



Home Buying Process

Phase 1 – Finding your Property

The home buying process not only involves searching for the right property but also the right mortgage.

1. **Choosing a mortgage***: this can be via an Independent Financial Adviser, broker or lender and 'in principle' tells you how much the lender is likely to offer and the interest rate you will have to pay. This is not an actual offer, as this will not be issued until a property has been found and the lender's valuation has been carried out.**

2. **When you find a suitable property that you can afford, make an offer – if the seller is using an estate agent**, you will have to make the offer through the agent.**

3. **If the offer is accepted, consult with a Property Lawyer, who will then work on your behalf throughout the buying process until the purchase is complete.**

4. **If your offer is not accepted, then you can either consider increasing your offer, if you can afford to, or look for another property.**

Phase 2 – Surveys, Searches and Certificates

5. **Arrange for a surveyor to inspect the property for any problems (remember that the valuation report issued by the lender's surveyor is very basic and not for your benefit. You should consider either a Home Buyers Report or full structural survey – your lawyer can explain these to you so that you can make the right choice.**

6. **The Property Lawyer will submit searches to the local council (or via the estate agent) to check for planning or local issues that might affect the property's value.**

7. **The lender's surveyor will carry out a valuation to make sure that the property's value is sufficient in relation to the level of mortgage you have requested.**

8. **Review the property's valid [Energy Performance Certificate](#)* (EPC) (this will be available from the estate agent).**

9. **Finalise the offer and mortgage – as informed by the lender's valuation, EPC and survey findings (the information received from these reports may lead you to re-negotiate the price – if a lower price is agreed you will need to advise the lender so that a new offer can be issued).**

Phase 3 – Information Checks and Negotiations

10. **If the mortgage is approved and there are no further issues (e. g. gazumping), contact your lender or mortgage advisor to proceed.**

11. Let your property lawyer know if you have any specific requirements of the property (e.g. specific use, planned extensions etc.) so that checks can be made to ensure there is nothing prohibiting such use.

12. Your property lawyer will also raise enquiries with regards to anything that was revealed in the searches, contract and title documentation provided by the seller's lawyer. These responses and their significance will be reported to you by your lawyer.

13. Negotiate, via your property lawyer, with the seller, the length of time between exchange and completion (this usually takes between seven and 28 days after the exchange of contracts) and depends whether any problems were flagged up by the surveys or information received. Also finalise what fixtures and fittings are to remain.

Phase 4 - Contracts

14. A contract will be sent to you for signing, together with the Stamp Duty Land Tax (SDLT) form and Transfer (if not, you will receive it later, prior to completion). Remember that your signature(s) on the transfer must be witnessed by an independent adult (but not a relative).

15. Before signing, go through the contract with your property lawyer (either in person or on the phone), to ensure that all the details are correct, your queries have been answered, and that you are happy with what the sellers have agreed to leave in the property (fixtures and fittings). Check the plans to ensure that they show the full extent of the property and the land that you believe you are buying. Although you will be signing the contract in preparation for exchange, you will not be committed to the purchase until a formal exchange of contracts has taken place.

16. Exchange of contracts – both you and the seller are now legally committed to the transaction and your deposit – typically 10% of the purchase price will be paid. Should you pull out of the transaction without due reason, you will lose this deposit and could be sued. Alternatively, if the seller should pull out, your deposit will be returned to you and you may be able to sue the seller. If you are relying on the sale of your existing property to fund the sale of your new one, then you will need to ensure that the contracts for both properties are exchanged at the same time.

Phase 5 - Completion

17. Obtain the necessary buildings insurance that complies with the lender's requirements (and any other insurance that you judge appropriate to protect you and your new home).

18. Completion and final steps –your mortgage money is received by your property lawyer; purchase funds are transferred to the seller's lawyer, the property changes ownership with the deeds of the property being transferred between the lawyers and the keys are handed over via the estate agent.

19. On completion, your property lawyer will submit the Stamp Duty Land Tax (SDLT) return to HMRC and pay any duty due (this applies to properties that are sold for £125,000+) within 30 days of completion – check this has been done.

20. Your property lawyer will register the purchase and mortgage with the Land Registry – check this has also been done (this may take a few weeks, and your lawyer will usually send you a copy of the Title Document once it has been received from Land Registry).

* Rates the energy efficiency of your property and contains information about a property's energy use and typical costs; rating A is the most efficient, G the least.

**All estate agents must belong to either of the following: The Property Ombudsman or the Ombudsman Service.

***Remember, if you are selling your existing property the mortgage on that must be repaid and a new mortgage granted against your new property. You cannot automatically move your existing mortgage from your current house to the new property.