



First Time

Buyer's Guide

A complete guide to buying your first home

Introduction

Buying your first home is an exciting time and a big achievement, but it can also feel overwhelming. That's why we're here to help! It's a lengthy process, and even with all the schemes in place to help First Time Buyers (FTBs) get on the ladder, there are so many decisions to make, paperwork to trawl through, and steps to carry out.

We know it's not always clear what order everything has to happen in, and there might be some terms you've never heard of or some processes that need explaining.

Reallymoving has been making the property buying process smoother for 20 years, so we know that even though buying a home *can* be one of the most stressful things you can do, it doesn't *have* to be.

We hope you enjoy our complete guide for the First Time Buyer – if you find any of our suggestions helpful, or have any tips you want to share, find us on Facebook, on Twitter at [@reallymoving](#), or [@wearereallymoving](#) on Instagram.



Am I a First Time Buyer?

It might feel silly, but before we get started it's important to be sure you're officially considered a First Time Buyer. This is important as "official" First Time Buyers get things like Stamp Duty relief (you'll learn about this later in the guide).

Generally, you are a First Time Buyer if you have **never** owned a residential home anywhere in the world (so if you've owned a commercial property you are probably still considered a First Time Buyer).

You will **not** be classed as a First Time Buyer if:

- You have owned a residential property, including a Buy to Let property, in the past, even if you don't own it anymore or if you only owned part of it
- The property will be bought for you by someone else who already owns a home, and it's going to be bought in their name
- You have previously inherited a property, even if you sold it without ever living there

It's also important to remember that if you are buying a property with someone else, you need to **both** be First Time Buyers in order for the transaction to be treated as a First Time Buyer purchase.

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A note about paperwork

During the moving process you'll find that paperwork accumulates quickly, so before you begin you should ensure you have a space to keep it all in one place. It can be a physical folder, a USB drive, or a file in your cloud storage.

Some examples of paperwork you'll acquire and need to store safely include:

- 🏠 Information on properties you view, such as Energy Performance Certificates (EPCs), floorplans, and your own notes and photos
- 🏠 When you find a property and get a survey done you'll need to keep the report safe so you can refer back to it later
- 🏠 Paperwork for your mortgage in principle, as you'll need to show it to the seller once you find a property you want to buy
- 🏠 The TA10 Fittings and Contents Form and TA6 Property Information Form will tell you more information about the property and what is included in the sale
- 🏠 You may want to get guarantees in place for some parts of the house – for example, for the boiler, or for any work that's been done such as double glazing or extensions
- 🏠 Your buildings insurance policy (which should start from the day you exchange contracts) will also come with paperwork that you'll need to keep safe
- 🏠 Your conveyancing solicitor will carry out local searches on the property, so you'll need to keep a copy of these
- 🏠 You'll also need to complete important paperwork yourself, such as the deeds registered with the local authority and a

confirmation that Stamp Duty (property tax) has been paid if applicable

As well as paperwork relating to your purchase, there's other paperwork you'll need to find yourself in order to buy a property. It's a good idea to start compiling it early so you're ready to go as soon as you're asked for it. For example, in order to get a mortgage you'll need:

- 🏠 Utility bills
- 🏠 Proof of identity
- 🏠 P60
- 🏠 3 months of payslips
- 🏠 Bank statements for 3-6 months

Being organised with your paperwork from the start will make the whole process easier.



Section 1: Money

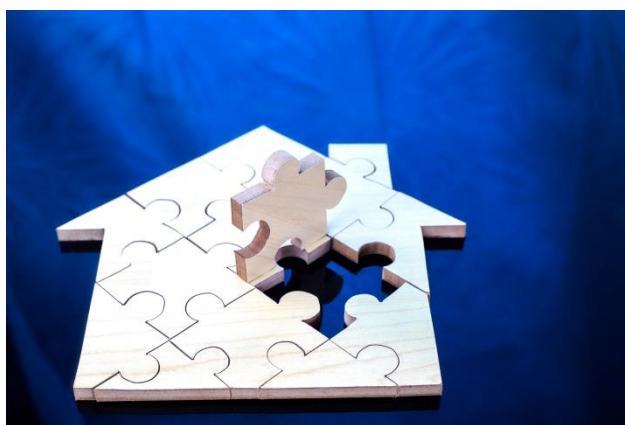
Money is the first thing you should consider when you've decided it's time to take your first step on the housing ladder.

Property is incredibly expensive, and the vast majority of people can't afford to buy outright. You will probably pay for a portion of the property price (the **deposit**) and get a loan (a **mortgage**) for the rest. You'll pay back the mortgage and its interest in monthly mortgage repayments, for as many years as it takes to pay it off or until you sell the property.

Deposit: the portion of the property price you'll save up for and pay upfront

Mortgage: the amount lent to you to cover remaining part of the property's value

The deposit amount will depend on the portion of the property you want to pay for outright, what kind of property you want to buy (house/flat/bungalow, detached/semi-detached etc), whether you're taking advantage of any Help To Buy schemes, and lots of other things that we'll cover later on in this guide.



As well as the deposit, you'll also need to make sure you have enough money to pay for the other costs of moving house. In 2019 the average cost of moving house was a whopping £10,400. Luckily, for various reasons, the average cost for First Time Buyers is a fraction of this, but it's still important to have a financial safety net.

Things to consider

You should think about your financial situation very carefully before deciding whether to buy a property.

Are you paying off debts, credit cards, store cards, or loans? Have you got your accounts in order, with clear savings every month, or do you run into your overdraft? Would you have enough to pay for your mortgage for a couple of months if you lost your job? The healthy state of your finances is what your **mortgage rate** is based on, and if you're more in the red than the black, you'll either find it hard to get a mortgage or you'll get a bad rate.

In the months running up to purchasing a home, focus on getting your accounts in order – make sure you're using a high-interest ISA for your savings, ensure you've paid off any debts, and don't apply for any extra credit cards or loans.

Your **credit score** is the main thing you lender will use to assess how likely it is that you'll consistently pay off a mortgage. If you have a bad credit rating or no credit history, you're not ready to buy just yet. To get a great credit rating, finance expert Martin Lewis suggests getting a credit card, using it to buy things each month and paying it off regularly. You can check the current status of your credit score for free by visiting monysavingexpert.com/creditclub.

Mortgage rate: the rate of interest you pay on your mortgage, expressed as a percentage

Credit score: a numerical value that indicates a person's trustworthiness, based on how they have handled debt and repayments in the past

The deposit

The deposit is probably the largest sum of money you'll pay during the moving process.

