

Dealing With Current Lender Can Lead To Fast Remortgage

When dealing in mortgages for purchasing a first home there is usually no such thing as fast service, however if application is made for a remortgage loan through the existing lender and the buyer has a good payment history, a fast remortgage loan is not only possible, it could be likely. There will still be an application process with certain legal hurdles to get over but if the buyer has a good credit history most of the process is a formality. Remember however, just because someone promises you a fast remortgage doesn't mean they are offering the best deal. Be sure to look at all aspects of the deal before signing on the line.

Obtaining a first mortgage is typically a lengthy process as lenders scrutinize income, credit history and verify the property is appraised for the requested loan. The process can take some time as well as the time for processing loan documents and having the property deed transferred into the name of the new owner, if the loan is approved. It can 30 to 45 days from the time of application until the money is disbursed.

When a homeowner applies to remortgage their property, and the application is through the same lender, many steps in the application process can be done quicker. If the borrower has an excellent payment record with the bank, and an appraisal verifies the value of the property, the process can be significantly speeded up so the homeowner can obtain a fast remortgage on their property.

Since a remortgage is essentially the same as buying the house, even if through the same lender, there are still certain legalities that must be taken care of before the loan can be approved. A remortgage is essentially a homeowner selling the house to themselves as far as issuing the loan is concerned and if going through a different lender, to obtain a better interest rate, it can take more time to complete the transaction. It can take even longer if a fast remortgage is sought to take the equity value from the home in the form of cash, as it increases the amount of money paid out, bringing the value of the loan closer to the amount of collateral for the loan.

While some companies offer speed in processing a fast remortgage for many reasons, there are certain steps in the finance process that cannot be sped up, such as property inspections for appraisal purposes and the handling of the paperwork. The only way it can usually be accomplished quicker is if the lender already has intimate knowledge of a person's credit history and has all the pertinent information in hand, which the current mortgage holder will have.

Many companies may advertise that they can provide fast remortgage services, including on loans for people with bad credit or even no credit, and they may be able to cut the time down on certain aspects of the loan process, however there are still certain steps to be taken that will take time.

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