



Guide to buying your first home



Buying a home is probably one of the biggest decisions you will make in your lifetime, especially as the average house price in England was valued at £285,000.\*

Being a first-time buyer is exciting but can also be a little intimidating. With so much information out there, you may not know where to start.

To make the process a little easier for you, we've put together this handy guide and checklist.

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## Who's who?

There's lots of specialists who can offer advice or assistance during your home buying process. Here's a handy breakdown of who's who:



### Lender

They lend you the money to buy the property.

### Insurer

The insurer can provide you with the buildings insurance needed to buy and protect your new home. Plus, they may also be able to provide contents cover to protect your possessions.

### Legal Representative/Conveyancer

A legal representative does all the legal work needed to buy a house, for example, opening a purchase file and drawing up a draft contract or terms of engagement.

### Surveyor

Surveyors assess the physical condition of the property and can give an independent valuation.

### Mortgage Broker or Adviser

A mortgage broker will advise you on which mortgage is most suitable for you and help you complete the process. Once your offer has been accepted, you'll need to go back to your mortgage adviser and get your mortgage arranged for the agreed price. This means completing the full mortgage offer with your lender.

### Specialist Professional or Tradesperson

Can advise on any maintenance or building work they found in the survey.

### Energy Assessor

An energy assessor can answer any queries on the Energy Performance Certificate (EPC).

### Estate Agent

Estate agents can help guide you and work with other parties to help the sale along.

## 1 What can you afford?

It's important to know how much you can afford when it comes to choosing a new home. A mortgage lender can help you to find out what would be best for you. They will look at a few things that will influence how much you can borrow, such as:

- Credit score
- Income
- Employment status
- Deposit amount

The government also have a range of schemes available, which might be useful when purchasing your first home.

## 2 Mortgage in principle

Once you know how much you can afford, your mortgage adviser will get to work. They will review deals from different lenders to find one that is the best fit for you. Once you have come to an agreement with them, they will go to the lender for you to get a mortgage agreement in principle. The lender will then run a credit check.

### Top Tip

Having an agreement in principle gives you the edge when putting in your offer.

## 3 Choosing a home

Now for the really exciting part, choosing a place to call home. Many people start their search online through property sites or through local estate agents. Factors to consider when choosing a home.

- Location
- Transport links
- Schools (if appropriate)
- Commute times
- Outside space
- Traffic congestion

It's also a good idea to take a trip to the area and get a feel for the place. It's good to know what the area holds, what's close by, and if it feels right – all of this helps you to make the right move.

## 4 Making an offer

Now you've found your perfect home, you can make an offer to the estate agent.

If you don't feel ready to put in an offer straight away, don't do it. It can be really useful to view the property more than once just to put your mind at rest and to visualise yourself living in it.

Once you're sure you feel at home, you can put in your offer. Going too low could be risky if others have viewed the property, but you can always increase your offer if it isn't accepted.

## 5 Finding a solicitor

Now it's time for all the legal stuff. Finding the right solicitor to deal with all that is needed when buying a house is super important. You can find loads of solicitors online, but you can often find local ones that know the area better too. Most importantly, you need to find one you are comfortable with. It's worth shopping around though and making sure your solicitor specialises in buying homes.

### What does your solicitor do?

- Communicate with the seller's solicitor
- Carry out searches with local authorities
- Check the land registry
- Draw up contracts and check legal titles

## 6 Apply for your mortgage

Once your offer has been accepted you'll need to go back to your Mortgage Adviser with your offer to get it arranged. This means completing the full mortgage application with your chosen lender.



## 7 Survey

Surveys are very useful as they can bring to light any work that might need to be done on your property both now and in the future. A survey should always be done by a professional as they will see things that others may not.

You might also want to consider getting a home buyers report too, as it looks at the current property condition and will include recommendations for repairs needed.

## 8 Exchange contracts

Exchange is when you and the seller exchange your signed agreements which legally bind you to commit to the sale.

You'll then pay the deposit via your solicitor. If you change your mind after this stage, you could lose your deposit. You'll also need to agree to a completion date which is when you'll take possession (usually up to a month after exchanging).

## 9 Insurance

One of the conditions you'll normally find in a mortgage contract is insurance. They often state that you need to have buildings insurance on your property as it protects your new home should anything happen to it.

Contents insurance will protect all of your stuff once it's in the house, and although rarely stipulated as a requirement, it is a good idea to have it.

Other insurance you should consider:

- Life Insurance
- Critical Illness Cover
- Income Protection

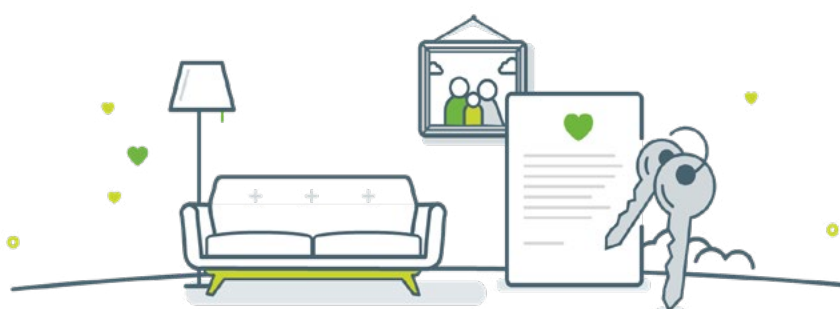
Whether you need Buildings, Contents or both, your mortgage adviser can find you suitable cover to meet your needs. So why not ask your adviser about arranging your Home Insurance today?