When it comes to deposits, bigger is better. Having a larger deposit means you'll be borrowing less for your mortgage, which will probably mean you can get a better deal (interest may be lower, your repayments may be smaller, and it will take you less time to pay it off).

The bank of Mum and Dad

Perhaps you've had a little help saving for your deposit – fantastic! A third of FTBs receive financial help when saving their deposit, from parents or other family members. However it's worth defining the terms of this ahead of time – is it a gift or a loan? What are the terms of repayment? Does it give your parents a say in which property you buy?

In order to work out how much you'll need to save for your deposit, you'll need to look at properties in the area you're aiming to buy in to get an idea of how much they cost. As a general rule of thumb, the maximum a mortgage lender will be willing to lend you is 4.5x your income, so your deposit will need to cover the rest of the property price. You'll need to save at least 5% of a property's value, but if you can you should aim for more. According to research from Halifax, the average deposit put down by First Time Buyers in 2018 was 16%. If in doubt, it's always better to overestimate the amount you'll have to save.

An example:

You're looking for a one-bedroom flat in your area and the average price for one that has everything you need is about £180k.

*You have an annual salary of **£30k**, so you'd be able to get a maximum of **£135k** from a mortgage lender ($30,000 \times 4.5$).*

*As a result, your deposit savings goal is about **£45,000** and with the help of governmental schemes (we'll cover these later on) the figure you'd have to save yourself may be lower. You may also have help from family members, or you might be buying with someone else. However if this was still too much you'd need to look for a cheaper property.*

The mortgage

An easy introduction to mortgages

As you know, a mortgage is the sum of money lent to you by a mortgage lender (for example, a bank) to cover the rest of the cost of a property after your deposit.

You then pay back the amount gradually, usually in monthly payments, with interest. As previously mentioned, the interest rate is decided based on how much of a reliable bet you are perceived to be, which is largely dependent on your credit score.

Types of mortgage

It's easy to be overwhelmed by all the different types of mortgages and all the associated terms and abbreviations. But don't panic – remember the aim is to pick what's right for **you**.

Fixed Mortgage

This is the **most common** type of mortgage. You pay a fixed rate each month, making budgeting much easier, no matter what happens with interest rates. Usually these mortgages are fixed for a couple of years and then you'll switch to **Standard Variable Rate (SVR)**. At that point most people choose to **remortgage** with someone else, to maintain a fixed rate.

Interest-only mortgage

This is a **very uncommon** type of mortgage (used almost exclusively for Buy to Let) where your monthly payments will just pay off the interest, not the loan. These cannot be used with Help to Buy schemes. You must show how you plan to eventually pay off the loan, for example with savings or by selling the property.

Variable Mortgage (Tracker)

The mortgage payment varies with the interest rate as determined by the Bank of England.

Variable Mortgage (SVR)

The mortgage payment varies based on the lender's own internal systems.

Discount Mortgage

There will be a fixed or discounted rate each month to start with, and then it will revert to a SVR mortgage. If you want this type of mortgage, it's important to do the sums to be sure it does actually work out cheaper in the long run.

Standard Variable Rate (SVR): the mortgage interest rate charged by a lender once the introductory discounted, fixed term or tracker period ends

Remortgage: taking out a new mortgage on a property and using it to pay off the original. It is commonly done at the end of a fixed or discounted rate, to get another good initial deal elsewhere



When to apply for a mortgage

Once you've saved up your deposit and you've worked out how much you'll need to borrow, you should apply for a **mortgage in principle (MIP)**. This is not an official mortgage offer, nor a guarantee you'll be able to get one, but it does show that *in theory* a bank or lender is willing to lend you the money. This makes it easier once you've found a property you like as the seller will trust you're serious about buying the property, and you'll know it's more likely you'll be able to borrow what you need.

You can get a mortgage in principle from any major high street bank or lender. As you're not obligated to get an official mortgage arrangement with the lender you get your mortgage in principle from, it largely doesn't matter where you get this informal agreement from.

Things to consider when choosing a mortgage

Don't panic – you don't have to choose and formally apply for a mortgage until after you've had an offer accepted on a property. But when you do, here are some things to consider...

Flexibility and overpaying

Check whether your mortgage is flexible – for example, can you overpay if you want to clear the debt sooner? There will usually be a cap of how much you can overpay, but it's worth finding out what this is.

It's also worth finding out how flexible the mortgage is with regard to staying with the same lender. Whilst it's common to remortgage with a new provider once the tie-in period ends, you might decide to move sooner than you initially planned. You should make sure you're aware of how long the tie-in period is and what the fees are for moving early.

Things to consider (continued)

Costs of remortgaging

Whilst many people choose to remortgage at the end of the tie-in period (usually 2-3 years), be sure to do the maths to ensure it's the best option for you financially. A better mortgage rate is all well and good, but is it worth the exit fees, remortgage conveyancing costs and the admin fees for your new lender?

***Top tip:** You can find out what the remortgage fees are for your original lender when you first arrange your mortgage. Don't let them try to increase it a few years down the line!*

A mortgage advisor/mortgage broker

Most First Time Buyers who use a mortgage broker recommend it to others. You might not have the time, energy or know-how to find yourself a great mortgage deal, but a broker will match the deal to you, taking into account your salary, lifestyle and outgoings. They will also be able to explain everything in detail.

There are a few things to be aware of with mortgage brokers. Be sure to check how much they charge, and remember that, although they are meant to be impartial, they do receive commissions from the lenders. It's also worth noting that they won't have access to all possible options as some deals are only available direct to buyers, so if you have time you could do some of your own research as well.

We have a **fee-free mortgage broker** you can access through our website – just hover over 'help and advice' on the homepage and click 'mortgages'.

Remember...

A mortgage is not only the biggest amount of debt you'll accrue, it's also **long term** debt, so don't think short term when choosing it. Do the maths, work out what you're paying, and try to pay off as much as you can early on.

The other costs

Now that you've got to grips with saving for a **deposit** and how to spot a good **mortgage**, take a minute, get out a paper and pen and list all the **other costs** associated with moving. **Everything** you think you'll have to pay for.

To help you out, here are some things you should save for...

- 🏠 **Conveyancing**, including **disbursements**
- 🏠 Chartered Surveyor
- 🏠 Removals
- 🏠 Mortgage arrangement fees
- 🏠 Mortgage booking fees
- 🏠 Valuation fees (they might be included in mortgage fees)
- 🏠 Fees for **searches**
- 🏠 Electronic transfer fee (the cost of transferring money)
- 🏠 Buildings insurance
- 🏠 Contents insurance

And here are some extra things you **might** need to save for...

