



Advice for **Switching your Mortgage**

Before you start

What you need to establish and confirm

Loan-to-value (LTV) ratio – basically this is how much you owe on your mortgage compared to the market resale value of your house. You will need to get an up-to-date valuation on your property to get an accurate current value.

Outstanding balance – if you only have a small outstanding balance left on your mortgage you may find it difficult to switch as some lenders have a minimum amount they are willing to lend.

Negative equity – if you owe more on your mortgage than your property is worth it may impact whether lenders are willing to take you on as a mortgage customer.

Mortgage term – minimum or maximum loan terms may apply when you are switching. For example, some lenders may not accept an application for a mortgage over 30 years or less than five years.

Repayment history – have you been meeting your mortgage repayments over the last 12 months? Any other borrowings or debt and your credit history you may have will also be examined.

Fixed Term – If you are on a fixed rate and want to break out of it early, you may have to pay a fee, sometimes called a redemption charge. The cost of this charge should be weighed against potential savings that could be made by switching or alternatively you can wait until you are coming to the end of the fixed term and then switch. If you are buying or building new property with other people, they must also be first-time buyers. Find out more at the Revenue.ie

We want to help you every step of the way



Call John your
Mortgage Advisor
on: (01) 870 0370



The steps involved in switching your mortgage?

1. **Current Status:** Find out what is left of your current mortgage and the term remaining.
2. **Interest rate:** Confirm what interest rate are you currently on?
3. **Talk to us:** Chat with your Cregan Kelly O'Brien Mortgage Advisor who will advise you if you are eligible for a switch. We will also advise you of the current mortgage rates available on the market and compare all the options
5. **Start the Switch process:** We will talk to potential new lenders on your behalf and help you with your entire mortgage switch.
6. **Documentation:** Once you've chosen your new lender you will be issued with a mortgage switching pack which you'll need to fill out. Remember that you'll need to provide documentation such as:
 - Proof of identity: (eg passport)
 - Proof of address: (eg recent household bill in your name dated within the past three months)
 - Proof of your income: (eg three recent pay slips)
 - 6 months recent bank statements
 - If you have any loans or credit cards, you'll need to provide statements for these also.
 - Evidence of any savings you might have.
 - Employment status: your new lender will want information and proof as to what type of employment contract you are on. For example, permanent, contract, full-time, part-time etc.
7. **Property valuation.** You'll need to get an up-to-date professional valuation of your home so that the loan to value can be ascertained by the new lender.
8. **Legal:** Your solicitor will need to take care of conveyancing and any legal documents required.
9. **Mortgage Protection:** Your existing mortgage protection policy will need to be reassigned to your new lender
10. **Repayments:** You will need to set up a new Direct debit to your new lender and cancel the previous one.



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www.ckob.ie/mortgages

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