

## **Buying Your First Home: What to Know Before You Start**

**[Nick Coffe]**

Hello and welcome to this episode of TW Law Talk, brought to you by Taylor Walton Solicitors. I'm Nick Coffe and in this episode, we're focusing on a moment that many people remember very clearly, buying their first home. For first time buyers, the process can feel exciting but also confusing. There's often a lot of information, plenty of myths, and sometimes a sense that the whole thing is far more complicated than it needs to be. So today we're going to look at that journey from two important perspectives, the mortgage side and the legal process. What should first time buyers understand before they even start looking for a property? How has the mortgage market changed in recent years and what actually happens once an offer is accepted? To explore that, I'm joined by two guests. Jeremy Mitchell is a senior associate solicitor in the residential property team at Taylor Walton, helping clients navigate the legal process of buying and selling property. Jeremy, nice to have you in the studio. And Max Harris is director at BrightBox Financial Services and specialises in mortgage advice for buyers and homeowners. Max, good to have you on the podcast. Thank you.

**[Max Harris]**

Thank you very much.

**[Nick Coffe]**

Together we'll look at some of the biggest myths first time buyers face, how to prepare properly and what the process really looks like from offer through to completion. Jeremy, do you remember your first house?

**[Jeremy Mitchell]**

I do. Still living in it.

**[Nick Coffe]**

Was it stressful?

**[Jeremy Mitchell]**

No, because I was dealing with it.

**[Nick Coffe]**

Okay, you were doing your own conveyancing. Max, your first house.

**[Max Harris]**

Again, it wasn't as stressful as it could have been because I knew what to do, but it doesn't take away from the fact that the process is just long and stressful in its own way.

**[Nick Coffey]**

When I was thinking about some of the myths around buying a house in general and first-time purchase in particular, I was thinking in terms of deposits and what you may or may not need, mortgages, how you can or perhaps can't get one, the legal costs because that actually is quite scary. The thought that you're going to have a lawyer, you're going to pay them by the minute or by the hour and your costs are going to rack up as you go and also how long everything takes. I think those are the key things to look at as we move through this episode. Jeremy, let's start by debunking some of the legal myths. Firstly, you absolutely do need a lawyer. Secondly, it is not a case of racking up fees by the hour, is it?

**[Jeremy Mitchell]**

No. So you definitely do need a lawyer. You need a solicitor to help you deal with all the legal elements and to investigate the title for you. First time buyers have a lot of myths and thoughts and there's a lot of conjecture out there that says that we're going to charge you every time we call you, every time we write you a letter, but that's just not the case. We set out our fees at the start of the process and we like to stick to them throughout.

**[Nick Coffey]**

In a nutshell, what are the key elements you're looking at when you are conveyancing a purchase?

**[Jeremy Mitchell]**

The key element that we look at during the conveyancing process is mainly the title to the property and the searches that we'll obtain for you because that makes us sure that the property is legally sound and also that you shouldn't have any difficulties in the future if you come to sell or with someone trying to build a road through your garden or something similar.

**[Nick Coffey]**

I remember my first purchase, and it took an absolute age. I'm going to say it took five months. Does that sound uncommon? It just felt like it never ended.

**[Jeremy Mitchell]**

It could happen, but I would say that's probably at the longer end of the scale. Whilst unfortunately conveyancing as a process is the same as how long is a piece of string, there are sort of average timescales that we can give you. So, if you're buying a freehold property, which would generally be a house, you're looking at roundabout eight to ten weeks. If you're buying a leasehold property, more likely to be a flat, you're probably looking towards 12 to 14 weeks.

**[Nick Coffey]**

Are you trying to catch out the sellers? And I ask that question politely because I remember, and I've bought and sold a few houses now, some of the questions we get and some of the issues raised do sometimes feel a little bit, shall we say, detailed.

**[Jeremy Mitchell]**

Well, we have to be detailed because we have to be sure about the property. We need to make sure that everything is going to be correct and you're not going to have any problems. If we weren't detailed, you could easily buy a property that's going to cause you some major legal issues going forward.

**[Nick Coffer]**

Must be quite a tricky moment when, for example, you've got some first-time buyers, they're really excited about their property and you do unearth something that is really quite tricky, whether that's around planning, whether that's around building work, building regs. You are the one that has to tell them, aren't you?