- 🏠 **Stamp Duty** (or Land Transaction Tax in Wales or Land and Buildings Transaction Tax in Scotland) – as a First Time Buyer, you will probably be exempt from Stamp Duty if the property is under £300k
- 🏠 Storage fees
- 🏠 Packing fees

And don't forget the costs after you've moved in...

- 🏠 Utilities (gas, electricity, water etc)
- 🏠 WiFi
- 🏠 **Council tax**
- 🏠 Costs involved with preparing the property, for example cleaning and getting the locks changed
- 🏠 The cost of decorating and furnishing the property

This can look like a scary list, full of unfamiliar words and the prospect of having to save even more money. But some of these might not even apply to you.

Conveyancing: the legal part of the property transaction, done by a conveyancer or solicitor

Disbursements: payments your conveyancer makes for you, then adds to your final bill

Searches: enquires your solicitor makes about the property to local authorities, e.g. to find out about planned nearby building works that might affect it

Stamp Duty: a tax you pay when you buy property

Council tax: a tax paid, usually monthly, to your local council for services like bin collection

So how much should you save?

It's impossible to know for sure how much you should save – it depends on your location, how far you're moving, the price of the property you're purchasing, among many other things.

However you can get an idea of how much your move will cost by using our [Moving Cost Calculator](#).

You can also find out how much Stamp Duty you'll need to pay (if any) by visiting our [Stamp Duty calculator](#).

You can also use our quote forms to get quotes for **conveyancing**, **surveys** and **removals**. You'll find more information about these three key services later on in this guide, but getting quotes not only gives you an idea of how much you'll pay for each service, it also allows you to compare and get the best deal, leaving more of your hard-earned cash for decorating your new home!

Governmental help for FTBs

Never fear – help is at hand for First Time Buyers! Here are some of the government schemes, aimed at helping First Time Buyers onto the property ladder.

Lifetime ISA (Individual Savings Account)

Lifetime ISAs allow you to save up to £4,000 per year, and the government will then give you a state bonus of 25% of what you contributed at the end of each tax year. You can either put your Lifetime ISA towards a deposit on a property (of a value up to £45k) or you can use it to fund your retirement.

- ➕ Substantial government bonus
- ➕ Easy to set up and use
- ➕ Can be used for any property under £450k, provided you're getting a mortgage

- ➖ You lose the bonus if you withdraw the money for anything other than a property or retirement
- ➖ You can't open one if you're over 40, and can't put more money in if you're over 50

Help To Buy Equity Loan Scheme

This scheme allows you to get onto the ladder with a low deposit of 5% (although it can be higher if you wish). The government will give you an equity loan of 20% of the value of a property (40% in London), which then means you can get a lower mortgage. The government loan is interest-free for the first 5 years, and then you start to pay interest. The loan itself is only repaid when you sell your home. You'll pay back 20% of whatever the value is when you sell the property.

- ⊕ Reduces the amount you have to save
- ⊕ Reduces the amount you have to borrow, therefore reducing mortgage interest
- ⊕ If you're in the property less than 5 years you won't pay interest on the loan

- ⊖ Only applicable for new builds
- ⊖ If your property goes up in value you'll pay back more than you borrowed when you sell it
- ⊖ There may not be a scheme in your area

Shared Ownership

With Shared Ownership you buy a portion of the home and pay rent on the remaining part, the idea being that you can gradually increase your ownership of the property – known as 'staircasing'. The other portion of the property is either owned by the government or a housing association.

- ⊕ Allows you to buy with minimal deposit
- ⊕ Smaller mortgage needed
- ⊕ More security than renting privately
- ⊕ Potential to eventually own whole property
- ⊕ You can choose how you want to pay Stamp Duty

- ⊖ Shared Ownership properties are always **leasehold**, so there will be ground rent and other charges to pay
- ⊖ There will be fees to pay every time you staircase
- ⊖ Selling the property might be complicated
- ⊖ Smaller benefits from house price increases

Leasehold: you own the property but not the ground the property is on (unlike **freehold**, where you own the building and the land)

Help to Buy ISA

Applications for the Help to Buy ISA closed in November 2019, but if you already have an account open it will continue functioning as normal. For every £200 you save the government will give you £50, up to a total bonus of £3k. Your solicitor applies for it upon completion of the sale.

- ⊕ Easy to set up and use
- ⊕ If you're buying with a partner you can each have your own account

- ⊖ The big drawback is that it can't be used for the deposit – only for afterwards
- ⊖ You can only save £200 per month
- ⊖ Property price cap of £250k (£450k in London)

First Home Scheme

In February 2020, the government announced a brand new housing scheme called First Homes. The details of the scheme are unclear at the moment, but it will involve a 30% discount on new build homes for some First Time Buyers (some occupations will be prioritised), with the primary aim to prevent people from having to move away from their area in order to afford to buy a home.

Keep an eye on our blog and social channels for more information on how this scheme will work.

Section 2:

Choosing a property

You'd think that this would be the easy part, but sometimes the sheer number of options can be overwhelming!

Types of property

The type of property will be influenced by your personal preferences and what you want from a property, as well as your finances, your mortgage, and any schemes you're using (for example, some governmental schemes are only available for new build properties).

New build vs existing property

You may find yourself choosing between a new or existing property.

Existing Property

- + More likely to increase in value further down the line
- + You are dealing with a person selling their home, which means you could negotiate, bargain and be flexible with moving dates
- + You can make changes to your home, and apply

New Builds

- + Brand new
- + Often in central locations
- + Can be adapted to your personal taste, for example you might get a say on some of the finishes
- + New build transactions are often easy – no sellers, no possible

for planning permission for things like extensions

- ⊕ Older homes tend to have character features and lend more opportunity for personalisation
- ⊕ A Chartered Surveyor could find issues that will allow you to renegotiate price
- ⊕ Older homes have existing neighbourhoods – you can get a feel for the community in your street, local shops and groups (for example, neighbourhood watch)
- ⊖ The transaction carries more risk, e.g. **gazumping**
- ⊖ Your bills might be higher than for a new build as they tend to be less efficient
- ⊖ If the house is not decorated to your taste it might be a lot of work to redo it, whilst a new build is a clean slate

gazumping, no **housing chain**

- ⊕ Clear dates of completion with minimal risk
- ⊕ Adhere to modern building regulations, e.g. energy efficiency
- ⊖ Some people think new builds are inflated in price – the charity Shelter found new builds pushed up the price of an average house by £8,250
- ⊖ There could be issues with the warranty if something goes wrong, e.g. if you've tried to do work on your home
- ⊖ New builds often need time to 'breathe', which means that repainting and wallpapering should be left until 6-12 months after the house has been built (and in that time issues can appear as the building 'sets')
- ⊖ It can take a while for a community to build up, particularly if some of the other plots take a while to sell

Housing chain: a housing or property chain is when the seller in one transaction is buying a house from someone else, who is buying a house from someone else, and so on, so that the sales depend on each other in a chain-like fashion. If one sale falls through then it's likely they all will, so the longer the chain the bigger the risk

Gazumping: when the seller withdraws from the sale after they've accepted your offer, often because they got a better (usually higher) offer from someone else

Leasehold vs freehold

You might also have the option to choose to buy **leasehold** or **freehold**.

