YOUR HANDY HOMEBUYER GUIDE

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HOMEBUYING PROCESS

01
Save for a deposit
Typically 5-20% of the property's value. e.g. 5% of a £200,000 house would be £10,000.

02
Speak to a broker
and secure an agreement in principle. This is a certificate from the lender confirming how much you can borrow.

03
Find a property
and make an offer. Negotiate until your offer is accepted. Your broker can help with this.

04
Hire a solicitor
for legal work. Complete surveys and final mortgage approval.

05
Exchange
Exchange contracts, pay your deposit and set a completion date.

06
Completion
On completion, pay the remaining balance and pick up the keys to your new home.

ROLE OF THE MORTGAGE BROKER

A mortgage broker acts as an intermediary between borrowers and lenders, helping individuals find and secure suitable mortgage deals.

They analyse your financial situation, credit history and mortgage needs to identify appropriate lender options.

A whole of market mortgage broker has access to a wide variety of lenders and can negotiate terms on your behalf.

Their goal is to secure the best mortgage terms and rates for your specific circumstances.

Your home may be repossessed if you do not keep up repayments on your mortgage.

ROLE OF THE SOLICITOR

A Solicitor handles the legal aspects of the transaction, ensuring all necessary checks and searches are conducted.

Responsibilities include:

- Conveyancing - managing the legal transfer of property ownership.

- Title check - verifying seller's legal right to sell the property.

- Local authority searches - investigating local issues that might affect the property.

- Drafting contracts - preparing contracts for the sale.

- Managing transaction - holding your deposit in a secure account and receiving money from the lender to transfer for the sale.

- Stamp duty - ensuring the correct amount is paid to the government.

ROLE OF THE SURVEYOR

Mortgage valuation report

The mortgage lender will instruct a surveyor to value the property. They need to ensure they agree with the property price as this is the security for which they are lending the money against.
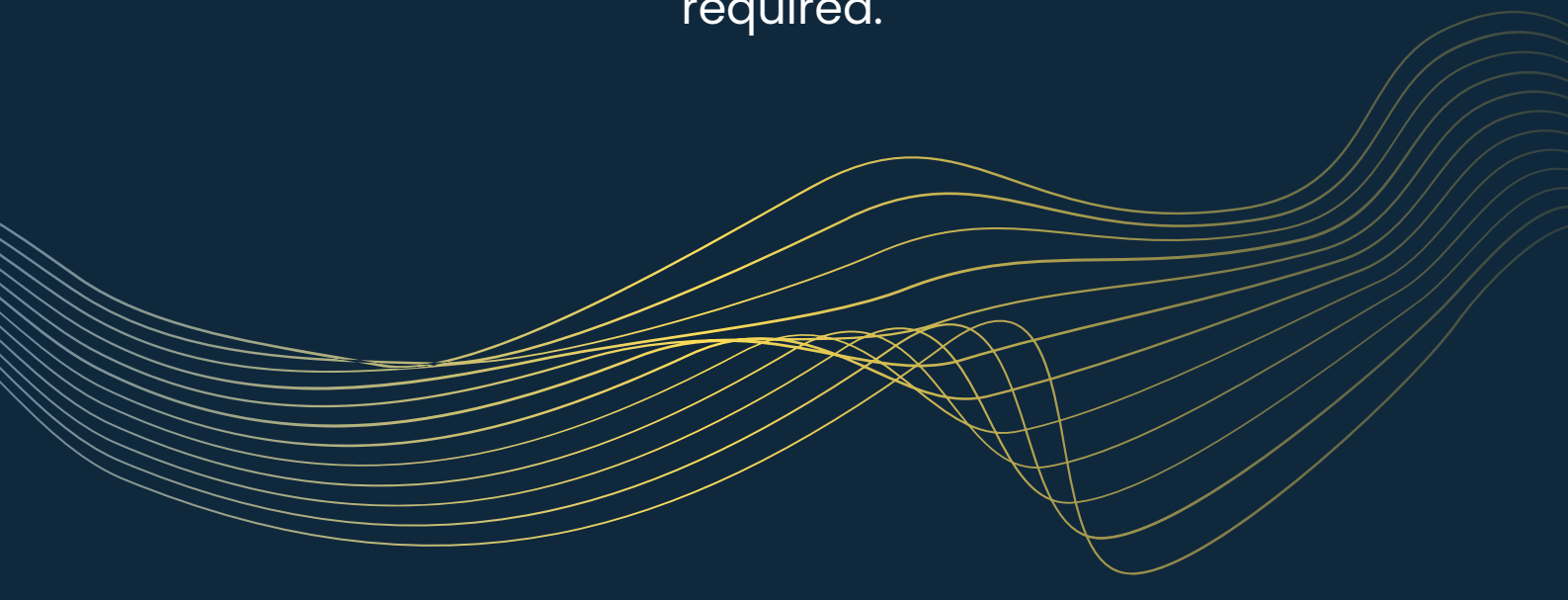
Building survey

Building surveyors assess the property condition and are often involved in property transactions, helping buyers make informed decisions.
Different types include:

Condition Report/level 1: Basic assessment of the property's overall condition, including any risks and potential legal issues.

HomeBuyer Report/level 2: Detailed information about the property's condition and value.

Building survey/level 3: A comprehensive report detailing any defects, repairs, and maintenance required.

ROLE OF THE ESTATE AGENT

The estate agent works on behalf of the seller.

They will advise the seller on their property's value. Subsequently, list and market the property to find a trusted buyer.

They will conduct viewings to prospective buyers and negotiate the sale price on behalf of the seller.

Following offer acceptance, they will manage the transaction ensuring everything is completed efficiently.

TIME IN THE MARKET

Deciding when to buy involves various factors that can influence the market and your personal circumstances.

Effective research of trends in property prices, interest rates and market activity is important. Speak to a trusted expert in the field.

Assess your own financial stability and ability to afford a mortgage. Consider your income, commitments and lifestyle.

INSURANCE POLICIES

Protection insurance:

Mortgage brokers will advise on necessary protection to support your financial needs. This includes life insurance, critical illness and income protection.

Buildings and contents:

On a freehold property, the mortgage lender specifically requires you to take buildings insurance.

As with all insurance policies, conditions and exclusions will apply.