**[Jeremy Mitchell]**

Sadly, yes, but there's not many problems that we can't get around. So, there's lots of things that we can do. If there's an issue with building regs, sometimes we can get an indemnity policy or insurance policy that may cover against it. But yeah, if there is something that can't be overcome, then we do have to pass that message on unfortunately.

**[Nick Coffer]**

And that's actually quite an interesting and important point before we come to Max and talk about mortgages in a wider way. We are talking here about buying your first property, but actually there is some reassurance here for sellers as well. I speak as someone who is currently selling my house and I have at various points worried about things. Have I done that? Have I got that certificate? Are the electrics up to date? Is the decorating fine? All the things that we worry about. And what you're saying there is quite reassuring, that actually we needn't worry as much because everything is solvable. More or less.

**[Jeremy Mitchell]**

More or less. Yeah, I wouldn't say everything. I wouldn't put myself —

**[Nick Coffer]**

On rail through the back garden?

**[Jeremy Mitchell]**

No, wouldn't go that far. But yeah, most things you can look to indemnify against if there is an issue. It all depends when things have been done. So that's one of the things that we look at. We look at if there's been work that has been undertaken at the property, when was that, what certificates have been obtained, what contact has been made with local authorities and things like that. And we can then assess whether or not it's going to cause a problem, whether or not it can be indemnified against and whether it's safe to move forward as a purchase.

**[Nick Coffer]**

Max, mortgages. It is what you do, and I think that is probably the single biggest worry for people considering their first purchase. Are we ready to buy? Do we have the funds to buy? Can we get a mortgage? I'm doing the whole episode in three seconds here, but the starting

point is surely I need a huge deposit. And my understanding is that actually in the instance of first-time buyers, not always.

**[Max Harris]**

No, you're right. There are several schemes out there that have been brought to the market over the last, I dunno, five to ten years. I would say maybe to start off with the more obvious one, which is Help to Buy, where you could get a property with a 5% deposit. There are some really good schemes out there. Ones where actually you don't need these whopping great 10, 15, 20% deposits when it's so hard to save up that sort of money without the help of the Bank of Mum and Dad. But there's a huge caveat with that and many people see the headlines and say, oh, there's this great 100% mortgage scheme out there, and all of a sudden you click on the website and you have a read through it and all of a sudden it's, actually no, you can't borrow 100%, you could only borrow half of that figure. It's a difficult market, so much to it. There's so many nuances, but that's the importance of a mortgage broker when you come to buy a property.

**[Nick Coffey]**

I'm guessing that lenders have had to adapt with the times. So, if you think about, I'm going to say our parents, because they're all more or less of that generation. They were buying houses which represented perhaps three or four times their total salary, let alone what they were having to borrow. And you look at people of our generation now, you look at my children as they come to buy their first properties around here, and we are in Hertfordshire, a first property could be 10, 12, 15 times what they're actually earning, and therefore lenders have had to adapt accordingly, haven't they?

**[Max Harris]**

Yeah, there's been a huge shift even more recently over the last six months, where you've gone from the traditional lending multiples of four and a half or four times. You've got now some of the lenders offering up to six, maybe even six and a half times salaries. So that gap in relation to earnings and house prices is slowly, slowly starting to reduce. But I don't think that will ever solve the house price issue because in the area that we live in, we live in a bit of a bubble. I would say the prices are just too expensive for the likes of an average first time buyer to get on the market. It's just way too expensive. And when you actually think about it, borrowing six times your salary and the stage of where rates are at, actually it could be very, very expensive. So, you've just got to think twice about these things and fairly logically, to think, yeah, I may be able to borrow six times, but realistically with the cost of living nowadays, can I afford it? It's expensive.

**[Nick Coffey]**

I was watching telly last night and I thought of you because there was a major bank, it was NatWest, had an advert around family support mortgages. And so whereas previously you might ask the Bank of Mum and Dad to actually give you some money towards your deposit, my understanding is that banks are now saying, come in, join the party, get on the fun boat. That's quite recent, isn't it?

**[Max Harris]**

There are some really good schemes and that is one of them. A lot of the high street are jumping on the same bandwagon. So to give an example, Barclays have a scheme where family put money into a savings account for five years and that acts as the deposit.

**[Nick Coffey]**

Just stop me there. That's a really good idea.

