

# Malvern View Mortgages Ltd.

07814 853464



[www.malvernviewmortgages.co.uk](http://www.malvernviewmortgages.co.uk)



## Re-Mortgage Guide

**YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT**

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## Brief Introduction



Wayne Phipps,  
Director, Malvern View Mortgages Ltd.

Are you looking to re-mortgage your home in the next three months?

Maybe your deal is coming to an end, maybe you're looking for a better interest rate, maybe you've had a change in personal circumstances.

We've created this guide to hopefully answer a few of the initial questions you may have about re-mortgaging your home.

We're independent, whole of market and have access to 1,000's of mortgages, including exclusive deals you can't find on the high street. We also work with over 80 different lenders, so you can rest assured that we'll be able to find a mortgage that's right for you.

# Quick Recap – What's a Mortgage

A mortgage is a loan taken out to allow you to buy a property and the length of that mortgage is specific to each client's personal circumstances.

This type of loan is "secured" against the value of your home until it is fully paid off. If you can't keep up repayments a lender can repossess your home and sell it to get their money back. This is why you will always see notifications like the one below when dealing with mortgages and the advice associated with them.

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## So, What's a Re-mortgage?

**A re-mortgage is where you take out a new mortgage on a property you already own - either to replace your existing mortgage, or to borrow money against your property.**

# Why Would I Want to Re-Mortgage?

Everyone's different and your circumstances are unique to you. They also have a habit of changing, sometimes for the better and sometimes for the worse. Below are some of the more common reasons for re-mortgaging your property.

## TO GET A BETTER INTEREST RATE

When you get a new mortgage you usually get an introductory deal or product. It may be a low fixed or tracker rate for a set period of time, usually 2-5 years.

Once this ends though you'll move to your lenders Standard Variable Rate "SVR". This rate is usually higher than others available elsewhere and it doesn't protect you against any rises that may occur. You would however benefit if the rates were to drop.

If your home has increased in value a lot, you may get access to better deals. Using the equity in your property means you may qualify for a lower "Loan to Value" rate or LTV.

You can calculate your LTV by:

Dividing your outstanding mortgage by your property's current value and multiplying by 100

E.G. (£150,000 mortgage ÷ £200,000 property value) x 100 = 75% Loan to Value.

**Bear in mind that Lender Valuations may be lower than estimates on Zoopla and other similar property websites.**

"Equity" is the value of your home minus your current outstanding mortgage.

Or maybe you're worried about interest rates going up and you want piece of mind that you have a level of protection against the increased cost of your mortgage payments.

## FLEXIBILITY

Maybe you've had a pay rise and you want to overpay your mortgage and reduce the term. Your current lender may only allow this by charging you penalties!

## YOU WANT TO BORROW MORE

Home Improvements that add value to a property can be looked upon favourably by Lenders.

Or you may be tempted to borrow extra to pay off debts as interest rates are usually lower on mortgages. However, beware, you may end up paying more over what is usually a longer-term loan.

**IT MAY BE WORTH PRIORITISING AND DEALING WITH DEBT SEPARATELY IN THESE CIRCUMSTANCES.**

I've listed below several free organisations that can help:

[www.debtadvicefoundation.org](http://www.debtadvicefoundation.org)

[www.citizensadvice.org](http://www.citizensadvice.org)



# Does It Always Pay to Re-Mortgage?

It's important to work out if you would actually save anything by re-mortgaging. So be sure to include all the costs associated with the process to ensure you don't lose money!

Typical costs associated with re-mortgages are a lot less than when you buy and sell a property, but you still have to be aware of:

- \* Legal Fees (cost depends on complexity of each case starting at about £500)
- \* Valuation Fees (£200-£400)
- \* Product Fees (£0-£2,000)
- \* Admin Fees (Varies from lender to lender)
- \* Mortgage Advisers (£300-£500)

**Of course, you could do all of this yourself or get us to do it for you.**

**Remember, on average mortgage advisers charge between £300 -£500 whereas we only charge **£149** and may be able to get you **FREE LEGAL** and **VALUATION FEES**.**



You may need to look more closely about re-mortgaging and if its right for you when:

- \* Your mortgage is really small and you're less likely to make any savings.
- \* You have a large early repayment charge associated with your current mortgage.
- \* Your circumstances have changed, maybe your financial position or you've recently become self-employed.
- \* The value of your home has dropped reducing your equity.
- \* You've had recent credit problems.
- \* You're already on a great rate.