Freehold: You are buying the whole thing – the physical property and the land the property is on

Leasehold: You own the property for a fixed amount of time, but not the land on which it stands

Flats are usually leasehold, with the rest of the building (the corridors, the stairwell, etc) as freehold (and so owned by someone else). However houses can be leasehold too.

The length of leases vary, and the most common are 99, 125, 500 and 999 years. If you buy a leasehold property you'll need to check when the lease runs out. Those with only a few years left will often be cheaper, but that's because registering to extend the lease will be costly and time-consuming.

Another very important thing to bear in mind with leasehold properties is that there are often extra charges, as technically you're living on land that doesn't belong to you. These extra costs, like ground rent or service charges, vary massively but can be surprisingly high, and can increase with time. So if you're considering buying a leasehold property, be sure to check these out carefully and ensure you can afford them.

How to choose a property

Begin by considering all the factors you care about, and assess which ones are flexible and which are sticking points. Ask yourself *what* your new home needs for you – both now and in the future. Consider how long you're planning on being in this home – are you planning on starting a family, or will you move again for that?

Remember to consider 'extras' like parking, a garden, a bathtub, or potential like space to extend the kitchen or convert the loft. Think very carefully about which of these are essential, and which are luxuries which you would be willing to compromise on. Knowing when to let things go is key – you might really want that big garden, but if it means living 40 minutes away from the train station, the novelty might wear off pretty quickly.



Viewing tips

- 🏠 **Before you view a property spend time getting to know the floorplan**, working out access, safety and space. Is it big enough? Will your furniture actually fit?
- 🏠 **Don't look at anything out of your price range** – if you fall in love, none of the other homes will compare. You've set your budget for a reason.
- 🏠 **Make notes and take pictures at each property** so they don't merge into one, and you don't forget which one you're talking about. Have a look online for house viewing sheets – you can get printable forms to fill in details about each property, and what you liked and disliked. Or you could make your own!
- 🏠 **Try to look past furnishings and clutter** and focus on the potential of the property.
- 🏠 **Ask the owners questions** – why are they moving? What's their favourite thing about their home? Is there the possibility of extending the property? When are they looking to move?
- 🏠 **Ask the estate agent questions** – how long has it been on the market? How many people are viewing it this week? How many offers has it had? How many offers have been rejected?
- 🏠 **Don't talk loudly about how you would make changes**, knock down walls, remove features – a property is a home and offending the sellers is not going to help your chances of having an offer accepted. Remember that if there are two parties bidding, you'll need to sell yourself to the seller.
- 🏠 **However don't go too far the other way** – if you fall in love, try to stay calm. Don't let the seller know just how much you like the property or you lose your negotiating position.

Remember to consider...



Location - do you know the area? Does it feel safe? Is it in your budget? Can you easily get to work? How expensive would the commute be?

Local amenities - does the area have everything you need, e.g. a shop in walking distance? Transport links? A gym? Good schools? What about doctors, dentists and hospitals?



Condition - don't buy *just* because it's cheap. Home improvements are costly and can take a long time. If you want to do it up have a Chartered Surveyor inspect it first and make sure you budget for the work.

Connectivity - be sure to check out phone coverage when you're viewing a property, and you can use U-Switch's checker to get an idea of WiFi speeds and prices in the area.



Timing - visit at different times of day to get a complete picture. Is there traffic during rush hour, or is it noisy at night? Talk to local people and potential neighbours, and have a proper explore of the area.

Remember that a property is both an investment and a home – if it doesn't fit the criteria for both, don't go through with it. If in doubt, write down a list of 5 things that mean 'home' to you and use these things to make sure the new property fits the bill. However be aware that if you totally fall in love with a property you might become blind to its practical flaws so it might be a good idea to take along family members or friends for honest opinions. Visit our Property Viewing Checklist for more tips.

Section 3: Making an offer

Once you've found the property of your dreams, it's time to make an offer! You might have questions – how much should you offer? What if it's rejected? Can you change your mind afterwards? – but if you do your research it's actually simpler than you'd think.

Setting your price

Asking prices are open to negotiation, and you might well want to make a lower offer. If this is the case, consider:

- 🏠 **The prices of other similar houses in the area.** If similar properties in the area sold for less than that, you might be able to justify making a lower offer to the seller. You can see sold prices for houses by visiting [rightmove.co.uk/house-prices](https://www.rightmove.co.uk/house-prices).
- 🏠 **How long the property has been on the market.** You can ask the estate agent this, or it might say if the property is listed online. If it's been a while the seller might accept a lower price.
- 🏠 **What the priorities of the seller are.** The seller might be determined to complete the transaction quickly, in which case they're more likely to accept a lower offer. However if they're not in any rush, a lower offer is more likely to be rejected.
- 🏠 **Getting a mortgage in principle.** This shows you're serious about buying the property and lenders are, in theory, willing to lend you money, so the sale is more likely to go through.

Remember...

Negotiation will work in your favour if the seller sees you as a safe bet. As a result, being a First Time Buyer is an advantage because your purchase is not dependent on another transaction.

Submitting your offer

You can submit your offer to the estate agent either in person, over the phone or by email. If you submit the offer verbally you may be asked to send a confirmation across by email. The agent will pass it on to the seller.

When you submit your offer, even if you are offering the asking price, it's good to explain why you're a good buyer and why they should accept the offer. If you're offering a lower price, explain your reasons why.

Be...

1

Prepared

Have your offer and reasoning ready to go.

2

Confident

Don't apologise if your offer is lower than the asking price (but don't be rude).

