

Standard Procedure for Mortgage Financing or Refinancing

The following outlines the standard procedure Pier Law performs for financing or refinancing mortgages. Many of these steps must be handled by your lawyer. At Pier Law we provide full services for your residential legal needs. Don't hesitate to contact us if you are taking out a new mortgage or refinancing from one bank to another. The standard legal process for taking out a new mortgage or refinancing is as follows:

1. Receive loan instructions from the bank and check through these
2. Report to client to confirm loan documentation received and send Letter of Engagement to provide estimate of costs
3. Check with client and bank as to preferred settlement timeframe
4. Obtain guaranteed search of title within 14 days of settlement
5. Prepare loan documentation for signing
6. For a refinancing, correspond with existing bank and arrange a discharge of the existing mortgage and repayment figures
7. Set up the e-dealing in Landonline workspace and prepare Land Information NZ ("LINZ") client authority forms for the Mortgage and Discharge of Mortgage (if applicable)
8. Obtain LINZ guaranteed search within 14 days of settlement and check Personal Property Securities Register for any charges registered against chattels that could take priority over the bank
9. Prepare statement and invoice, obtain indicative repayment figures on the existing mortgage where it is a refinancing
10. Ensure appropriate house insurance in place with new bank noted, obtain a copy
11. Meet with client to arrange signing of loan documentation and LINZ form, also to review statement and invoice for settlement. Arrange for deposit of balance funds to repay existing lending (if applicable)
12. Send signed loan documentation, together with solicitor's certificate, to bank. Advise of settlement date.
13. On settlement day, arrange for new lending to be made available to client, or arrange deposit of loan to our trust account. Forward balance loan advance onto client once existing mortgage repaid (if applicable)
14. Complete settlement with LINZ by registering new Mortgage and Discharge of Mortgage (if applicable)
15. Report to client with copy of the Certificate of Title showing registration of new Mortgage
16. Report to bank with security documents as required