

YOUR GUIDE TO BUYING A HOME OR INVESTMENT PROPERTY



Getting started

Purchasing a home is the largest investment most of us are likely to make, so it is essential to be properly informed. Searching property portals can be a good starting point, but it is also important to instruct an experienced estate agent. Their professional advice is an excellent resource and will offer further insight into the market.

Talk to W.A.Ellis and the JLL group and you'll soon discover how our experts bring insight and guidance that cannot be found elsewhere. We're often asked to bring properties to buyers before they appear in the public domain.



Being prepared

The market moves quickly, so getting organised early can pay real dividends. Be ready to instruct a solicitor to draw up the purchase contract. Most importantly of all, get your mortgage in place as quickly as you can. Engaging an independent mortgage broker can help you find the right product and advice. Don't forget all the paperwork you'll need for your application, including proof of ID, bank statements and pay slips.

Leasehold or freehold?

A freehold property and the land it stands on are owned outright, making buyers responsible for the upkeep, maintenance and repair. Most houses fall under this category. Leasehold properties are only owned by the buyer for a defined period of time. Most apartments are leasehold.

In a leasehold property, you pay ground rent and service charge to the freeholder. In return, they maintain the shared parts of the building and repair the exterior. After two years of owning a leasehold property, you can usually extend a lease subject to you and the freeholder qualifying. If a lease isn't extended by the end of the specified term, its ownership passes to the freeholder.

Some properties in apartment blocks are for sale with a share of the freehold. This means that the residents collectively own the building and the land it sits on. As such, they're responsible for appointing a managing agent and setting service charges.

The purchasing process

Every purchase is different, but there are some set steps. The important point is to work with experienced agents that can support you at every stage.

Step 1: The offer

When you've found the home you want, make an offer through the estate agent. Negotiate if the vendor doesn't accept your initial offer, but don't forget that in most cases the agent is paid by the seller to achieve the best price. When you've agreed the price, the estate agent will prepare a Memorandum of Sale confirming the terms of the sale.

Step 2: The critical period

There is no binding legal obligation for a vendor to sell the property to the prospective buyer. Until contracts are exchanged, they can sell to someone else or withdraw the property.

As a buyer, you could lose the fees for the professional services you've paid if the seller pulls out of the deal. You need to keep the ball rolling by instructing a solicitor to conduct searches, review the contract and negotiate any issues. You will also need to engage a surveyor to inspect the property. They'll either complete a basic assessment in the form of a home buyer's report

or a full structural and building survey. Finalising the financing is important at this point as finance-related delays are a common cause of sellers pulling out. You'll need a formal mortgage offer letter from your lender, who will complete a valuation of your home.

Step 3: Exchange and completion

Contracts are signed and exchanged when both parties are happy with the terms of the deal. At this point a completion date is set and the buyer makes a deposit payment – usually 10% of the purchase price. You may forfeit this if you fail to complete the purchase.

Costs and fees

Budgeting carefully is important. Don't forget these additional costs:

- **Mortgage fees** – for arrangement costs, valuation survey and legal services
- **Legal fees** – for drawing up contracts
- **Local Authority searches** – conveyancing
- **Land Registry fees**
- **Stamp Duty Land Tax (SDLT)** – which is 0% on the first £125,000 of the property price; 2% on the next £125,000; 5% on the next £675,000; 10% on the next £575,000; 12% on the rest (in excess of £1.5 million). SDLT is charged at 15% on residential properties costing more than £500,000 when companies and collective investment schemes buy them
- **Moving and storage costs**

JLL's expertise

Worldwide reach

With 230 offices across 80 countries, JLL is one of the world's leading property groups. For 25 years, we have worked with buyers and investors to help them acquire homes in London and the UK's key regional cities. We have multilingual teams in London to ensure a seamless service for investors from China, Russia and the Middle East. Plus we sell more than 4,000 new-build apartments every year, making us the go-to agency for developers.

World-class service

Our growing branch network in the UK, which is particularly strong in London, provides an end-to-end property service. This means you'll be able to access specialist advice on everything, from capital growth to rental yields and asset management.

Ours is a progressive, insight-led service that draws on specialist research capabilities as well as on-the-ground experience. But the benefits of a personal, attentive approach are never overlooked. We'll work with you to understand your needs and help you achieve your aims.

If you have any questions, or want to register for property alerts, please contact +44 (0)20 3811 2126.