3

Firm

Stick to your maximum price, no matter how many counter-offers are made.

After your offer has been accepted

Once your offer has been accepted, clarify with the estate agent that:

- 🏠 Your offer is Subject To Contract (STC)
- 🏠 Your offer is subject to survey (we'll talk about surveys in a little while)
- 🏠 You'd like them to take the property off the market – this will reduce the chances of you being gazumped

You should also ask for written confirmation of the acceptance from the estate agent.

It's important to remember that, at this point, **neither you nor the seller is legally bound to proceed with the sale**. You might see it as a good thing that you're not committed at this stage, so if you have a change in financial situation, you find out something about the house you don't like or if you just change your mind, you can back out with no repercussions.

However, remember that the seller can back out, too. You can reduce the chances of this happening by making sure the seller is confident you're going to go through

with the sale, by having a mortgage in principle and just by telling them how keen you are to buy their home.



Section 4: Hiring a conveyancer

Once your offer has been accepted, the next thing you need to do is hire a **conveyancing** solicitor or licensed conveyancer.

Conveyancing: the legal process of transferring ownership of a property

A licensed conveyancer is a specialist in handling title transfer, and a conveyancing solicitor is a legal professional who is also qualified to handle title transfer – the terms are often used interchangeably and both are equally qualified to handle the conveyancing for a property transaction.

How to pick a conveyancer

What does a conveyancer do?

A conveyancer will do a lot on your behalf during the home buying process, including:

- 🏠 **Take care of paperwork** – ensure you have everything you need to buy the property.
- 🏠 **Carry out local searches on the property** – these include local authority searches like nearby future development plans, water and property searches to highlight nearby underground sewage or drainage works, and environmental searches to highlight issues like flood risk. These are all important as they may highlight problems with the property or the land, which might make you want to renegotiate the price or back out of the sale altogether.

- 🏠 **Advise you of other costs** – they'll tell you how much things like Stamp Duty will be, and will usually pay them on your behalf then add them to your bill at the end (these are disbursements). The same applies for estate agent's fees – it's unlikely you'll need to pay the estate agent directly
- 🏠 **Liaise with your mortgage provider** – to oversee the transfer of funds and make sure everything goes smoothly.
- 🏠 **Oversee the transfer of payment for the property** – including the mortgage and your saved deposit.
- 🏠 **Register you on the deeds of the property with Land Registry** – this is a legal requirement.

How do I pick a conveyancer?

Glad you asked! We think it's important to have as much information as you can on the company who'll be looking after your money and paperwork. So you can use reallymoving to get up to 4 personalised, no-commitment quotes for conveyancing solicitors.

Once you've got your quotes you can check their reviews as well as compare costs, and you'll be safe in the knowledge that each of our partners was thoroughly checked before being added to our panel.

Top tip: Think about starting to pack now

It may feel like moving is ages away, but it's sensible to start thinking about packing now. There are still things that could go wrong, but by starting packing early you can save yourself stress further down the line. It will also allow you to do a more thorough job – you'll have time to declutter as you go (which will save money as removal teams charge by volume) and you can organise things as you pack (for example, by room) in a way you might not be able to if you were under pressure.

There will obviously be some things you can't pack yet, but getting started now will benefit you later down the line.

It's important to create a removals inventory as you go. This will mean that once you're actually moving, you can make sure everything is accounted for.

Section 5: Getting a survey

The next stage in the process is to get the house inspected, to make sure there's nothing majorly wrong with it that might cause trouble and cost money further down the line.

You will need to hire a Chartered Surveyor to complete your house survey. You should do this around the same time you hire a conveyancing solicitor, after your offer has been accepted.

Do I need to get a survey?

Whilst it is not a legal requirement for buying property, getting a survey is highly recommended because it means you can be aware of any problems the house has, or signs of potential future problems.

According to RICS, the average amount buyers spend on repairs and renovation because they didn't get a property properly assessed is £5,750. This is significantly less than the price of an average survey, so just do it!

Watch out: Don't confuse your **survey** (and, if applicable, surveyor's **property valuation**) with a **mortgage valuation**. A **property valuation** refers to the type of valuation which is carried out by a Chartered Surveyor and is often done for insurance purposes. This type of valuation is optional and will cost extra. A **mortgage valuation** is a check done by your mortgage lender based on property prices in the area, just to make sure the property is worth what you say it is before they lend you the money. It is often a compulsory condition of getting a mortgage, and the price will be covered in your mortgage arrangement fees. Neither of these is a survey.

Which type of survey should I get?

Do a quick Google search on house surveys, and the first thing you'll realise is that there are several different types of RICS surveys you could get.

Reallymoving offers quotes from surveyors licensed by RICS (Royal Institute of Chartered Surveyors). There are other regulation bodies for surveys, but RICS is the largest and most well-known.

Whilst the most common are Building Surveys and HomeBuyer Reports (these are also the types that reallymoving can give you quotes for), there are a few other options depending on what type of property you're buying.

Level 1 – Condition Report	Level 2 – HomeBuyer Report	Level 3 – Building Survey
<p>Good for: New builds that appear in good condition.</p> <p>The most basic RICS survey you can get is the Condition Report. The clue is in the name – a Condition Report will focus only on the condition of the property. It will give you a rating for each part of the building and flag areas that need attention, but it will</p>	<p>Good for: Homes built in the last 100 years that appear in good condition and haven't been extensively modified (and you don't plan to majorly alter).</p> <p>A HomeBuyer Report goes into more detail and includes a reinstatement value, information on issues that might affect the value of the property, advice</p>	<p>Good for: Properties that: are over 100 years old; considered unconventional; look in poor condition; have been significantly altered or you plan to alter.</p> <p>This is the most comprehensive RICS survey and includes everything a HomeBuyer Report will, plus a detailed analysis of the</p>

not include much detail, a valuation, or advice on what to do next if issues are found.	on repairs and ongoing maintenance, flagging of issues that need immediate further investigation, legal issues, and information on the local environment.	structure and condition, an estimate of costs and timing for any repair work needed, and an assessment of less accessible areas like under the floorboards or in the attic.
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Reinstatement value: the amount it would cost to build a property again from scratch (for insurance purposes)

How do I get quotes for surveys?

If you'd like either a HomeBuyer Report or a Building Survey you can get quotes from up to 4 local firms by visiting our [surveyors quote form](#). It takes 2 minutes and your quotes are emailed to you instantly. You can then compare companies, prices and reviews and contact the firm of your choice to arrange the survey. Remember you'll need to liaise with the seller or estate agent here.