**[Max Harris]**

And it's been around for a very, very long time, but hand on heart in 15 years I've never done one. No one's ever come in for a mortgage of that type, whether that's a lack of knowledge of a broker or just people don't need it. Who knows?

**[Nick Coffey]**

But it's quite sensible to say if you've got money to put aside, put it into a safe place and that safe place automatically then turns it into a deposit. I'm imagining with some interest on it as well. So, it's actually doing some work.

**[Max Harris]**

Yeah, there are some great schemes out there and that's just one of them. The really popular one where mum and dad or family members can help out is, it's a slightly strange name. It's called a joint borrower, sole proprietor mortgage. And the logic behind it is that you've got more than one person on the mortgage application, but only one person goes on the deeds. So the typical transaction would be mum and dad helping son and daughter. Mum and dad own a property already, son or daughter want to go and buy a property and mum and dad are going on there for earnings sake, for affordability purposes, to allow son or daughter or child to borrow more than what they otherwise could. But the benefit of that is, is that if mum and dad were to go onto the deeds of the property, you would incur a higher rate of stamp duty. So these schemes allow you to avoid that much, much higher cost.

**[Nick Coffey]**

And still be the first-time buyer.

**[Max Harris]**

Still be the first-time buyer. So a lot of lenders have gotten onto it, a lot of lenders are doing it. It's grown that market hugely and it's really, really popular.

**[Nick Coffey]**

It's one of those moments where I'm happy to have a lawyer in the room. Jeremy, I'm thinking that that then poses certain issues when it comes to selling that property. Am I overthinking this? Because it's hard enough if you've got a person on the deeds, but if you've then got in effect two people who are joint borrowing, I mean I'm getting myself confused here, but does it pose you certain issues?

**[Jeremy Mitchell]**

Not when you're selling, no. When you're selling, you are acting for the seller of the property, you get their authority. You may need to get the authority of the joint borrowers just to get the redemption statement, but other than that it doesn't really cause us a problem and we have dealt with a number of joint borrower, sole proprietor mortgages, so we are quite used to them now. Becoming more common, as Max has said.

**[Nick Coffey]**

And that was actually what my concern was. If there was a family fallout or something and you needed permission of both, would that block the process? Or again, am I overthinking it?

**[Jeremy Mitchell]**

It shouldn't do. It is not something that we normally need to obtain. Normally the owner of the property is sufficient to get the redemption statement.

**[Nick Coffey]**

Max, let's talk about getting a mortgage. You mentioned the sensibility or not of borrowing six times and plus more your actual income. There's another side of this that I think often we don't talk about and that is your outgoings. Because when lenders assess you, they're not just saying, okay, you're on 40 grand, you can borrow between 200 and 240,000 pounds. They're also looking at what you earn and what you spend. And there's a common trap here, isn't there? Because it's not just what you spend, it's how you spend it. They're actually looking at your behaviour and not just at your income. So you may think that you could afford the 6, 7, 800 pounds a month in repayments, but if they see things in there that worry them about how you spend your money, that needs some tidying up before you look at buying your first house.

**[Max Harris]**

So true. To give you a bit of a funny example, we have people that come in to us, whether that be a first time buyer or a home mover, and they send us over their bank statements, but they don't send us all of them and there's a reason for that. We always ask for all the current accounts that are being used just to give us the full picture. But then when you do get those statements, you see some very, very funny transactions on them.

**[Nick Coffey]**

I'm reading into the word "funny" here, by the way. I dunno about you, Jeremy.

**[Max Harris]**

I'm not going to exactly say what they were, but you can picture it. But there are transactions with funny references on them, which there shouldn't be. So money being transferred to friends or family with non-related references. You've got regular transactions going out for things that you have to query as a mortgage broker, whether that be for childcare, whether it be you are sending mum and dad some money, whether you're spending 50 quid on Sky Bet a week. All these things are so heavily scrutinised and place such a huge factor into getting mortgages nowadays.

**[Nick Coffey]**

If, for example, you've got an issue with your credit rating and you use people at Equifax and those kinds of agencies, you can improve your rating actually relatively quickly by a few sensible bits of housekeeping. Is it the same in terms of your mortgage profile, that it doesn't necessarily require two years of work, you can spend a couple of months ensuring that everything looks a little bit, to use the word, cleaner?

