

YOUR BUSINESS.
OUR BUSINESS.



Transfers of equity

What is equity in your property?

The "equity" in your property is the value of your property, less the amount of any outstanding mortgage (and any other loans), secured on it. For example, if your house is worth (a) £250,000 and your mortgage is (b) £150,000, then your "equity" is £100,000 (i.e. the difference between (a) and (b)).

A guide to transfers of equity

We can guide you in transferring the equity of your property. You may decide to seek the consent of your existing lender to transfer the equity in your property or you may decide to remortgage, pay off your existing lender from part or all of your mortgage monies from your new lender. This may be necessary when there is a marital or non-marital break-up, where it is necessary either to divide your jointly owned property or transfer the equity in the property.

Instructions to solicitors

Once you have decided to transfer the equity with the consent of your existing lender or alternatively through the re-mortgage of your current property, you can contact us and we can give you an estimate of our fees and costs.

We will then send you our firm's terms of business document which provides a full description of our services.

We will need your instructions and contact details in respect of the following:

- Parties involved in the transfer of equity;
- Lenders involved in the transfer of equity (i.e. your existing lender and if you are also remortgaging, contact details for your new lender)

We will contact your existing lender and notify them that we will need your title deeds.

Formal offer of the remortgage

If you decide to remortgage, we will carry out the due diligence in accordance with the lender's requirements, including applying for any searches that they may require.

Documentation

We will require a copy of the current Building Insurance Schedule and Policy. We will also

require all planning permissions, planning approvals, buildings regulation approvals and any final completion certificates in respect of any alterations which have been carried out to your property.

Please note where a property is leasehold (i.e. a flat), we will require confirmation that there are no service charge or ground rent arrears. We will also require a copy of the current service charge statement with full contact details of the property's freeholder or managing agent in order that we can obtain any necessary permission. A copy of the tenancy agreement is required if you rent out the property.

If your existing lender has consented to the transfer of equity we will require the lender to confirm this in writing and sign the transfer document to confirm their consent.

If you are transferring the equity by remortgaging we will then arrange an appointment for you to attend our offices to sign the formal mortgage documentation, as required by your new lender and transfer documents.

Redeeming the existing mortgage

A "redemption statement" is a statement obtained from your existing lender detailing the whole amount that is due back to them on the day you wish to pay the existing lender and change to the new lender. The redemption statement will give you a breakdown from your existing lender of the sum which you will have to pay to redeem the existing mortgage. You will use part of or your entire new mortgage proceeds to do this.

On a date convenient to you we will arrange to draw down the funds to complete the transaction, repay your existing mortgage and then forward any surplus monies to you, after deducting our agreed fees.

Completion

Completion is when the transfer of equity is completed for the property. Once this is done we will then register the transfer document of the property, and if the property is leasehold serve any formal notices which may be required.

Once the registration of the transfer is completed we will provide you with official copies of the title as registered at the Land Registry.

Bowling & Co's residential team

We are a team of conveyancers who understand the residential sector. Our department is committed to offering a service that guides you through your transaction. You can approach us at all stages and speak to an experienced conveyancer who will be dealing with your transaction. The core values of our firm are to strive to achieve excellence and provide a high quality service at a competitive price.

We will keep you informed and report to you at all stages of the transaction discussing progress of the matter. This is to give you the best opportunity to agree on any key dates which are suitable to you.

For further information

If you have any queries about transferring the equity in your property, please feel free to contact one of our key residential team members below:

Ms Leena Karia – Direct Tel: 020 8221 8037 – E: leena.karia@bowlinglaw.co.uk

Mrs Zarrin Holland – Direct Tel: 020 8221 8033 – E: zarrin.holland@bowlinglaw.co.uk