

What comes first, the mortgage or the property?

Make it easier for yourself...

Buyers in most areas currently have more choice than ever. Make a list of what is important to you before aimlessly viewing loads of properties that are unsuitable and becoming disheartened. You need to think about location in relation to work and family, house type, running costs and future saleability amongst many other things. Take your time when viewing properties and maybe consider taking a friend or relative with you for an alternative point of view.

One thing you cannot forget however is your budget... We'd recommend that you get a good idea of how much you can borrow before you start to look for your new home. Try to avoid borrowing the maximum lending limit and consider what is affordable for you.

- Use Mortgage Bureau's Calculators to give you a guide on how much you can borrow and how much this would cost on a monthly basis.
- Put together a personal monthly budget planner to determine whether this will be comfortable for you going forward.
- Keep in mind the cost of moving when considering the amount of money you have available for deposit and home improvements. Consult our guide on this website.

Alternatively give us a call on 0844 2254321. We would be happy to assess your affordability and borrowing potential, we can even arrange for a suitable lender to provide you with a Mortgage Certificate which is an 'agreement in principle' to the amount you are able to borrow (subject to status and credit checks). This can help simplify the mortgage process later on and also ensures any offer you make on a property is taken seriously by the vendors.

Property found and within budget?

It's time to make an offer! Don't be afraid to offer below the asking price, as the seller might be willing to accept a lower offer. Once an offer is accepted, it's time to instruct your solicitor, apply for your mortgage, and make arrangements for a survey of the property.

When making an offer on a new build property you need to consider the various incentives and extras that can be built into the deal between yourself and the developer. Mortgage Bureau advisers can help you put together the most suitable deal for your circumstances and lending options, and also ensure that the any incentives are allowable if you are buying via a scheme like Help to Buy.

Mortgage Application

Once your offer has been accepted or you have 'reserved' a new build plot it's time to make a formal mortgage application with your mortgage advisers. At Mortgage Bureau, our advisers will complete the mortgage application with you, take copies of the relevant documentation and submit the application to the relevant lender on your behalf. We will also complete all the relevant paperwork for the Help to Buy loan if you are using this route to purchase.

Survey/Valuation

Your lender will conduct a valuation or survey on the property to advise on the property's value. There are a number of other more detailed surveys available but these are more applicable to non-new build properties and those of non-standard construction. As all negotiations remain subject to contract at this stage, you can still renegotiate the price of the house if the survey highlights any issues.

The Legal work

When buying a property, you must instruct either a solicitor or licensed conveyancer to handle the legal aspect of the transaction. Most builders will recommend a firm in your area, but if you would prefer, your mortgage adviser can help by searching for a specialist on your behalf.

Whilst Mortgage Bureau are handling your application the conveyancer will be working in the background preparing draft contracts, applying for searches and raising any queries with the vendor/developer's legal representatives.

Mortgage Offer

The formal mortgage offer contains all the terms and conditions specified by your lender. Once signed and returned your offer of finance is in place and you are ready to exchange contracts.

Exchange of Contracts

The contract is signed by you and the seller, and the deposit you have put aside will be forwarded by your solicitor to the seller's solicitor. At this point, the buyer and the seller agree a completion date in most cases. The length of time between exchange and completion can vary between different transactions, particularly where a new build is involved if you have agreed to buy the property at an early stage in the build process.

Once you have 'exchanged' you are committed to the purchase, so if you fail to complete the purchase, you will have to forfeit your deposit, up to 10% of the purchase price in most cases at the vendor's/developer's discretion.

Completion

The final step! The balance owed is transferred from the buyer's solicitor's account to the seller's solicitor's account and the transaction is 'complete'. Your mortgage commences and your lender will contact you regarding your payments.

On legal completion, you collect the keys to your property.

Your home may be repossessed if you do not keep up repayments on your mortgage.

If you arrange a mortgage on a property from one of our associated new homes developers, we will waive our fee, otherwise there will be a fee for mortgage advice. The actual amount you pay will depend upon your circumstances. The fee is up to 1% but a typical fee is 0.3% of the amount borrowed.