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downsizers

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Mortgage Viewpoint

Practical ideas for downsizers

Getting fed up of everyone coming round to yours for Christmas?

Or are you rattling round a large house because your kids have grown up and flown the nest?

Or perhaps you've found a lovely little property in a part of the country you've always wanted to live?

Whatever your reason for downsizing we've got some practical steps to help you make the most of the move...

Measure up

Whether you're moving into a two-bed bungalow or a one-bed flat, you'll still need to know how much less space you'll have in your new home so that you can take your treasured furniture and possessions with you. Most estate agents provide online floorplans but if not, make sure you contact them, or the seller, to get the measurements.

You can then check the size of larger pieces of furniture you want to take with you to make sure they fit. And not only that, but they can be angled around tight hallways or doorways.

Declutter

There are a million and one self-help books and TV shows that tell you how they think you should declutter. It may be emotional, but it can pay to be both practical and cutthroat. Divide everything up according to its fate: 'keep', 'sell', 'donate' (to family or charity), 'recycle' and 'bin'.

Be practical - especially when it comes to larger items. Do you really need three extra duvets? And when scouring through cupboards and other storage, if you find something that's been at the back of a cupboard for 10 years you can probably assume it would do the same in your new home.

Don't feel as though you have to give up all those sentimental items though. If it 'brings you joy', keep it. And lock-up storage can be very reasonably priced if you have to resort to it.

Don't forget the costs

Moving to a smaller home may well help you save money on things like gas and electricity, council tax and general upkeep, but remember you'll be incurring costs when you move. Stamp Duty Land Tax (or Land and Buildings Transaction Tax/ Land Transaction Tax), solicitors fees, surveys and valuations can all add up.

Planning your downsize and budgeting for the costs involved in the move will help to make it a simple and stress free exercise.

If you're thinking of downsizing, we can explore your options and discuss changes to your financial plan that can help to make more of your new circumstances.

Considerations for first-time buyers

Being a first-time buyer can be daunting. Not only are you about to make one of the biggest financial decisions in your life, but you'll probably also have family members and friends offering their ideas on the right house, mortgage, lender conveyancer and even removal company for you.

We've put together some ideas to try and take away some of the stress and confusion and give you confidence to move through the home buying process as smoothly as possible.

Get the right advice

Of course we're going to say that - it's what we do! We'll review your circumstances and look at your income, debt, day-to-day outgoings, employment and the size of your deposit, to assess what you can afford to borrow now and in the future. We'll talk you through the types of mortgage we think are right for you and the lenders who offer them.

Save as much as possible

Buying a house is going to be expensive so it's important to save, save, save and save some more to get yourself in the best position possible.

Many lenders will accept a minimum deposit of 5% of the cost of the house you're buying, but aim higher. The bigger your deposit the smaller the mortgage (and monthly mortgage payments) making you more attractive to a lender.

Talk to us and we can help with practical financial advice on your first and future home purchases.



Know your budget

Your hard-saved deposit and monthly mortgage repayments aren't the only expenses you need to be mindful of when buying your first home:

Some lenders will charge for a **valuation fee** to help them establish how much they are prepared to lend you.

You'll also need to factor in the cost of a **survey** (depending on the type of property you're buying and the lender you choose to go with you might need a basic mortgage valuation, a homebuyer's report or a full structural survey).

In Scotland you also need to budget for **Land and Buildings Transaction Tax** and in Wales you'll need to budget for **Land Transaction Tax**. If you live in England or Northern Ireland, you won't pay any **Stamp Duty Land Tax** on properties worth up to £300,000.

You'll also need to pay your **solicitor** or **conveyancer** for any legal work and local searches they do on your behalf.

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



My journey as a first-time buyer

Being a First Time Buyer was daunting to start with, but once I got in touch with an Openwork Adviser, they settled all my nerves and made the process of buying a place to call home incredibly easy.

The big decision

Before I could look at houses and house prices, I needed to know what I could afford and how big or small my mortgage and the monthly payments would be. Due to my low income and the fact I am single, it was a struggle to find a suitable property within my budget, so I was recommended to look at the Help to Buy Shared Ownership scheme.

Shared Ownership allowed me to look at good quality pre-owned properties at a good price; I would own 40 per cent and a housing organisation would own the remaining 60 per cent. There were quite a few properties I liked and once I'd viewed them and found the one best suited for me, I sat back down with my adviser and we discussed putting through the mortgage application.

After some waiting, we had the good news that the application was approved. We started to liaise with the solicitors about purchasing the property. This part of the process was long and full of paperwork – a lot of which I didn't understand – but with the help of my adviser, I was able to complete it and get the purchase submitted.

The final step in the process was to receive the best news yet - confirmation of purchase. I was now the owner of a place I could call my own, all that was left to do was to collect the keys and move in.

Protecting my new home

When it came to protection, even though I have no dependants I wanted to make sure my income would be protected if for some reason I couldn't work. The last thing I would want to risk was the roof over my head that I had worked so hard to find! Discussing the different protection options available with my adviser was very helpful to understand which option would suit my needs and my budget. The policy I went for had the relevant benefits I need as well as being affordable each month.

Overall, I believe by using a financial adviser, I was able to relax knowing that someone was taking care of everything for me, if there were any issues they'd let me know straightaway. I think if I had gone through this alone I would have really struggled.



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