

Buying and Selling Your Home

Everything You Need To Know!

Introduction

Buying a new home or selling your own existing property can seem daunting – after all, they say it is one of the most stressful things we ever do!

But it can also be one of the most exciting times too!

This FREE guide from Charters-Reid aims to take the stress and hassle out of the process.

By following this step-by-step guide with Jon Charters-Reid we hope you'll find buying or selling a pleasure and very soon be relaxing in the new home of your dreams...

Buying a new home

Up sticks, flitting, relocating, U-Haul – whatever you want to call it, moving house shouldn't be an ordeal.

Try to approach it with a smile – after all it's the start of an exciting new adventure for you and your family and who knows; it might just be fun!

We have found that those who go into it with a positive, happy attitude get less stressed as a result!

Look upon everyone involved as someone who is trying to help. So when you speak to estate agents, solicitors, property sellers, removal men, builders - and of course your really helpful surveyor – be as friendly as possible. It sets you off on a good footing with them, makes you feel better and it makes the whole experience easier.

Start that first meeting by being yourself and being friendly – it always helps.

Any business transaction conducted in a friendly atmosphere always goes better, particularly when it comes to meeting the seller. Psychologically, if you get them to be your friend and show an interest in them, it could certainly help you in negotiating the sale.

So many times I have heard people say "They were such nice people. We had a better offer, but we decided to sell to them." Of course it might not be true that they had a better offer, they might mean instead that you are more of a racing certainty than the other "interested" party. Whatever the reason – you get the deal!

Seven secrets of success to buying a house in the new economy.

- Insist on a professional valuation by a member of the RICS.

- Remember, fixtures and fittings will not be taken into the final valuation.
- Ask the vendor to contribute towards the deposit. This is common practice now and can see the vendor making a £2,500 - £5,000 reduction.
- When negotiating the purchase price, from your original reduced offer, only increase your offer in lumps of £250.
- Never give in to pressure from the selling agent. You are the buyer and you are in control. It can take time to find a new buyer if you withdraw from the sale, particularly in the new economy.
- Always remember, a house is a place to live first and foremost.

Finding Your Dream Home!

First things first – we need to find your dream home!

Location, location, location

Where do you want to live? That may sound obvious but choosing the wrong house in the wrong area can be a costly mistake. Get to know the nice and not-so-nice areas. Particularly if you are new to an area, drive around and familiarise yourself with the place. Do your homework; ask friends, relations, work colleagues where they recommend.

Think about areas in relation to where you work, where you might shop or want to go for leisure pursuits. If you want to use public transport, check on bus routes.

There might only be you or you and your partner at the moment but if you want to have children you might want to think about proximity to good schools and to local amenities like parks, shops and play areas.

Your plans for the future will also have a bearing on the size and type of property you want. For instance, if you have children or are planning to, then a garden might be a must. If you have one or more cars then a garage or driveway might be nice.

All of these considerations might come down to budget, so it is worth checking what properties in your chosen locations tend to sell for.

With this information in mind, it is time to seek out the help of an estate agent.

When you visit, be clear about what you're looking for. If necessary, show the estate agent a map with a ring drawn around the areas where you would like to live. Provide them a list of essentials... How many bedrooms, garden? garage? and so on.

Are you willing to compromise on any of these or should the agent not pick up the phone if the property doesn't fit the bill exactly?

Sometimes people will look at a property that doesn't quite match but consider altering or extending later. I always find it unusual that people want to buy a property and then extend it. I suppose it is understandable if it is in the location that they want, but the cost of buying a property and extending can be inhibitive in itself. It's up to you, but let the agent know.

Viewing properties

It is worth bearing a few things in mind when you set off to view properties:

- **What is your first impression as you approach the property?**
- **Does it have the wow factor?**
- **What does the area seem like?**
- **What are surrounding properties like?**
- **Is there a lot of traffic or other noise?**

When you are at the property take a look at the garden – will it need a lot of maintenance? If you haven't got green fingers that might be an issue – unless you can feel a new hobby coming on!

Once inside, again, what is your first impression?

They say we make decisions on buying within the first few minutes of entering a property and whether or not you get that much talked about “feeling” about the property might determine whether you want to buy it.

Ignore the existing furniture, decoration, carpets and curtains. Many of these won't be staying anyway, so don't reject that gorgeous semi just because of the lime green wallpaper!

Look beyond all these things and try to see the house underneath and the way that you could use it to make a home for you...

Remember the estate agent is looking to sell and will be emphasising the good points. You need to check for anything you don't like the look of. Always, always go back for a second or third look and make sure at least one of your visits is during the day. You get a better impression and will see things like where the sun hits the garden.

With a little luck, there are lots of properties around, so don't jump for the first one you see. Keep looking around and bear in mind that list of requirements you had at the beginning. It is easy to go off track if you see a property you really love but forget that it doesn't meet ANY of your needs!