**[Max Harris]**

Yeah, I think if you speak to any mortgage broker and they're trying to give people tips as to how to get themselves prepared, you would simply just say, look, the lenders look at the last three months, so make sure spending is squeaky clean. You're not spending too much money, you're not in use of your overdraft constantly, debts kept down to a minimum level. They're all really key factors, but not to the extent that if you, I dunno, go and spend 3,000 pounds on a holiday because you haven't been on a holiday for a few years, that's not going to be something that's going to be really, really heavily scrutinised. It's going to be something that will be questioned, but it shouldn't impact you too much. Although to take that to the extreme, the more debt you accrue and that's sitting there in the background, if you can't come and buy a property, those six, five times income multiples then start to reduce further down because you've got less disposable income to put towards mortgage payments and bills than what the lender would like.

**[Nick Coffer]**

I'm interested to ask about debt actually, because in my other professional life, I'm a family mediator and one of the things that we really, really notice, and more and more so, is the level of debt. It's actually really quite distressing. So people come to you with sometimes tens of thousands of pounds of debt when in fact their income is nowhere near that, and often they then have to find ways of repaying it or take a repayment plan. With those levels of debts being higher than ever, that must also pose you more challenges than ever as a mortgage broker because that's really going to impact on people's mortgage ability.

**[Max Harris]**

The key one nowadays is that you see everyone driving around in brand new cars, whether that's lease, PCP, hire purchase —

**[Nick Coffer]**

That's a debt.

**[Max Harris]**

A huge debt. And it's very, very funny. You speak to people and you say, have you got any debts? And they say, no, I don't have any debts. Well, I say, do you have any car leases or hire purchases? And they're like, oh, oh, do you know what, yes I do actually. I spend four, 500 pounds a month. It's all relative at the end of the day. So if you're on a decent salary, let's say north of 50,000 pounds and you're spending 200 pounds a month on a car, then actually it's not the end of the world. But if you're on 50,000 pounds and spending a thousand pounds on a nice brand new Defender or —

**[Nick Coffer]**

Something —

**[Max Harris]**

A bit more extravagant, then that's definitely a problem. And the other one, just to stay on the same topic, is nursery fees. It's a huge thing at the moment with nursery fees being so expensive and that really, really has a drastic impact on how much you can borrow, more than what you'd imagine. It causes a lot of people problems who want to buy their first time or want to buy something bigger because they've just had their first or second child. These nursery fees are causing many, many problems.

**[Nick Coffey]**

I recently had a bit of an argument with my bank, I can't name them. And while they were winding me up, I looked back at how long I've been with them and it's actually 39 years. I'm embarrassed to say, 39 years with the same bank. And that got me thinking about this discussion because of course our instinct is to stick with what we know and stick with our bank. I'm guessing that many buyers, especially first time buyers, go straight to their bank. It's what they're used to. It's the app on their phone. When you open your app, it's saying, thinking of buying, do you want a mortgage? That's not necessarily the most cost effective way, is it?

**[Max Harris]**

Definitely not. I mean, that is the average client of ours, who will go and speak to their own bank just to explore some numbers. It's very, very quick, it's very easy. I think the generation nowadays that is looking to get on the ladder are looking for that instant feedback from a lender to say, how much can you borrow and how much are the monthly payments going to be? And they're more than happy to sit on a calculator, plug in their details to get some feedback as to how much they can borrow and what the monthly payment's going to be. But a broker does that all for you and the broker doesn't have access just to that bank that you bank with. They have access to the majority of the banks in the industry. So the broker will do the legwork for you. The broker will guide you throughout the process. The broker will find out how much you can borrow and what your monthly payments are going to be. And you need guidance. It's a very, very tricky, complicated process where there's lots of variables involved.

**[Nick Coffey]**

Can I fall into stereotype just for a moment? You're a couple. Both of you are teachers, both of you are in the NHS. You are going to have a very clear salary, a very clear future, and lenders are going to be fairly relaxed about understanding the risks involved. I could imagine those kind of clients going to their bank and saying, this is what we earn, this is what we've got. But of course you look at the way the world is today and the world of work is today, lots and lots of people are freelance. They have side income, their income is structured in a different way than working, for example, for a government organisation. Those are the kind of clients that you really help with, aren't they? Because you may have to be — and I'm not — if I use the word creative, I don't mean to break the rules, but you may have to be creative, genuinely creative in how you find them a mortgage.

