



First-Time Buyers Guide

Buying a house for the first time could be a daunting process. This guide breaks down all you need to know.

How do I know how much I can borrow?

Firstly, it's important to know how much you can borrow when it comes to looking for a property and buying a house. A mortgage broker will be able to help you with this. Typically, they'll complete an assessment to find out important information. Then you'll talk through how much you can afford to spend on a mortgage. Once you have a mortgage in principle, you can start checking out different properties in your price bracket, until you find the one!

The bank of mum and dad

Research has shown that 'the bank of mum and dad' is the 9th biggest lender. Parents can release equity on their homes to be in a financially stable position to lend their children money or use any savings they have. Buying properties looks to be the first option for most young people. However, it's the large deposit of 10-15% that people are struggling with. Many parents are now supplying a gifted deposit; however, this must be disclosed to their solicitor as they will need to do necessary checks on where the funds come from.

Help to Buy schemes

There are government schemes including the Help to Buy: ISA and the Shared Ownership scheme that are options offered to help as many people as possible to get onto the property ladder. Make sure you check out all the information available to you regarding the different schemes.

Finding a house

It's good to have an idea of what you want before you set your sights on a property. When you book viewings to see properties, make sure you keep in mind what you're looking for and make notes of all the things you like and don't like. Take pictures of what you don't like and use the images to negotiate a better offer when you come to buy the property.

What happens once I've found a house

You'll put in an offer for the property and instruct a conveyancer.

Conveyancing is the legal process involved in buying, selling or remortgaging a property. A conveyancing supplier must be instructed to carry out the legal work on your behalf. Your supplier is responsible for safeguarding both yours and the lender's best interests at all times during the process. They will liaise with the conveyancer representing the seller to ensure they get answers to all questions on your behalf.

Understanding the industry lingo

• Legal/Solicitors Fee

The fee that your solicitor or licensed conveyancer will charge for undertaking the legal work involved in buying your property.

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- **Telegraphic Transfer Fee**

An electronic means of transferring funds. A payment made by telegraphic transfer arrives in the chosen bank account that same working day.

- **Online ID Check**

The online ID fee is a charge to check your name against your address as part of your conveyancers Anti-Money Laundering procedures. It also checks signature verification, identity check and will include sanctions check as part of the process.

- **No Completion, No Fee**

This is a guarantee that means if your transaction doesn't complete for any reason, you will not be charged for your conveyancer's time. Please note that if any disbursements have been paid for (searches, for example), then these cannot be refunded.

- **HMLR Registration Fee**

When buying a house, this is a fee that is charged for registering you as the new owner with Land Registry. Please note that if the property has never been registered at Land Registry, there may be an additional fee.

- **Exchange of Contracts**

Identical contracts are signed by the buyer and seller. Only when contracts are formally exchanged by the solicitors does the deal become legally binding, between and after the contracts are signed – penalties will be charged if either side pulls out.

- **Completion Date**

This is the date when the title to the property is transferred by the seller to the buyer and the buyer takes possession of the property.