**Again, we can help you decide and best of all our services up to recommendation is free and without obligation, so you can't lose.**

# How Do I Re-Mortgage?

First port of call is always your current lender to see what they can offer. This is a great starting point and will allow you to compare against other options.

Those options may include:

- \* [Visiting Individual Banks or Building Societies](#) which can be very time consuming and remember they can only offer you their specific products.
- \* [Using comparison websites](#) **but** be aware they do not cover the whole of the market, which means you may miss out on the best deals and using them may have an adverse effect on your credit score.
- \* [Contact us](#), we can recommend a specific solution, tailored to your individual needs. We'll then do all the work regarding application for you.



# GREAT! I want to Re-Mortgage – What's Next?

CONTACT US – CLICK ON THE LINK: [info@malvernviewmortgages.co.uk](mailto:info@malvernviewmortgages.co.uk)



## FIRST MEETING – WHAT TO EXPECT...

We'll let you know what you need to prepare in advance for your first meeting, usually an email with a checklist and an advanced copy of the documents listed below which usually takes about 90 minutes.

*(I send out an email with a checklist and the documents listed below in blue attached.)*

Your adviser will start by providing and presenting to you:

- \* **A Business Card,**
- \* **Initial Disclosure Document,** (IDD) which explains the services they provide and how much it will cost you.
- \* **Privacy Document,** (Data Protection explanation and recording your preferences for contact)
- \* A copy of the Financial Conduct Authorities **"Treating Customer Fairly"** initiative.

*\*\* We provide a folder with all this in for safe keeping and filing your future documents \*\**

At your first meeting we'll complete a thorough Fact-Find in order to get to know you, what you want to achieve and your current circumstances. Only by doing this can we provide the right mortgage solution for you.

You can expect it to take about 90 minutes and once complete we'll usually look to arrange the 2<sup>nd</sup> meeting in order to present our "recommendation".

## SECOND MEETING – WHAT TO EXPECT...

At this meeting you can expect to be presented with your personal recommendation in a manner that is clear and straightforward to understand.

You'll have your own copy of the **Key Facts Illustration** which gives you a breakdown of the mortgage and the I'll tell you why it is specifically suitable for you.

We'll also provide a "**Suitability Letter**". This will explain, in writing why we've recommended this specific mortgage and is usually sent within 7-10 days.

## NEXT STEPS

1. You can authorise your adviser to obtain a **Decision in Principle** from the Lender. *(This doesn't guarantee a mortgage but is one step closer. Be aware, too many of these may affect your credit score)*
2. We can then move on to a Formal **Application**. Be aware it can take a few weeks to receive an offer from the Lender.

Remember, **we only charge £149 at the point of making an application**. Up until then our services are free and without obligation. We don't just leave you there either, we'll make sure that we stay in touch and offer support not only up to completion but for the whole time you have a mortgage.





# Providing Support for Your Entire Mortgage Journey

Once your re-mortgage is complete, we won't just leave you there.

Malvern View Mortgages Ltd. are committed to providing you with help and advice all the way through your mortgage journey. So, whether you're going to re-mortgage in a few years or move to a new house at some point in the future we'll be here to offer our support.

If you have any questions or would like chat about what you'd like to achieve either now or in the future, please feel free to contact us;

## [CONTACT US](#)

**EMAIL** [info@malvernviewmortgages.co.uk](mailto:info@malvernviewmortgages.co.uk)

**Website:** [malvernviewmortgages.co.uk](http://malvernviewmortgages.co.uk)

**Call:** 07814 853464



## YOUR NOTES

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