**[Max Harris]**

Yes, it's so true. There are many brokers out there who are more than happy just to sit and do those types of mortgages where you're employed, you're borrowing full-time, just salary

and there's no real quirks to the client situation. But that again is where a broker really comes in because every lender has different criteria, every lender has different income multiples, and that's where we really come in. You're right, there are strange and weird and wonderful situations with people like who do contracting rather than are permanently employed or people that have been employed by a company then just try to go on their own. So many examples like that where you may think that you might struggle to get a mortgage, or you may have been turned down by your bank, but actually you speak to a broker and nine times out of ten it's a more positive conversation than what they thought it would be.

**[Nick Coffey]**

Jeremy, I want to ask you about the kind of costs that we need to factor in. But I'm going to spring this on you first, Max, because if I'm buying my first property and money is tight and I'm budgeting everything very carefully, perhaps the last thing I want is to have to spend a whole load of money on a mortgage broker.

**[Max Harris]**

Yeah, fees is always a sticking point. As with many services, you go to someone, even a solicitor, and Jeremy can probably vouch for this as well, where people will always try and negotiate on fees. And we understand that because as humans we would do the same, you barter. It's just the way of the world that we live in. But you've got to think about the time aspects, the guidance. Do you know what, if I wasn't a mortgage broker, keeping myself busy, having the time to then deal with banks, research all the variables, where actually I could just pay someone a nominal fee to be like, you tell me what I want to hear, or you tell me what's best. And —

**[Nick Coffey]**

Also are you not in that case looking at the total cost of the mortgage? If you actually do the sums, imagine it's cost you — and it's worked into the mortgage — let's say a couple of grand, but the total cost of the mortgage over the course of the 25 years that you found them might actually be several thousand pounds cheaper than the cost of those fees. Am I being naive here or is that really how it works?

**[Max Harris]**

I mean, firstly, if I charged a couple of grand, I would not be in business. There are many, many people in this industry who may charge that, but we can't do that. It's way too expensive, although we would love to. The situation is that right now is a prime example of that. When you see in the news that lenders' rates are shooting up through the roof, a broker will be that person who you go to and you say, right, I need to secure a rate for you. I need to get something done ASAP because I want to buy this house ASAP, but I'm scared that rates are going to go up. We'll do it for you, we'll jump on it. We'll deal with things in 24, 48 hours. Typically, if you're nervous about what's happening in the market, you deal with a broker, and that is worth its weight in gold, completely. Just to take that stress away from you.

**[Nick Coffey]**

Why did you tell me that you call him Two Grand Max? Was that an unfair nickname? Let's look at the other costs involved, because obviously if you're listening to this and it is your first time, and the aim of this episode is really to make this as reassuring and relaxing a thought for you, what other costs could come in here?

**[Jeremy Mitchell]**

Obviously you've got your solicitor's costs to pay for our fees in doing the work for you.

**[Nick Coffer]**

And I'm going to put you on the spot here.

**[Jeremy Mitchell]**

Go for it.

**[Nick Coffer]**

What are we looking at generally for a fairly normal purchase in and around the home counties, of a two bedroom house? Are we talking hundreds or thousands or several thousands?

**[Jeremy Mitchell]**

Our prices start on a scale according to price. So obviously the more expensive the property you're buying, the more our fees will go up slightly, but we also charge some supplemental fees, so it costs more if it's a leasehold property because there's more work —

**[Nick Coffer]**

Involved.

**[Jeremy Mitchell]**

And certain other fees we'll charge at higher rates. If you use a very niche mortgage lender, we would charge higher because some of their requirements are a lot more time consuming.

**[Nick Coffer]**

I guess this comes down to the same question that, Max, you were responding to there in this whole series, and that is spending your money to save your money elsewhere. These are processes that you absolutely need the right advice on and the right support. So legal fees are going to cost you a chunk of money. Then we're looking at what — stamp duty?

**[Jeremy Mitchell]**

Yes, you have stamp duty, although for first time buyers there is a price up to which you don't pay any stamp duty. So, it's currently at 300,000 pounds. So, if you're buying for less than 300,000 pounds, you won't be charged any stamp duty on that. Between 300,000 and 500,000, it's at 5%. But again, when you come to us for a quote, we'll factor in all your details and we'll factor in the stamp duty cost to you, so you're aware of that at the outset.