Buying your new home

Once you have found the home of your dreams you will need a few more things:

- A solicitor to sort out all the legal bits and pieces about buying your property A survey (remember a Mortgage Valuation is NOT a survey)
- Money to buy it with!
- Insurance to protect you and your property in the future.

Getting a survey

Your new property is an investment as well as a family home, so you want to protect it and make sure there are no nasty surprises in store when the removal lorry pulls away...

What about damp, dry rot, structural movement, is there a chance to renegotiate the purchase price? It is likely that you will need an independent survey. Don't just take our word for it, check with your solicitor.

Benefits of an independent survey from Charters-Reid

An RICS qualified chartered surveyor from Charters-Reid Surveyors Ltd will consider a broad range of matters in relation to the property, including:

- its age, type and style including structural movement, timber and damp defects including cause, significance and remedial action
- condition of external items including walls, roofs, chimneys, gutters, windows and doors many of which get overlooked by purchasers concentrating on internal accommodation and presentation
- internal items including roof space, ceilings, walls and floors will be examined;
- services including electricity and gas will be examined and recommendations made based upon findings throughout the property
- outside features including garden walls, garages and substantial outbuildings will be examined.

The Charters-Reid Surveyors Ltd surveyor will have local knowledge of construction techniques and common defects. They will spend much more time at the property than the average purchaser and have the skill and knowledge to interpret any defects found and advise upon a course of action.

Remember, a defect is an opportunity to renegotiate, not a cause to withdraw from a purchase. The Charters-Reid Surveyors Ltd surveyor can help put matters into context of the overall condition. They will also provide an independent opinion of market value and a buildings insurance reinstatement sum (depending upon choice of report).

Still in doubt about the value of a survey?

Consider the relatively small cost of a survey against the overall cost of the property and any potentially expensive defect.

Ask your solicitor and remember a mortgage valuation is not a survey. It simply provides advice to the lender regarding suitability of the property for mortgage purposes.

What type of survey should I have?

Building Survey

Home Mover Report (leaflet blurb here)

CALL TODAY FOR FREE ADVICE

01904 468881 - York

01132 29986 - Leeds

01423 259601 - Harrogate

Property Finance

Choosing a mortgage or other finance is probably the biggest financial decision you will make. However with thousands of mortgage products and providers to choose from it can seem like an impossible maze to navigate.

The best solution is to find a reputable local independent financial or mortgage adviser. If you're going to make the most of your mortgage, you need to minimise the amount of interest that you pay and have a deal that suits your requirements and budget.

Talking to an independent mortgage or financial adviser can be beneficial as they usually have access to most deals in the market place and can give unbiased advice using their experience. This can remove the stress of trying to go it alone and spending hours trying to get the best deal.

- **Property Finance can be for**
- **Residential purchases**
- **Finance for commercial properties i.e. shops, Guest houses business etc**
- **Development finance**
- **Bridging finance**
- **Remortgages**
- **First Time Buyers**
- **Buy to Let**
- **Home Mover**

Insurance to protect you and your home

With such a big financial commitment on the way, it is time to think about insurance – products to protect you and your family, your mortgage and the property you are about to buy. It is very important that you get advice on the different types of insurance available. Again, your financial adviser will be able to guide you through which product(s) best serve your needs.

The following protection products are available:

- Life insurance
- Critical illness cover

- Accident & Sickness cover
- Unemployment cover
- Private medical insurance
- Buildings & Contents insurance
- Key man /Key person insurance to protect businesses.

And finally...

With your survey completed, mortgage and insurance in place, you are finally ready to get moving!

Checklist:

- **Speak to your mortgage adviser and solicitor to get things moving**
- **Agree a date for exchange of contracts and completion**
- **Book your removals company**
- **Contact utility providers Move in and put the kettle on!**

You'll have the peace of mind that the Charters-Reid Surveyors Ltd survey can bring.

ENJOY!!

Selling your home

Plan to Sell!

The first and most important rule when it comes to selling your home is that you have to ***plan to sell!*** Its no good just putting your home with the first estate agent you find and waiting for homebuyers with bags of money to come knocking – they probably won't!

First Impressions count

You need to give your property some kerb side appeal, so that when a potential purchaser draws up outside they get the WOW factor...

1. Tidy up the garden and get rid of the weeds - that old bedstead and last year's Christmas tree is just not a good look!
2. Use lawn care treatment to make your grass greener (best done a few weeks before marketing)
4. Pressure wash driveways and paving stones
5. Repair and repaint external woodwork and garden gates
6. Wash your windows
7. Clean down any PVCu windows, doors, fascias and soffits
8. Remove debris from gutters.
9. Repair and retreat or repaint fences.

Inside make sure your property smells clean and fresh so get rid of any pet smells, smoking or cooking odours. It's a good idea to declutter a bit so that people can see the rooms at their best. (Don't overdo it; you don't want to look unoccupied).

How much should you ask for your house?

