

Guide to Switching your Mortgage



What Does Switching Your Mortgage Mean

Switching your mortgage means moving your existing home loan from your current lender to a new lender. This guide explains how mortgage switching works and outlines the potential benefits and costs. You may consider switching to reduce your interest rate, lower your monthly repayments, shorten your mortgage term, or access features that better suit your financial needs. However, switching may not be suitable for everyone and may involve fees, charges, or changes to your loan terms. This guide will help you decide whether switching your mortgage to ICS Mortgages is right for you.

Our Mortgage Switching Process

Step 1 - Contact Us

Contact our Direct lending team on 0818 542 542 or email your query to icsmortgagesdirect@icsmortgages.ie. Our team can give you details of what mortgage products we offer, and using the information you provide, if you wish to do so, we will be able to give you examples of how much you will be able to borrow and the interest rates available to you

Additional costs you will need to consider are listed below

- Valuation Fee - €185.
- Solicitor fee – You will need hire a solicitor to switch your mortgage.
- Accountable Trust Fee – This is charged by your current lender when your solicitor requests the title deeds to start the switching process, this charge can range from €60 – 70.
- Security release fee – This is charged when your existing lender removes their legal charge. This happens once the mortgage has been switched and typically costs €40 – €175.

Step 2 - Application

Should you choose to go ahead with switching your mortgage to ICS Mortgages, we will supply you with: A mortgage application form, document checklist, terms of business, a schedule of fees and charges, a data protection notice and a salary certificate.

You will need to provide:

- A completed application form signed by all parties on the existing mortgage being switched
- 6 months bank statements for all accounts
- Income Documents - Pay slips, a salary certificate, employment detail summary, audited accounts if you are self-employed etc.

You will also need to supply us with a proof of identity and Proof of address:

- Proof of Identity – Supplied in the form of a valid Passport or Driving licence.
- Proof of Address – Supplied in the form of bank statement, utility bill or revenue document dated within the last 6 months.

Depending on your individual circumstances you may be required to provide additional documents

Step 3 - Application Review

Once we receive your completed application and supporting documents, we will begin our assessment of your application. This review will take 3 working days once a fully completed application is submitted.

Step 4 - Approval in Principle (AIP)

If your application meets our lending criteria, we will issue an Approval in Principle which is valid for 6 months. The AIP provides an indication of how much you may be able to borrow based on documents you have provided, it does not mean your mortgage has been approved and is not a formal offer. The stage is typically complete within 10 working days.

Step 5 - Property Valuation and Legal Process

Once you receive your approval in principle and you wish to proceed with your application to switch your mortgage, you will need to appoint a solicitor to act on your behalf. You will also need to arrange getting a valuation of your property carried out. This needs to be completed by an approved valuer. You will need to submit a request for this valuation via an online portal, which will appoint a valuer from our panel. The cost of this valuation will be €185 which you will pay once.

When we review the valuation report, and there are no issues with the property or further queries based off the report, and all other AIP conditions are met, we will issue you loan offer. A copy of the loan offer will also be sent to your appointed solicitor who you will liaise with to sign and return.

Step 6 - Drawdown

When all legal, security, and insurance requirements are satisfied and we have received your signed loan offer, your new mortgage can be drawn down and your existing mortgage paid off and closed, you will need to check with your current lender if there will be a security release fee or any other associated costs.

Lending Criteria, terms and conditions apply and may be subject to change.

The Legal Process

Switching your mortgage involves a legal transfer from your current lender to us. This will require a solicitor fee for their services. During this process:

- We issue a formal loan offer to you and your solicitor.
 - If you are happy to proceed with the switch, you and your solicitor will review the documentation. Your Solicitor will complete the necessary legal checks, and liaises with your existing lender to arrange repaying and closing of your current mortgage.
 - We will work with your solicitor to ensure that all legal requirements are completed before drawdown.
 - Your Solicitor will charge a fee for their services.
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Loan Security and Insurance requirements

Loan Security

- A professional valuation of the property is required.
- The property must meet our lending and security criteria, meaning, the property must be suitable to live in, and the legal ownership must be clear with no legal problems with the property's ownership or paperwork that could affect your ability to sell or switch.

Insurance Requirements

- Adequate home insurance must be in place before drawdown. Your home insurance must cover the reinstatement value listed on your valuation report.
- If you are choosing our Flexi Interest Only feature, the first 2 years of this loan is interest only and the balance will not reduce during that period. It is important you consider this feature and seek financial advice, when deciding the life cover which sufficiently covers the mortgage balance and is most suitable for your needs.
- Mortgage protection insurance or an equivalent life assurance policy will be required. Your policy must cover the amount of your new mortgage.

Maintaining Existing Insurance

You should consider whether your existing insurance policies can be maintained when switching. To do this your solicitor can arrange an assignment of life policy from your current lender, this form is issued in the solicitor loan pack.

Independent Guidance on Switching

For impartial information on switching lenders or changing mortgage type, visit the Competition and Consumer Protection Commission (CCPC):

<https://www.ccpc.ie/consumers/money/mortgages/>



ICS Mortgages

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Warnings

Warning: If you do not keep up your repayments you may lose your home

Warning: The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.

Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit report, which may limit your ability to access credit, a hire-purchase agreement, a consumer-hire agreement or a BNPL-agreement in the future.

Warning Your home is at risk if you do not keep up payments on a mortgage or any other loan secured on it.

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