What to do when you get the results

Whatever survey you decide to go for, a Chartered Surveyor will visit the property you intend to buy and assess it. They'll then write up the report in plain English and return it to you soon afterwards. The Chartered Surveyor will be happy to talk through the report with you to make sure you understand everything. They'll list any issues or potential issues and explain the solutions and how much they'll cost.

It is relatively common for surveys to reveal minor issues, so don't panic if the report doesn't find the house is perfect. But think carefully about the issues and their severity, and consider the financial and time implications of getting them fixed. If the survey reveals problems, you have four options:

- 🏠 If the issues are minor then you can **go ahead with the purchase as planned**.
- 🏠 If there are major issues and you want them fixed, you can **ask for the owner to fix them** before the sale proceeds.
- 🏠 If there are issues but you're happy to sort them yourself, you could **renegotiate your offer** with the seller so you have money to sort the problems after the sale is complete. If you decide to go down this route it's important to explain to the seller why you're lowering your offer. The survey report can be useful here, as you can prove there are issues and that they'll cost a certain amount to fix.
- 🏠 If the issues are very severe or if you don't have the time or money to fix them or renegotiate the price, you may decide to **pull out of the sale altogether**. As you haven't exchanged contracts yet then this is perfectly legal, although it is good practise to tell the seller why you're pulling out.

Section 6:

Proceeding with the purchase

Once the survey has come back and you've settled any issues, it's time to get the wheels in motion to legally purchase the property. There are several things you'll need to do over the next few weeks:

Secure your mortgage

This stage is vital to make sure you have the funds to actually purchase the property.

You might already have a mortgage in principal, so this step might be as simple as telling the lender you'd like to convert it to a deal. However remember you're not obligated to go with your mortgage in principal lender, and other lenders might have better deals, so it's worth shopping around a bit first.

Looking for mortgage lenders

You can either look at banks and mortgage lenders yourself and compare, or you could use a mortgage broker instead. You can find more information about what to consider when looking at different mortgages in the 'mortgages' section of this guide back on page 10.

Then what?

Once you've chosen a mortgage lender to apply for, they'll be able to guide you through the process. But here are a few things that will happen:

- 🏠 You'll need to provide proof of identity and income.
- 🏠 They'll check your credit score and carry out stress tests on your finances to assess how you'd cope financially if the

situation changed, for example there was a change in interest rates.

- 🏠 If you're approved, the lender will carry out a mortgage valuation on the property, just to make sure it's worth what you say it is. The lender won't loan you more than they think the property is worth, so if they decide it's not worth what you're paying then you'll either need to renegotiate your offer with the seller, find another lender, or find an alternative way of getting the remainder of the money (for example, from savings, or as a loan from a family member).

The application and approval process usually takes 18-40 days.

Warning: You might think that applying to several lenders will increase your chances, but in fact it's the opposite – each time you apply your credit score can actually be affected by the checks the lender carries out, so applying for lots can have a significant negative impact. If you do have to apply to multiple lenders, it's best to take it one at the time.

Confirm dates

Once your mortgage offer is all agreed, it's time to confirm your expected **exchange** and **completion** dates with your conveyancing solicitor.

Exchange: When you and the seller each sign the contracts, legally binding you to finish the transaction on a specified day

Completion: The day the transaction is complete, your lender transfers the funds the you pick up the keys

Once you've got your exchange date you'll need to set up buildings insurance to start from that day. There's no need to do that too far in advance though, as the move is not guaranteed until after exchange.

Find a removals team

Even though you don't have a definite move date yet, you should get quotes from removal companies and find out their availability. You can get quotes at [reallymoving.com](https://www.reallymoving.com). The firm you choose will probably want to carry out a removals survey – they'll come to see how much stuff you have, and amend the quote if necessary.

Top tip: In order for your amended quote to be as accurate as possible, make sure you tell them:

- If you'll need any furniture disassembling and reassembling
- Whether there's anything they need to know about accessibility at either property – for example, do you live in an upstairs flat with no lift, or are you moving somewhere with limited parking?

Pay your deposit

You'll usually pay your deposit on the day you exchange contracts. You'll need to discuss with your lender and conveyancer to decide exactly how much this will be.

You'll transfer it to your solicitor using online banking, telephone banking, or by going into your local branch. Bear in mind that there might be a small fee to pay to your bank, just because it's such a large amount of money.

Be aware of Friday Afternoon Fraud. Your deposit is likely to be one of the biggest sums of money you've ever transferred, and hackers can be very sophisticated – for example, they can send you emails as your solicitor or even hack old email chains. This is known as Friday Afternoon Fraud. It's always recommended to call your solicitor on the number you've always used in the past to confirm bank details over the phone before transferring any money, and send a test amount of £1 before sending the full deposit.

Exchange contracts

On the day of exchange, you'll go through the details one more time with your conveyancer and then you'll sign the contracts before they're sent back to the seller, and you receive their signed contracts.

As well as paying your deposit and signing contracts, there are a couple of other things that will need to happen on this day:

- Your completion date will be written into the contract, so as soon as the contracts are signed you should **confirm the date with your removals company**. The completion date will usually be a couple of weeks after exchange
- Hopefully you'll have organised your buildings insurance already, but it's worth checking that it's all set up as it should be

Top tip: Whilst you probably won't need to do anything for them, it's good to be aware that your conveyancer will carry out a few additional searches in between exchange and completion. In the vast majority of cases these pass without a hitch – it's to check things like that the property is still owned by the seller.



Section 7:

Preparing to move

Now that the move is definitely going ahead, it's time to get ready to go. You can view our [Moving House Checklist](#) for a complete list of what needs doing between exchange and completion, but a couple of the big jobs are:

Packing

Hopefully you've already started this! Packing up everything can feel like a huge chore, but we have loads of helpful advice on packing on our website. Here are a few key tips:

- 🏠 **Pack a moving day survival kit** so that everything you'll need for the first few nights – chargers, medication, clothes, etc – is easily accessible. Our [Moving Day Survival Kit](#) will give you a full list of what to include.
- 🏠 **Label every box, and be detailed.** You don't want to have to rifle through 5 boxes labelled 'kitchen' to find what you need.
- 🏠 **Put heavier items like books in smaller boxes** or suitcases.
- 🏠 **Check that your removals company is happy to transport everything** – there are certain things they won't want to move, or that will need special treatment or tools in order to make moveable. This includes fragile or awkward items such as pianos, things that may make a mess like potted plants, and garden machinery like lawnmowers.
- 🏠 **Remember to keep your removals inventory up to date.** If you forget to include something, you may not notice right away if it is damaged or lost during the moving process.