**[Nick Coffer]**

Max, you must see this all the time. People come in and go, oh, I've got a property, it costs 400 grand. I've got this as a deposit, let's go. And you must then be saying, yeah, but hold on, there's things you're not factoring in here. These are real costs.

**[Max Harris]**

Yeah, it gets very, very expensive. It's not just the legal fees that you've got to take into account. It's making sure that you've got rainy day money. You don't know what's going to happen around the corner. Car could go wrong, a boiler could go wrong, or you may want to do work to a property when you move in. So you've got deposit, you've got stamp duty, you've got legal fees, you've got broker fees, you've got valuation fees to do a survey on the property that you're buying, making sure everything's structurally sound, and then making sure you've got money left over afterwards. The last thing we want to do for anyone is allow them to get into situations where it bleeds them dry.

**[Nick Coffey]**

And they've lent you the money.

**[Max Harris]**

Yeah, you can't do it.

**[Nick Coffey]**

There is someone around this table, I can't tell you who, who might be looking at purchasing a property in Portugal. I mean, you can guess between us who. It's not me.

**[Jeremy Mitchell]**

Definitely not me.

**[Nick Coffey]**

So, what's been quite interesting there is that there is a law that when they advertise the price of a property, they have to include their equivalent of stamp duty. So you can't advertise a property at just 200,000 euros — I'm not looking at that — it has to explicitly say 200,000 euros, and the cost of the, I can't remember, the IMT or something, is for example 17,000 euros. They have to put it in the advert. There is a case for saying that would be quite helpful here, is there not?

**[Max Harris]**

I think there are so many issues with the way things run, from the estate agency — and that is definitely not me slating an estate agency in any way, shape or form — but from the moment you walk into an estate agent to go and view a property, to the moment that you get the keys, there are so many issues with our system and the way that we do things, which could lend itself to being way more transparent, to alleviate any issues or concerns. Less stressful, just make it so much easier for everyone.

**[Jeremy Mitchell]**

I think the issue with the stamp duty and the reason they can't do that in England is because there are so many variations as to what you pay for stamp duty. So as we said, for a first

time buyer, if it's under 300,000 pounds, you're not paying anything. But if you were moving house, under 300,000 pounds, you've already got a property that you're selling, you are paying something. If you already own another property and you're buying a second property, it's again a higher rate as well. So I don't think you can advertise the stamp duty when you're selling the property because you don't know what it is, because it's according to the buyer.

**[Nick Coffey]**

Max, when you think about it, you've got stamp duty at one end and potentially capital gains tax at the other end. I'm not going to get into a political discussion about the levels and whether they should be there or not, but it does lead to a question as to whether some people just think it's all too complicated.

**[Max Harris]**

I mean, most of our conversations that we have with people — and it's not just first time buyers, it's anyone in the transaction, and whether you've got ten properties or whether you've got one — tax is so much on the tip of our tongues every time we pick up the phone. So I mean, you'd have to do months and months of learning to understand all the tax laws and the quirks to it to be able to give proper advice. And there are people that even just specialise in stamp duty —

**[Nick Coffey]**

And still struggle.

**[Max Harris]**

And still struggle. Yeah, they can't give the answer instantly because, well actually I do think one of the problems is that there are a lot of grey areas and sometimes grey areas require HMRC approval in some way, shape, and that's my understanding of it. But if you're having to do that, then surely there's something wrong.

**[Nick Coffey]**

Jeremy, two questions in one here. What do we need to prepare at the start of the process, what documents, what information, and at what point should we instruct a lawyer? It's kind of the same question.

**[Jeremy Mitchell]**

So, document wise, as a first-time buyer, you need to be making sure that you can evidence your ID and your source of funds. So that's the first thing that we're going to ask you for. Passports, driving licence, bank statements, those sorts of things. And then obviously depending on where your source of funds has come from, if it's the Bank of Mum and Dad, we're going to need to do the same for them as well. So you need to make sure that everyone that's giving you money or lending you money is aware of that and can give us that information really — and have those documents ready. By the same token, if you have sold some shares or sold a car, we're going to need evidence of that, just so we can evidence the source of funds, because that's a personal responsibility on your solicitor. So, although you may have gone through that with Max — Max may have asked you some of those questions already to get the mortgage — we may ask more. We may go slightly

deeper because we have to see where that money's been accrued over the course of years, for example. So that's why we do that. Getting back to your original question, which was when should they instruct us — as early as possible. So, you do need to find a property, but it would come to us when you start looking, and we can give you a quote at the outset. So if you know the rough sort of price that you are looking for and the type of property, be that freehold or leasehold, come to us at that point, we can take all the information off you and get you a nice quote nice and early so you are aware of how much you are likely to be paying us.

