OLIVER JAQUES

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FIRST TIME BUYERS: WHAT YOU NEED TO KNOW

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WELCOME

My name is **Nicola Heard** and I'm the Director of Oliver Jaques.

During the last 35 years, we've been serving the people of South East and East London, helping hundreds of clients take their first steps onto the property ladder.

Our experience means we know just how exciting, terrifying, inspiring, and overwhelming the whole process can be.

Some people are excited about moving out of rented, shared accommodation, or parents' homes.

Others are anxious about the amount of responsibility, paperwork, and money this move involves.

We are here to guide and support you throughout the ups and downs of your home buying journey.

We aim to ensure you have the right guidance and support to help you make the best decision for you and your future.

After reading this, you may find it beneficial to have a confidential, no-obligation chat with us about your situation.

Thank you for your time, and please get in touch with us if you have any questions whatsoever.

N. Heard

Nicola Heard MARLA
Director

*Disclaimer: The information in this guide doesn't constitute legal advice.

MONEY TALK: MORTGAGES, DEPOSITS, AND THE REST

What is a mortgage?

A mortgage is a big loan, usually from a bank or building society. They assess your viability on a variety of factors based on your financial situation. Then, you pay it back to the lender monthly over a long term, like 25 years. You also have to pay interest back on the loan. It's a significant debt to have but is the primary way most people can buy property.

How much deposit do you need?

Some lenders offer a 95% mortgage, so that you would need a 5% deposit. If you were buying a property for £200,000, you would need a £10,000 deposit. You could put down a 10% deposit at £20,000 or 15% at £30,000. The bigger your deposit, often the better your interest rate and lower your monthly repayments. Also, a bigger deposit can mean you're more likely to be accepted for a mortgage.

Other costs to consider

- **Survey costs**
- **Legal fees (which would include searches and disbursements)**
- **Stamp Duty (Land and Buildings Transaction Tax for Scotland and Land Transaction Tax for Wales¬)**
- **Insurance – building and contents**
- **Life insurance – the lender is likely to require this, so if anything happens to you, the mortgage debt is settled**
- **Moving costs**
- **Renovation costs (if applicable)**
- **Property maintenance costs from mowing the lawn to replacing roof tiles and cleaning gutters**
- **Furniture, appliances, and other homeware to put in your new home**
- **Decorating**
- **Council tax**
- **Bills like electricity, water, gas, sewerage**

****As a buyer in the UK, you don't pay the estate agent. It's the seller that does that.****

FINANCIAL ADVISERS

Financial advisers come in many guises.

Some mortgage brokers are only able to offer you products from a panel of lenders. This limits your options.

These sorts of brokers can sometimes be found within estate agent offices. Big corporate estate agent chains commonly target their staff to drive you to these in-house mortgage people. But, of course, they can charge you hefty fees, too.

Independent mortgage advisers often have access to all the deals in the market at any one time.

They can often be very supportive, their speciality is mortgages, this means they're very in tune with the marketplace.

Independent financial advisers generally have excellent relationships within the whole of the financial marketplace. This means they can negotiate the best mortgage for your situation.

They can also support you to get insurance with the best deals and help you with things like your pension. So, these people can become your money 'go to' for many years.

Remember that you can often secure a better deal when you have a significant deposit. Saving for your deposit can feel like a big mountain to climb. However, there are little things you can do to keep yourself on track.

• Create a vision board with your favourite property and interior styles – somewhere you'll see it regularly. This can help you stay focused on your goals. For example, you could create a collage from magazines, or there are apps for a digital version.

• Set up an automatic transfer so that each month an amount of money goes straight into a savings account. It will build up without you even having to think about it.

• Tell your friends and family about your goal. They can encourage you to make good decisions. It's much more fun to be thrifty with other people, too. You could do things like cook at home together, instead of spending on a takeaway, for example. Little things like this can help you save money so you can add to your savings even faster.

HOW TO FIND YOUR IDEAL HOME

When you first start thinking about getting your new home, you may have a dream in mind. You may have certain things that you cannot compromise on.

Perhaps you need off-road parking so you can easily find a space after work.

Perhaps you need a second bedroom to make into an office.

As you research the available properties, you may discover that your dream home is not realistically within your budget.

This is perfectly normal.

It happens regardless of how much money you have to spend, whether this is your first property or fifth.

Remember to be flexible.