## 10 Completion and moving in

When you are ready to complete, your solicitor will transfer the remaining funds to the sellers, and once the money has gone, you should be able to pick up your keys and start an exciting new chapter in your life.



## Congratulations! You're now a home owner.



## Building insurance

You'd take out this cover to make sure that if your property is damaged by fire or the elements, you can have your home rebuilt. This cover is a must, and a lot of lenders might ask you for this information as they are giving you the mortgage. Once you exchange contracts, you should have this insurance in place, as you will be liable for the building.

## Contents insurance

You'd need this cover to protect all of your possessions against accidental damage or theft.

## Buy-to-let

If you're planning to buy a property to rent out, then you'll need a buy-to-let mortgage and specialist landlord insurance. You'll need buildings cover as standard and contents cover, if your property is furnished.

## Completion date

The completion date is when you finally own your new home. All the funds will have been transferred, and contracts exchanged.

## Deposit

The sum of money initially put down by a buyer when purchasing a property.

## Energy Performance Certificate (EPC)

An EPC provides an energy performance rating for your home. They can range from an A rating, which is the most efficient, to a G rating, the least efficient. The certificate could also give you recommendations on how to improve your rating and save you money. It's a legal requirement, when selling your home, to provide this to the buyer.

## Exchange of contracts

Once you exchange contracts, both the buyer and seller are legally bound to complete the deal. Changing your mind at this point could end with you having financial repercussions.

## IFA

Independent Financial Adviser.

## Mortgage offer

This is a formal written offer from your bank or building society that shows their intention to lend you the approved amount against a property.

## Stamp duty

This is the amount of tax paid to the government when you buy a house. The amount can change depending on how much the house is worth. You pay this when you complete the buying process.

## Council tax

Council tax refers to the amount you have to pay to your local council. It covers local amenities such as police, fire service and general repairs to highways etc. Each home has a specific council tax band which will determine the amount you are to pay.

## Survey

A survey is a property inspection that will provide a valuation of the property. You can choose to have a more in-depth survey which can give you an idea of any potential repairs or damages that will need to be looked at or cause problems in the future. You can arrange your own surveys too.





# Checklist

## What to consider when moving into your new home.



### ☐ Buildings and Contents insurance

Buildings insurance is a requirement when buying a home and covers you for property damage. Contents insurance covers all your possessions within your home.

Speak to your mortgage adviser about how you can better protect your home.

### ☐ Meter Readings

It's important to take Gas and Electricity meter readings as soon as you move into your property as your providers will need this information and it will stop you being charged for a previous owner.

### ☐ Council Tax

To pay council tax on your property you will need to get into contact with your local council. They'll register you and send you a Council Tax bill and also tell you how and when to pay.

### ☐ Utility Bills

Utility bills cover areas such as water, electric, gas and sewerage. You should keep a note of the exact days you move house and let all your suppliers know so that you won't be overcharged.

### ☐ Internet

You should let your internet provider know you will be moving out a few weeks prior to the final exchange of contracts. This way you can have your line rerouted the day you move to prevent any delay.

### ☐ Phone

Your landline is often linked to your internet provider. If it is, they will move it when they switch your internet connection over. If it's with another provider, you will need to let them know in advance.

### ☐ TV Licence

You should change the address on your TV licence so that you do not get charged again when you move home.

### ☐ TV Package

If you have a TV package with a provider such as Sky or Virgin, make sure you inform them in advance to moving to your new home.

### ☐ Checking out the local area

By doing your research prior to purchasing your house, you can see if all your desired amenities are close by and available. If you have children or are planning children, it's also worth checking out the ratings of local schools.

### ☐ Familiarising yourself with local transport links

By making sure your transport links are sufficient for your needs, you can have a better understanding of the bus and train services if you'll need them either on a day-to-day basis or for emergency use if your car breaks down etc.

### ☐ Schools and nurseries

If you have children or are planning children, it's worth checking out the ratings of local schools to see if they are offering education to the right age groups. (school/college etc).

### ☐ Registering with doctors

It's worth checking out the local doctors to make sure they have space for you. There are often reviews online too that can give you ideas of wait times for appointments etc.

### ☐ Find out where your stopcock is

The stopcock is the main water valve in every UK home. A stopcock is also sometimes called a stop tap, which controls the entire supply of water in your home. It's crucial to know where your stopcock is in case of an emergency - like a burst pipe or leaking tap. Shutting it off when you are facing these issues can prevent you from costly water damage to your home.



# Key things to buy for your new home



<input type="checkbox"/> <b>Bed:</b> For a good night's rest in your sleep sanctuary.	<input type="checkbox"/> <b>Sofa (or bean bags!):</b> To kick back and relax after a day of unpacking.	<input type="checkbox"/> <b>Kettle:</b> That first cuppa in your new home is a milestone!
<input type="checkbox"/> <b>Kitchen essentials:</b> Unpacking is thirsty (and hungry) work!	<input type="checkbox"/> <b>Curtains:</b> To make that first night's sleep extra cosy.	<input type="checkbox"/> <b>Toolkit:</b> Did someone say flatpack? You'll need all the gear.
<input type="checkbox"/> <b>Cleaning supplies:</b> You'll want to freshen things up a bit.	<input type="checkbox"/> <b>Electrics:</b> You'll need batteries, extension leads and chargers.	<input type="checkbox"/> <b>Toilet paper:</b> Need we say more on this one...?!

\*Source information from <https://www.gov.uk/government/news/uk-house-price-index-for-january-2023>

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