

## How the remortgage process works

If you are thinking of remortgaging, the first step is to contact an independent financial advisor or a mortgage lender.

Most mortgage lenders now give you the chance to get an online agreement in principle. It is a way to find out if a lender is willing to lend the amount you need, without a full credit check. You do not need to choose a specific remortgage deal and it is not a guarantee you will be approved for a remortgage, but it will help you understand your options.

## Work out the costs

Consider costs associated with the remortgage and make sure remortgaging leaves you better off than staying with your present lender. Check whether the lender you plan to move your mortgage to charges any of the following:

- application fee – a charge to set up your new mortgage. This can be referred to as an arrangement, product or booking fee;
- valuation fee – to confirm the value of your property;
- early termination or repayment fee; or
- any other fee.

Also ensure you ask any prospective lenders if you would need to pay an exit fee or early repayment fee if you want to pay off your mortgage or remortgage again in the future.

Remember there will also be legal fees – a solicitor or conveyancer will need to manage the transfer of your mortgage (unless your lender offers to pay the legal fees – if this is the case ensure you know what is included and excluded from the offer).

Once you have an agreement in principle from a lender, you will then need to provide information about your personal and financial circumstances, as well as details of your current mortgage. Make sure you have documentation to prove what you earn and the paperwork for any loans or other credit commitments.

## Completing your remortgage

The final steps of a remortgage are similar to buying a new property. Your new lender will carry out a credit check to confirm your current circumstances and arrange for your property to be valued. You will need a solicitor or conveyancer to handle the legal work.

Once you know you have an offer from a new lender - instruct a solicitor or conveyancer to deal with the legal work for you. Having said this, you do not have to wait for an offer to be received prior to instructing a solicitor if you would like the matter to complete quickly. Instructing a solicitor sooner rather than later can save time in finally completing the legal work in the remortgage process.