Where to look

You will have heard of websites like Rightmove or Zoopla. These are great to browse for homes. You can get the gist of what kinds of properties are available in what price brackets.

Don't fall into the trap of thinking every available property is on those sites.

Register with local estate agents. Give them a call to explain your budget, preferred area(s) and requirements.

When an estate agent goes to see a property that will soon be available, they follow a process before it can go online. Things like completing paperwork, writing adverts, taking photos or videos have to be done. It can take as long as two weeks.

Any decent estate agent will contact the people they know this property would be an excellent fit for before all those items are ticked off the list. Then, if you are registered with the agent, you could view the property, make an offer, and start the buying process before it's ever gone online.

Excellent estate agents listen and hear what your property needs are. So, when they suggest you visit a property, it's with good reason.

Think of the property shows on TV: how many times do they buy the 'mystery house'? Be guided by the pros. It's not their first rodeo!

FOUR TIPS FOR VIEWINGS

• Visit the area

If you know roughly where the property is, go for a walk nearby. Don't worry too much about the property itself. You'll get to check that out with the estate agent on the viewing. Get a feel for the neighbourhood, and if it's the sort of place, you could see yourself being happy. See where things are nearby that could be useful, like a shop or public transport.

• Get prepped

Make a list of things to check and questions to ask on the viewing. Of course, you might not have any, which is also fine. However, if you do have things you wanted to chat through, it can be helpful to have those prompts with you.

• Don't worry

Estate agents are experienced at supporting first-time buyers. Feel free to voice any concerns you may have. There's no such thing as a silly question. The laws in the UK do a lot to protect you when you're buying property. The chances of something awful being hidden is pretty slim. Hire a surveyor later in the process to check things out properly. If you see cracks, for example, the chances are they're from settlement and not structural. Don't worry and use the experts. It's what they're there for.

• Don't delay

There's a saying in estate agency: 'The house you're thinking about overnight is the same one someone saw yesterday, thought about overnight and is going to buy today.'

If you like it, make an offer. There's a real FOMO (fear of missing out) for first-time buyers. This can make you dither and wait 'in case something better pops up'. There are only so many places you can buy in your budget that fit your must-haves. So don't miss out on The One.

We hope you found the information in this guide useful. Whatever questions you have about buying your first home, please feel free to contact us. We're here to help in this exciting chapter of your life.

YOUR MOVING CHECKLIST

Below is a useful **11-point checklist** to help you prepare for a sale.

- [ ] Once you are sure you want to move, call in three estate agents for valuations. Remember, seek evidence for any sale prices they provide.
- [ ] Don't just choose the agent with the highest valuation or cheapest fee. This is often a false economy.
- [ ] You'll need to instruct a conveyancing solicitor to handle the legalities of your sale.
- [ ] So, you've instructed the agents and solicitors you feel are most capable and who you are comfortable with. What next? Well, as you'll be moving to a smaller space,start getting rid of the furniture and things you won't have room for. Charity shops,home clearance, and auction houses can help when having a major clear out.
- [ ] Get ahead with packing. Even though you may not have a move date yet, it's always worthwhile boxing up those items you don't use much. This will make your life a little more comfortable in the future.
- [ ] Start finishing the food in your freezer ahead of moving day.
- [ ] When you've accepted an offer and agreed a completion date, get three quotes from different removal companies. Look for ones that come recommended and which are fully insured.
- [ ] Remember to let all your bank, utility companies, insurance providers know and arrange to have your mail redirected.
- [ ] Start getting quotes for insurance on your new property starting from the date you are set to complete the move.
- [ ] The day before the move, create an essentials box with any items you might need quickly when you move in. Kettles, cups, and tea and coffee always come in handy.
- [ ] On the day of the move, take any very important items or documents with you,such as medicines, passports, wallet/purse, keys, and glasses.

If you have any questions about anything in this guide remember we are here to help, so please feel free to get in touch. Contact details can be found on the following page.

South East London

Sales: 020 7231 5050 (Option 1)
Lettings: 020 7231 5050 (Option 2)

Email: southeast@o-j.co.uk

229-231 Lower Road, London SE16 2LW

East London

Sales: 020 8980 0999 (Option 1)
Lettings: 020 8980 0999 (Option 2)

Email: east@o-j.co.uk

Unit A Arlington Buildings, 60 Fairfield Road
Bow Quarter, London E3 2UB

Out Of Office Sales & Lettings

07718 425 065

Property Management

Daytime hours: 020 7237 7967

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