



THOMAS BRADLEY

mortgage & protection specialist

FIRST TIME BUYERS GUIDE

*ARMING YOU WITH THE RIGHT
KNOWLEDGE YOU WILL NEED AS A
FIRST TIME BUYER.*

01158229469



So, you're thinking about buying your first home - how exciting!

This is a great moment in your life, but it can also be quite overwhelming the first time round.

A house is probably the most expensive thing you're ever likely to buy so you'll want to get it right.

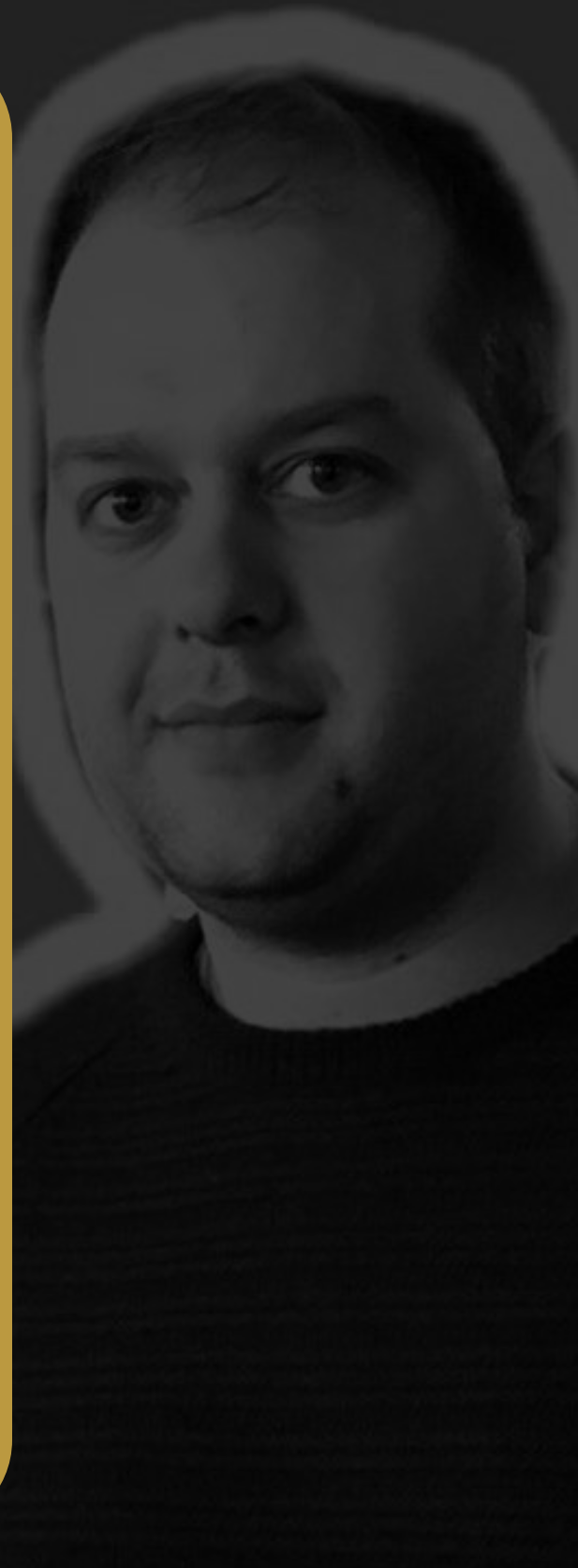
In this guide, we explain the whole process step by step, right from how to get yourself mortgage ready, through to completion.

We'll break this down into easy to understand chunks. We promise not to use industry jargon unless we have to, and we'll explain those terms as we go!



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Let's start with the basics ...

What is a mortgage?

Most people don't have enough cash to buy a house outright (of course!), so they need a mortgage.

The mortgage is a loan that allows you to buy your house. You pay it back monthly to a lender over a set amount of time (usually 25+ years).

To determine how much you can borrow, the lender will consider your income and how much you spend each month.

You'll also need a deposit to put down - this amount depends on the market at the time, but is usually 10% or more of the property value.

The mortgage loan is taken out against the property. This means that if you stop paying your mortgage repayments each month, the house could be repossessed.



Dimitri Vichas  recommends

Thomas Bradley Mortgage & Protection.

December 2, 2020 · 

Tom has been fantastic. I highly recommend. I am a very busy person and I never have enough interest in getting involved with remortgages etc. Tom dealt with my remortgage like it was his. He would frequently remind me to complete different steps of the process so that he can then move things over the line. I felt like he had my best interests at heart and the experience has been exceptional and of course the results have been exceptional. Thank you Tom 😊

Before you start looking - Get yourself mortgage ready...

In preparation for buying your first home it's a very good idea to get yourself "mortgage ready". This means you'll make it easier for lenders to assess what you can afford. This will put you in a stronger position when applying for your mortgage.

So what do you need to do?