A very good question – how do you know the true market value of your home? Well they say a property is only worth what someone is prepared to pay (OR WHAT SOMEONE ELSE CAN SELL IT FOR!).

You could try dreaming up a figure and trying it out on your estate agent. If they yell: "HOW MUCH!?!?" then you might want to think again... Property owners do sometimes have an interesting perception of what their building is worth...

The asking price is a starting point for the negotiations, but how do you know what the property is worth?

Why not get a professional valuation BEFORE you put your property on the market? The average cost of these valuations start at around a hundred pounds. Money well spent on a professional RICS valuation will mean you are better prepared for what is to come.

People usually put properties on the market at an amount above the figure they are looking for. Once a sale is agreed an RICS Chartered Surveyor values the property, usually for mortgage purposes. (Shrewd cash buyers often instruct an RICS Chartered Surveyor to carry out an independent valuation.)

This becomes then the definitive value of the property during the transaction.

How Do I Choose an Estate Agent?

Choose sensible **local estate agents** to market your dwelling. For a start you should ask them

1. The number of homes they have sold in your area recently
2. Evidence of those sales (Usually sales particulars)
3. Fees – are they negotiable and is advertising included?
4. For regular feedback.

Why not mystery shop your estate agent?

Ask them details about a house for sale in your area and then ask yourself just how helpful they were?

If you want to dig a little deeper, some more things to look at with estate agents.

Do they have a good local track record selling properties like yours?

- Don't take on an estate agent who sells large country homes if you have an urban flat.
- Are they currently advertising similar properties to yours? If so, they are likely to have buyers on their books looking for properties like yours.
- Have a look at estate agent websites or you can check on Primelocation.com to see what properties for sale are on the books of individual agents.
- Drive around the area, too, and look for estate agents with plenty of 'for sale' boards dotted around, as this indicates strength of presence in the local area.

Local or national chains?

- As a rule, local private estate agents will give you a much better service than a corporate giant. They know the area better.
- **NEVER USE AN ONLINE AGENT**

Are they using the latest sales methods?

- Do they advertise properties on a major property website like Primelocation.com? Almost 90% of buyers start their property search on the Internet.
- You may want to use a property website to find an estate agent in your area. That way, you can guarantee their presence online and check what properties they are currently selling.

Are they regulated?

- You want to see that they are signed up to the National Association of Estate Agents (NAEA), The Guild of Professional Estate Agents (GPEA) or the Ombudsman for Estate Agents (OEA). Members of each organisation voluntarily sign up to a code of practice and are generally taken more seriously than those who are not.

Do they come recommended?

- A firm recommendation from a family member or friend can be helpful. It isn't a guarantee that your experience will be the same but it's a good start! We always recommend a local agent

Do they present properties to a high quality?

- Have a look at the way they are selling other people's homes
- Are the pictures of a good quality?
- Are properties presented as attractively as possible?
- Are the descriptions accurate?
- WILL THEY PUT YOUR PROPERTY IN THE BEST POSSIBLE LIGHT?

What are their fees?

Estate agents will usually charge between 1% and 3% of the final sale value of the property as commission. In some cases, you can haggle to get the fee down, but this may end up being a false economy. If you haggle so much that you take away too much of their incentive they might not try as hard. Agree a fee that provides a fair deal for both parties. One tactic could be to pay the full fee if the agent achieves the full asking price and a sliding scale downwards if a lower price is achieved.

Go with your gut instinct

Even taking into account all the advice given above, the most important thing is that you can work with your chosen estate agent. Here you might just have to go with good old gut instinct, that feeling you get when you think you can trust someone and that you will get on well with them. After all, you will need to work together and feel you can trust each other.

Contracts

Once you've instructed an estate agent, you will need to sign a contract detailing the agreement between you.

Read ALL of the small print in the contract, so you know what you are signing. This is particularly important when thinking about the length of the agreement. You may want to insist on a flexible arrangement, whereby you can review the relationship from month to month. This allows you to switch estate agents if you aren't happy. Otherwise you may have to instruct another estate agent simultaneously, with more fees to pay as a result. Some agents will not pressure you to sign a contract.

Multiple agents

If you have been working with just one estate agent to sell your house, this is called a 'sole agency' arrangement. When you agree to a sole agency arrangement with an estate agent, the contract will usually indicate how long this period will last. At the end of this period you can, if you wish, instruct one or more additional estate agents.-generally multiple agents give an impression of a desperate seller.

If you do instruct other estate agents BEFORE the period of sole agency has come to an end, you are breaking your contract. If the new estate agent finds a buyer for the house, you have to pay commission to him AND the agent with whom you had the original sole agency agreement.

If the original agent finds a buyer, the amount of commission that the seller would have to pay to the new estate agent would depend on the type of agreement you have with them.

In some cases, you may be able to negotiate changing the sole agency agreement to a joint sole agency agreement with the original estate agency.

The strategy of engaging multiple agents is often only for those who are under serious pressure to sell their property fast, as commission fees tend to be higher than with a sole agent.