Change your address

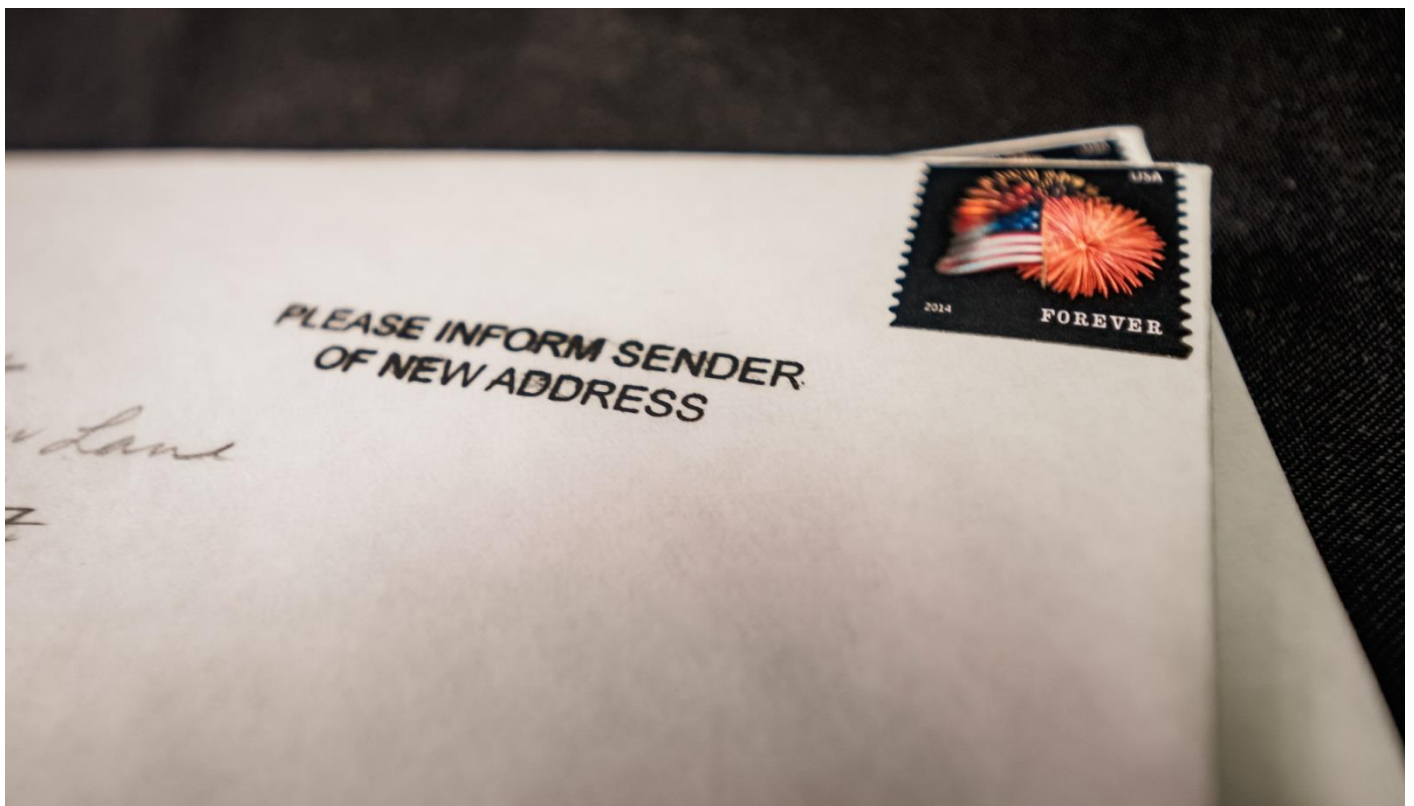
Now is also the time to formally update your address with subscriptions, banks, deliveries, local authorities and your employer. You can see a full list of who needs to know about your new address by looking at our [Change of Address Checklist](#).

You should also set up a mail-forwarding service. You can do this on the post office website.

Also...

The time between exchange and completion is also a good opportunity to:

- 🏠 Try and use up all your food, especially freezer food
- 🏠 Sort childcare/pet care for the day, and make sure you're booked off work



Section 8:

Completion day

As you know, completion day is the final step for both the buyer and seller of a house. The date will be pre-agreed between the buyer and the seller and is usually a weekday that is 7-28 days after exchange.

What does my solicitor do on completion day?

Your job on completion day is actually relatively straightforward. You finish any last minute packing, help your removals team load, and then once you receive notification you take meter readings at your old place, lock up, pick up the keys for your new property and unload your stuff there.

But while this is going on, your conveyancer will:

- 🏠 Obtain the money from your mortgage lender
- 🏠 Undertake final checks and then put the purchase money into the banking system to transfer it to the seller
- 🏠 Ensure any charges are paid, including estate agents fees
- 🏠 Instruct the estate agent to release the keys once the seller's solicitor has confirmed the balance has been received
- 🏠 Draw up a completion statement that will set out all payments that have been sent and received
- 🏠 Notify you of the completion so you can move in
- 🏠 They will then send you a final invoice, which will include anything they've paid on your behalf (disbursements)

How can I help?

Like many people, you might feel quite anxious on completion day as there is a lot that needs to happen and it's largely out of your control. Things like a delay in receiving funds or forgetting to sign vital documents earlier in the process can hold things up, leaving you and your removals team waiting around. This is a particular risk if there's an upward chain.

But there are things you can do to help the process go smoothly, such as:

- 🏠 **Be organised.** Pack everything you can in advance so you have very little to do on completion day, to make sure you can vacate your old property quickly.
- 🏠 **Be contactable.** If your phone is on loud and fully charged, you'll be able to quickly respond to any problems that arise, for example if you've forgotten to sign something. It's also good to have your solicitor's contact details to hand.
- 🏠 **Be prepared.** Keep all important paperwork to hand and in one place in case you need to check anything.

