION

Once we have chosen a new mortgage deal, we will schedule a second meeting to formalise the new mortgage arrangements. To support your application, we will require documentation from you as detailed in Appendix 1. The time it takes for an application to be processed and the mortgage offer to be received can vary dependent on the individual circumstances and there can sometimes be unavoidable delays. We will provide regular updates during the application process so that you know what is happening at each stage.

3. INSTRUCTING A SOLICITOR

IF you are moving to a new lender, a solicitor will be required to deal with the transfer. You will have the option of using the lender's recommended solicitors, with the lender covering the standard costs associated with this service. Alternatively, there will also be deals offered whereby the lender will offer a cash-back as a contribution towards your own legal costs.

Your Adviser will discuss these options with you based on your eligibility for the deals at the time of application. Rapport has access to several Conveyancing firms who can offer the remortgage legal package at a competitive rate.

Please note dependent on your circumstances, there may be additional charges incurred for any legal work outside the standard remit. For example, adding or removing a party from the property deeds.

4. REMORTGAGE QUESTIONNAIRE / IDENTITY REQUIREMENTS

Once a solicitor has been instructed, they will issue a Welcome Pack, which will contain a Remortgage Questionnaire along with a request for your identity documents. The form needs to be completed and returned to the solicitors as soon as possible, to avoid any delays in the process.

If you decide to use the lenders legals package, your Adviser will be able to confirm at which stage the Welcome Pack will be issued. There are some lenders that issue this upon submission of the Mortgage Application, whereas others do not issue this until the Mortgage Offer has been received.

It is imperative that you notify the solicitors of the expiry date of your current deal, to ensure that they work towards a completion date of the first working day after the deal has expired. This will subsequently make sure that you do not incur any fees for completing before your deal has expired.

Once the solicitors have received the requested information, they will review the file and ask for any further information that they may require.

5. MORTGAGE OFFER

Once your mortgage has been agreed by the lender and providing the valuation is satisfactory you will be issued with your formal mortgage offer. This is confirmation that the lender is happy to lend the amount requested on your specific property. Both you and your solicitor will receive a copy of the mortgage offer and once this has been received you can then liaise with your solicitor to discuss the next steps.

6. REVIEW PERSONAL PROTECTION

Your adviser will be in touch to discuss what personal protection you should consider in line with your new mortgage, whether this be a review of your existing arrangements or putting new policies in place. As you are taking on a significant commitment it is essential that you take the time to review any current plans that you have in place e.g., salary insurance, life insurance, etc. If you do not have cover in place your adviser will be able to make recommendations on what you need to consider to protect yourself and your dependents (if applicable).

7. REVIEW HOME INSURANCE

We will arrange for someone from Rapport to contact you and they will be able to provide you with a quote for your home insurance as a comparison to your current policy. Your solicitor will need to see a copy of your home insurance as part of their process.

8. MORTGAGE DEED

Once the solicitors have received the Mortgage Offer, they will issue a Mortgage Deed to you. A Mortgage Deed is a document that confirms that you and the lender have agreed to use the property as a security to protect the mortgage. This will be held on record at Land Registry.

The deed must be signed with an original signature by all parties, before being individually witnessed by an independent party. This must not be someone named on the mortgage or a family member with the same surname. Once this has been completed, the original copy must be posted back to the solicitors. **It is important that you do not date this document as this is done by the solicitor on completion of your mortgage.**

9. REDEMPTION AND COMPLETION STATEMENTS

The solicitors will request a Redemption Statement from your existing lender ahead of the proposed completion date. This will confirm the amount required to redeem your current mortgage in full.

Once this has been received, the solicitors will be able to cross reference the Redemption Statement with the Mortgage Offer to calculate the figures for completion. They will then issue you with a Completion Statement which will confirm if there are any shortfalls or alternatively, if there is any surplus due back to you on completion.

Alongside the Completion Statement, you will also receive a copy of the Redemption Statement. It is important that you review both documents upon receipt to ensure that the figures are as expected. You must contact your Adviser to if you have any queries on this.

Once you are happy with the proposed figures, you can authorise the solicitors to proceed with completion.

10. COMPLETION

Once the solicitors have your authority to proceed, they will request the funds from the new lender and schedule a completion date. Provided that everything has been completed in ample time, we would normally look to complete on the first working day after your existing deal has expired.

There will be certain scenarios where this is not possible, for example, if the process was started too close to the expiry of the current deal, but we will always work towards completing at the earliest opportunity.

APPENDIX 1 - DOCUMENTATION REQUIRED FOR MORTGAGE APPLICATION

As part of the mortgage application process your Adviser will have to confirm your identity and your income and will therefore require the following documents.

1. PROOF OF IDENTITY

The Adviser will need to see your Passport or Driving Licence. They need to see the original, however for the meeting it would be helpful if you could also have a copy available, preferably in black and white. If you have recently changed your name due to getting married, etc. and your identification is still in your other name we will need a copy of your marriage certificate or change of name certificate.

2. PROOF OF ADDRESS

The Adviser will need to see either a utility bill, bank statement or credit card statement that shows your current address and must be dated within the last 3 months.

3. PROOF OF INCOME

The type of evidence required will depend on how you are employed.

EMPLOYED - Your Adviser will need copies of your latest 3 months' payslips together with your P60 for the last tax year.

SELF-EMPLOYED – Your Adviser will need to see your last 3 years' Tax Calculations and Tax Year Overviews. If you have an Accountant, they will be able to provide these for you. If you do your own Tax Return your Adviser will be able to help you obtain these documents from HMRC. You may also be asked for a set of accounts if you have your own company and ideally your Adviser would require the last 2 years' accounts which can be provided by your Accountant.

CONTRACTOR – If you are a contractor, we will need to see your current contract and your previous contract, ideally covering a 2-year period.

4. BANK STATEMENTS

Your Adviser will need copies of your last 3 months' bank statements showing your income being received. If you are self-employed and have a business account, we will need statements for your business as well. Ideally these will be the full statements which are either posted to you or downloaded from your online banking. Lenders will accept transactions lists instead of statements, but these must contain your name, sort code and account number and cannot be in the form of a spreadsheet. If you are having trouble downloading statements your Adviser will be able to help you with this.