**[Nick Coffey]**

And Jeremy, just a final point. We're looking at what you need to prepare, when to engage a lawyer. Of course, many people coming to you buying their first property will be renters. There's a whole process there in terms of giving their notice on their current properties, isn't there?

**[Jeremy Mitchell]**

Yes, that's correct. So, anyone that's living in rented accommodation will need to give notice to end their tenancy. One problem that can arise is if a buyer hands in their notice to end their tenancy before we are ready on the purchase, and then it becomes deadlines and it causes the issue of they may become homeless, sofa surfing and things like that. So, one bit of advice that we'd always give is to not hand in your notice until such time as you've exchanged contracts, because only at that point are all parties committed. Before that, you could hand in your notice and the sellers could decide to withdraw.

**[Nick Coffey]**

And just very quickly on that, the terminology — exchange and complete — the difference being?

**[Jeremy Mitchell]**

Exchange is when contracts are agreed and a completion date is set, meaning everyone is now committed to that purchase. And completion is the day that you actually complete, go and get your keys, and you can go and stay in that house.

**[Nick Coffey]**

But you can pull out after exchange, can't you?

**[Jeremy Mitchell]**

Theoretically, yes, but you would then incur penalties. The biggest of which would be if you don't complete by the agreed completion date set in the contract, you could lose your whole deposit.

**[Nick Coffey]**

Summary of all of this, Max. There are many ways you can do this. You can, for example, go to your bank direct, you can manage your process how you want. But what I'm hearing from both you and Jeremy is that this is a huge thing. It's the biggest purchase you'll ever make. You may as well do it right and get the best advice that you can afford.

**[Max Harris]**

That is the really key thing. And for such a time sensitive transaction where you are pressured into getting everything done ASAP, getting the right advice is so important. And just to the simple point — where you go to your own bank, you apply for a mortgage, you're chasing it yourself, it's taking weeks to go through. Just let someone else do it for you. Let them take the stress off your back, let them do all the work, let them get you from A to B in the most efficient way possible. And brokers do it day in, day out.

**[Nick Coffey]**

And this actually leads to my final question to you, Jeremy, which is what I've learned from hearing you today is that your job is around making people's life easier. It's also not around catching anyone out. It's about making sure that ultimately, the day that you get the keys to your new house, you're free to live there.

**[Jeremy Mitchell]**

Yeah, correct. Our job is to make sure that property is a good, solid, property for you to move into and you're not going to have any problems, so that from day one you can have your housewarming party and you can have all your takeaways and you can go and enjoy your life there. What we do at Taylor Walton is we are there. We are a proactive service. We push things along as much as we can. We offer a single solicitor who'll be dealing with your matter throughout, so you'll have the same person to contact. So if throughout the process, at any point you are unsure or you're worried, you can give us a call. You'd have my direct number, my email, probably my secretary's as well. So there's always someone you can get hold of to talk to and discuss your matter with us.

**[Nick Coffey]**

You've both been absolutely brilliant. It's been really enlightening and I think that you have achieved what we set out to do here, which is to basically demystify the process a little bit. Yes, it's stressful. It is a huge purchase, but if you have your A team in place, it can actually be much smoother than ploughing a lonely furrow on your own. Max, where can we find you and your work?

**[Max Harris]**

So, we are BrightBox Financial Services, [brightboxfs.co.uk](http://brightboxfs.co.uk). We have offices in Hertfordshire and North London.

**[Nick Coffey]**

Jeremy, Taylor Walton.

**[Jeremy Mitchell]**

Yep. Taylor Walton. So, I'm based in the Luton office, but we have other offices in St Albans and Harpenden. It's [taylorwalton.co.uk](http://taylorwalton.co.uk).

**[Nick Coffey]**

It's clear that buying a first home is a major milestone. As we've heard, having the right advice early on, both financially and legally, can make the whole process much, much

smoother. We'll pop all the details of both Max and Jeremy in the show notes. If you're enjoying this series, do click on follow. That means you'll be notified of all future episodes as soon as they come out. Thank you for listening to TW Law Talk. We'll see you next time.