The lender will look at your income, expenses, any debts you have and how reliable you've been at repaying them.

Loans...

We'd advise that any out standing loans are paid off before you apply for a mortgage, if this is possible.

However, if you have a loan this doesn't mean you're unsuitable for a mortgage so don't be put off speaking to a mortgage advisor. They are there to advise you on the best mortgage type for your circumstances.

Electoral roll...

Make sure you're registered and currently on the electoral roll for the correct address. This makes it easier for lenders to trace your address when doing checks on you.

Before you start looking - Get yourself mortgage ready..

Bills...

Pay your utility bills, phone bill, broadband and cable television on time. This will show that you are reliable at making monthly payments.

In addition, ensure your bills are all addressed to this address - this is a surprisingly easy way to improve your credit score!

Regular saving..

This is good for 2 reasons:

- 1) Regular savings each month show the lender where your deposit has come from (important)
- 2) It shows that you have money available outside of your usual expenses, which could be used to pay your mortgage.



Ben Watson  recommends

Thomas Bradley Mortgage & Protection. 

March 8 at 9:51 PM · 

Me and my partner would highly recommend Tom and his team to anyone who is looking for a mortgage advisor. From start to finish they have helped us every step of the way from those silly little questions you have to explaining everything so that we understand! They also helped us with sorting out life and home insurance, a lot of stress was taken away by Tom and his team that made buying our first home as stress free as possible! Thankyou Tom, Sarah, Ginal and Hayley 🙌

Before you start looking - Get yourself mortgage ready

Your credit rating...

Using a credit card can help boost your credit score, as well as show that you're able to live within your means and pay off what you owe.

Remember...

The whole point of doing the above is to prove that your spending habits will leave you being able to afford the mortgage payments.

Any money you can save now will contribute to the lender's positive view of you.

Not using your gym membership?

Netflix or TV subscriptions not getting as much use recently?

Cancelling these and saving up additional money each month, no matter how small, will all help!

What is a credit rating and why does yours need to be checked?

Your credit rating...

If you were going to lend somebody a large sum of money, you'd want to be sure that they will pay it back and don't have any large hidden debts, right?

The credit rating is one way that a lender can assess this about you. They can use this to help decide whether they want to lend you money, how much to lend, and how much interest to charge.

The better your credit score, the better chance you'll have of getting the mortgage deal you want, which in time means getting the house you desire.

As well as what has already been mentioned in the "getting mortgage ready" section, it's highly recommended to do the following...

1) View a copy of your credit report.

If there's anything inaccurate on there, you'll have the opportunity to put it right before applying for your mortgage.

2) Show a history of your accounts.

By providing your mortgage advisor with this information, they'll be able to get a better understanding of your history and which lenders are best suited to you.

3) Don't apply for extra credit.

This is especially important if you have bad credit. Concentrate on paying off your current credit, and avoid having lots of credit checks done (which can work against you).

4) Don't keep unused credit cards.

Close the accounts of unwanted cards and cut them up when disposing of them.

Before you start your search - How much can you afford to borrow?

Knowing how much you can borrow is key to understanding what type of home you can afford. When you know your budget, you're in a much better position to begin the property search and get things moving.

You can use online affordability calculators to get a ballpark figure. Speaking with our mortgage team ensures we can check 35 banks in just minutes.

Getting a Decision in Principle (DIP)

***also referred to as a Mortgage in Principle (MIP), and Agreement in Principle (AIP)**

Before you can put forward an offer for a property, your mortgage advisor will help you obtain a DIP.

This is a certificate which outlines how much money a lender is willing to lend you. This decision is made from a number checks (credit score, income, outgoings, etc...)

Having a DIP shows an estate agent that your offer is credible and you can move quickly should your offer get accepted. This is communicated to the seller and can help your negotiating power. There are many formats for DIPs so make sure yours is MMR compliant!

Parents Help

It can be difficult for many young people to get the money together for a deposit, so it's common for parents or relatives to lend a hand. If your parents are planning to support you with getting the deposit together, there's an official process you need to follow where the money is "gifted" to you.

What does this involve?

It means that your parents aren't requiring you to pay this financial support back to them (hooray!). This is a preferable option compared to the money being loaned to you - as these repayments would be added to your outgoings and will affect what you can afford.

Guarantor mortgages

Occasionally, a relative can act as a guarantor for your mortgage. This means they will be required to pay your mortgage should you be unable to. This is a less common arrangement, as the lender needs to take into account their normal expenses on top of covering your payments, in the situation that you cannot.

Starting your search

Before you even open your computer...

Write a list of the things that you **MUST** have, and the things that are desirable (but not essential), such as:

No. of bedrooms
Garden
Parking
Nearby amenities



This will help you narrow down your search results.