Arriving at your new place

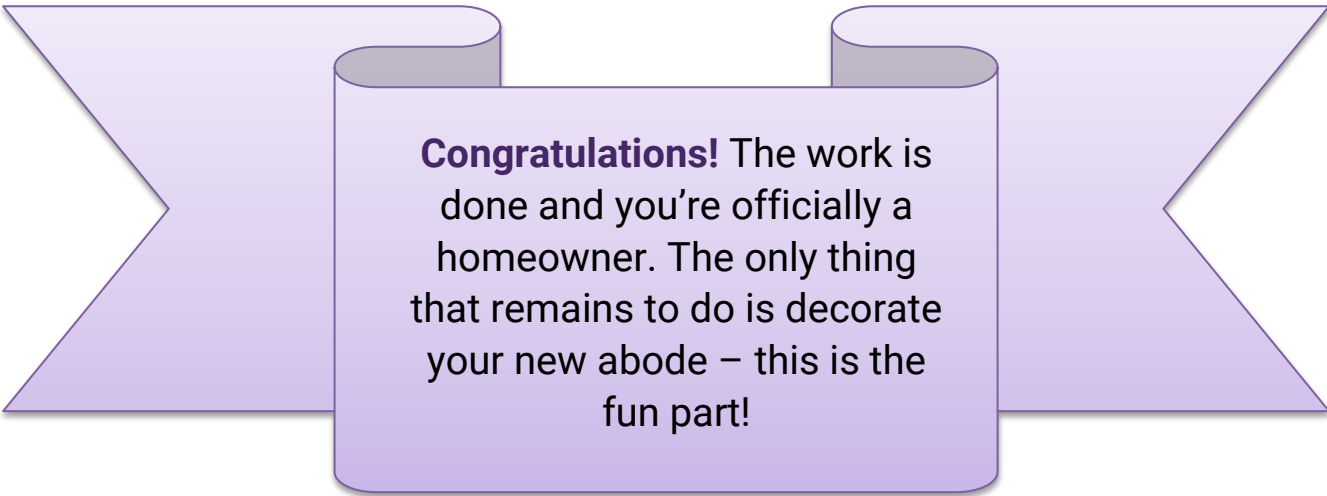
- 🏠 **First, set up a tea/coffee/water/snacks station** for you and your removals team.
- 🏠 **Help your removals firm to know what goes where.** For example, colour code the boxes by room and stick a coloured sticker on each door so your removals firm know which room each box needs to go in (or simply number them).
- 🏠 **Account for each item and box on your inventory** – don't sign off on it until you're happy nothing is missing or broken.
- 🏠 **Feel free to tip your removals team once they're finished** if you're happy with the job they've done.

Once you've unloaded

Once your removals team have left it can feel tempting to jump straight in with the unpacking. But you'll be tired so it's good to take care of the essentials first:

- 🏠 **Check all the keys** for the property work.
- 🏠 **Check nothing was left by the previous owners**, and put anything that was left behind in a safe place.
- 🏠 **Take meter readings for utilities** – taking pictures on your phone will save you having to locate a pen and paper.
- 🏠 **Check the garden**, making sure it's child/pet proof if needed.
- 🏠 **Unpack your moving day survival kit** and assemble/make the beds.
- 🏠 **Place important documents in a safe place** – it sounds odd, but in the bath is a good place for now!
- 🏠 **Clean the property if necessary.**
- 🏠 **Plug in telephones and larger appliances** such as fridges.
- 🏠 **Make sure you know how to use the boiler/heating.**

Don't worry if you're too tired to do any unpacking. Just relax, order takeaway dinner, and leave it until tomorrow. As long as you're able to have a hot shower and your bed is ready to fall into, you've got everything you need for now.



Congratulations! The work is done and you're officially a homeowner. The only thing that remains to do is decorate your new abode – this is the fun part!

If you need help deciding what you need to buy for your new place, you can view a full list in our [guide to moving out for the first time](#).

One more thing: What happens if things go wrong?

We don't want to be all doom and gloom, but the fact is that a sizeable number of property purchases end up falling through. There are all kinds of reasons for this. Here we list the most common and what you can do about them.

Gazumping

We talked about gazumping earlier in this guide – it's when the seller accepts an offer on a house, but then at some point before exchange they accept a better offer from someone else. This leaves the buyer disappointed and often out of pocket if they've already paid for things, such as a survey.

If you're gazumped you can't really do anything apart from begin your search for another property.

You can reduce your chances of being gazumped by:

- 🏠 **Acting quickly.** If the seller can see the sale is progressing they'll be less inclined to accept an offer from someone else. Increase the speed by finding surveyors, conveyancers and removal firms well in advance.
- 🏠 **Obtaining a mortgage in principle.** This will hopefully speed up the process of securing a mortgage after your offer has been accepted, and, as above, quicker transactions mean less chance of gazumping. It also means the seller can trust you'll

go through with the purchase, so they have less of a need to accept an offer from someone else.

🏠 **Ask the seller to take the property off the market.** Once your offer has been accepted, ask for the property to be taken off the market. It's unlikely anyone will approach your seller with an offer if they haven't been able to view the property.

🏠 **Get a lock in agreement.** Lock in agreements mean each side pays a deposit, which they'll lose if they back out of the sale. However lock in agreements are slightly controversial, so do your research before getting one.

Mortgage difficulties

If you're unable to get a mortgage for the amount you thought, you'll need to either renegotiate the offer, find another lender, or source the money from elsewhere. All of these things take time and may annoy the seller, so they're more likely to pull out and remarket their property.

Our advice in the 'mortgages' section of this guide will reduce your chances of falling into difficulty with mortgage applications.

Issues identified in the survey

If you find issues in the survey and either you or the seller is unwilling to renegotiate, you may decide to pull out of the sale. This one is sort of within your control – you cannot control what the survey finds, but you get to decide what you do about it.

If the issues are not too severe and you're willing to proceed with the purchase with a lower offer, your chances of successfully renegotiating are greatly improved if you can prove there are issues that will cost money to fix, so always refer back to the surveyor's report.

The chain collapses

If there is an upward housing chain, issues with these transactions can end up jeopardising yours. It may be that someone else had an issue with their mortgage application or found problems with their property, or it may just be that someone in the chain changed their mind. Unfortunately there's not much you can do about this apart from trying to avoid purchasing a property with an upward chain.

Our top tip: Build a good rapport with your seller

Whilst many problems are unavoidable, the vast majority are less likely to result in the sale falling through if you have a good relationship with the seller. They're less likely to gazump you, and if they trust you to complete the sale they're more likely to be patient if issues do arise (for example with the mortgage). They'll also be more open to negotiation.

Reallymoving has lots of resources for the first time mover, from cost calculators and checklists to articles and even a forum for you to ask questions of your own. Visit our [First Time Buyer homepage](#) to see for yourself, or our [First Time Buyer Hub](#) to see what first time homebuying looks like in your area.

