

Buying a property – the process

Step 1: Look into the finances

If you need a mortgage you need to find out what you can borrow and work out what you can comfortably afford before deciding what property you can look at. Regulations on mortgages are complicated and we recommend that you seek advice from an Independent Advisor. We are fortunate to have Tony Kent from Essex Lending Solutions available to help with this if required.

Step 2: Decide what you want to buy – where, what, how big?

Before starting your search it is best to work out exactly what it is that you are looking for. Make a list first of the essential, minimum requirements – then a list of the additional things that would be nice.

If buying for investment then you need to think about the probable requirements of your potential tenants.

Location

Probably the most important factor is the location of the property – do you need access to the town centre or certain schools? If you don't know an area that you are attracted to then make sure you visit it at various times of the week / day so that you can gain a good insight into noise / traffic etc.

Transport links

Do you need access to a train station, main roads or bus routes for work, school or leisure activities?

Size and type

A few things to consider:

- How many bedrooms?
- Flat or house?
- Garden or outside space?
- Parking and/or garage?
- New or old?

Step 3: Find “the one”

Once you've decided on the type of thing you are looking for, the location you're looking in and you've sorted out how you're going to pay for it – it's time to start viewing. If you view something you like that seems to tick all your boxes – then we always advise a revisit, even if to the outside of the property at a different time of day (i.e. if you viewed during the day – pop back in the evening or vice versa).

Step 4: Make an offer – negotiate to make it yours

Once you've found the right property you need to contact the agent with your offer. The agent will require the following details:

- The price you are offering.
- Your position in regard to any related sale – have you sold your current property and if so what is the chain behind your buyer?
- If required – have you got mortgage arrangements in place?
- Can you move in time to match the plans of the seller?

Once you get the confirmation that your offer has been accepted, this will be confirmed in writing to both parties and their respective solicitors.

Step 5: Offer accepted – instruct solicitors

This is the stage known as 'Sale Agreed' – you haven't actually legally bought the property yet but you've agreed to. Therefore, you now need to instruct a solicitor/conveyancer to act for you in relation to the purchase. During our many years of experience in Colchester's property market, Gallant Richardson has developed important connections with some of the leading firms of solicitors.

We can put you in touch with leading conveyancers so that you can compare their charges and services. We also subscribe to a national panel of conveyancers, where we find we can obtain you very competitive fees – to belong to the panel, companies have to adhere to strict service criteria but are unlikely to be local.

Step 6: Survey/valuation

Even if you are a cash buyer, whilst it is not a legal requirement, it is strongly recommended that you arrange an independent survey on the property prior to legally committing to the purchase.

If you are arranging a mortgage, then the lender will insist on an absolute minimum of a Mortgage Valuation Survey being carried out by one of the Surveyors on their panel. You can usually opt for the lender's surveyor to upgrade to a Homebuyers Report Survey. This will cost more but be significantly more detailed and informative. Alternatively you may wish to get a separate, independent survey carried out in addition to the basic one needed by the lender.

For full details of your options including contact details for local surveyors please visit:
<http://www.rics.org/uk/>.

Step 7: Applying for mortgage

Whilst you may have had a mortgage agreed in principle, it will be necessary to make a formal application on the property you have agreed to purchase – things like the size and exact location of the property can alter a lender's decision, so it is important to do this as soon as possible once a price has been agreed.

At this stage your lender/broker will need to see original documents for ID, address, income and proof of deposit.

The lender will now check references/documentation and aim to produce a formal Mortgage Offer.

Step 8: The legal process

The process can seem to take forever – but we will monitor the progress throughout and keep you in the picture as to progress.

Your solicitors will receive a draft contract from the seller's solicitors and will apply for various searches from the local authority, an environmental agency and the water and drainage suppliers, amongst others. Upon receipt, they will check all documentation for any inconsistencies or problems and raise enquiries back to the sellers on any they find.

Step 9: Exchange of contracts

Once your solicitors have satisfactorily answered all their enquiries, they will produce a final contract of purchase for you to sign in readiness to exchange contracts with the sellers.

This is the stage everyone is working towards, because it is not until you exchange contracts that the purchase is legally binding and, as such, your new home is secure.

To exchange, your solicitor will need you to pay across in cleared funds, your deposit: traditionally 10% of the purchase price, although this can vary and if you are selling as well can usually be passed up the chain.

On exchange, the date of completion is set and therefore it is then that you need to finalise arrangements for removals and to make sure your Buildings & Contents Insurance is in place.

Step 10: Completion

This is it – the solicitors pay the rest of the money across and you can pick up the keys – it normally happens around late morning/lunchtime.