Where to search

- Rightmove
- Zoopla
- Other estate agents websites
- Property developers



Kylie Needham

[1 review](#)

★★★★★ 4 days ago **NEW**

Positive: Professionalism, Quality, Responsiveness, Value

With the pandemic I forgot I was due my remortgage so was very late in searching for a new mortgage but this wasn't an issue for Tom and his fantastic team! Being my first solo remortgage I was nervous but they made the process so easy and simple for me. Lots of options for communicating with the team so you can choose which is convenient for you and they are always quick to respond to any queries no matter how small. Instead of just showing me the cheapest mortgage for me monthly, they took the time to show/ explain that I would need to pay a lot more in fees than I would save with a different one. Any other company would have happily have taken my money instead of helping save me money. I had such a great experience with my mortgage that I am now in the process of arranging my life insurance with them too. Overall an amazing local company with trustworthy and honest advice, wouldn't go anywhere else now!

When you view houses that that you like

Consider what the area is like

How quiet or busy will it get?

How long your commute will be?

Are there schools nearby?

Transport links?

Nearby fun stuff - parks, bars, restaurants, shopping, etc...

Choosing a solicitor and survey

There's already a lot of expenses associated with buying a house, so additional costs such as a survey are often unwelcome - but don't dismiss a survey.

What types of survey should you know about?

Mortgage valuation

These can often be free and carried out by the lender, you are unlikely to see the report from this but any issues should get alarm bells ringing.

Homebuyers survey

For properties in good condition, this is often the best option. It includes a valuation, as well as visual inspection by a RICS qualified surveyor for any major faults, along with cost for any repairs.

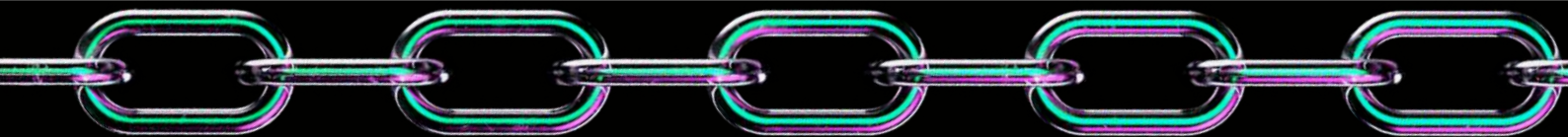
Full structural survey

This is an in-depth survey and is common for older properties or listed properties. It includes a full structural survey. It also gives you the ability to challenge anything with the buyer from a legal perspective.

Choosing a Solicitor

Your solicitor will take care of all the legal requirements involved in buying a property (often referred to as conveyancing) once your offer has been accepted.

Your mortgage advisor will often recommend one, but you're free to choose another you've been referred to by a friend or relative.



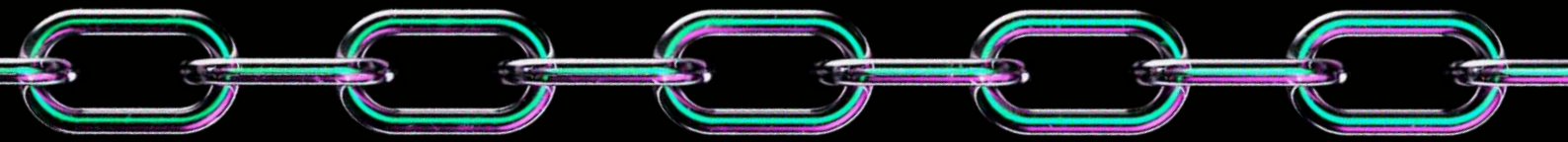
The buyers chain

This refers to each buyer / seller involved in the process. E.g. You're buying a property from one seller, who is also buying from somebody else, etc...

Each "link" in the chain has their own solicitor, lender and agent.

Unfortunately, the process will only go as fast as the slowest link in your chain.

To give your transaction the best chance of going through swiftly, make sure you stay on top of any admin you're required to do and respond to emails related to your purchase promptly.



What fees will you need to pay?

There's a range of fees that need to be covered, and it's important to take these into account.

- Product fees - some mortgages come with an associated arrangement / product fee.
- Mortgage advisor fee - this is a charge for the specialist skills in searching for and applying for the mortgage on your behalf.
- Survey fees - if you want to upgrade your mortgage survey there will be a higher cost depending on your survey. Speak to your advisor about what costs you should expect.
- Solicitor fees - solicitors charges aren't straight forward, as well as paying for the solicitor acting on your behalf there are many third party fees to pay, commonly known as disbursements.

***** Be aware that some solicitors still charge you in *****

***** the event the purchase does not complete *****

Additional Resources & Information

As a continuation to this guide you will receive more information and useful resources over the coming 2 weeks.

You can also join our free Facebook community group called 'Mortgage Advice in Nottingham' to seek advice and guidance from first time buyers just like yourself.

If you have any questions or wished to discuss starting your journey with one of our team our contact details are;



Search 'Mortgage Advice in Nottingham' on Facebook

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Thank you for reading our first time buyer guide