



Conveyancing & Property matters for first time buyers

Whether you are a first time buyer or just thinking about making a property purchase in the future here is some useful information for you to consider. We would be happy to discuss this further with you. Telephone 020 8663 0503 or 020 8777 6698.

Ownership of property

You can own property of any type jointly in two ways, either as 'joint tenants' or as 'tenants in common'. We will give you advice on which would suit your circumstances best.

Ownership as **joint tenants** means that on the death of one of the owners, the property automatically passes to the surviving owner.

If you own as **tenants in common**, you own a specific share which forms part of your estate and which you can therefore give away in your Will.

What you need to consider when planning your purchase

A deposit	This should be between 5% to 10% as a minimum of the purchase price. Lenders requirements vary so you should check before proceeding.
Getting a mortgage	We can point you in the right direction and recommend financial advisers who can assist you. We can also assist in re-mortgage quotes and provide you with further details to suit your needs.
Costs of purchase	These will depend on the purchase price. We can provide you with an immediate, without obligation quote.
Survey	These can range from a simple valuation report to a more detailed Homebuyer or full structural survey. We know local surveyors and can recommend some to you.
Stamp duty	1% if the purchase price is over £125,000 up to £250,000 (<i>exemption in place for this band for first time buyers from 25 March 2010 to 25 March 2012, however, the definition of first time buyer is very strict – see page 2* for full information</i>) 3% if the purchase price is over £250,000 up to £500,000 4% if the purchase price is over £500,000 5% if the purchase price is over £1,000,000 effective from April 2011.
HIP's	The property should have a Home Information Pack. This includes a sale statement, evidence of ownership, standard searches & energy performance certificate. Ask the seller or their agent to see it. When you sell we can arrange this on your behalf.
Leasehold property	Check the length of the remaining term of the lease and always ask the estate agent before making an offer to purchase. Always find out the Ground Rent payable and the service/maintenance charges.
Costs of owning the property	Ask the estate agent or the vendor the amount of the Council Tax, water rates and estimates for the buildings and contents insurance.



**Stamp Duty exemption for first time buyers on property with a purchase price below £250,000 between 25 March 2010 and 25 March 2011. However the definition of a First Time Buyer is very strict and the following qualifications apply:*

- 1. The purchaser must intend to occupy the property as his or her main residence (investment or Buy to Let properties do not qualify).*
- 2. The purchaser must not have previously owned an interest in land (which includes residential property) anywhere in the world.*
- 3. If there are joint purchasers then they do not get the exemption if one of the joint purchasers have previously owned an interest in land (all of the buyers must be first time buyers).*
- 4. If an individual has inherited an interest in land previously they also do not qualify for the exemption.*

Key workers scheme

Those eligible under the scheme can get Government help with home ownership. The Government fund a percentage of the equity. The scheme is only open to specific key workers in London and the South East and East of England.

For the purposes of this scheme, a key worker is someone employed by the public sector in a frontline role delivering an essential public service in the areas of health, education and community safety where there are serious recruitment and retention problems. Key workers who may currently get help include:

- Clinical National Health Service (NHS) staff (with the exception of doctors and dentists)
- Teachers and nursery nurses in schools and further education/sixth form colleges
- Police officers, Community Support Officers (CSO) and some civilian police staff
- Prison officers and some other staff
- Probation Service staff
- Social workers, nursery nurses, educational psychologists, and therapists (e.g. occupational therapists) employed by local authorities, Children and Family Court Advisory and Support Service (CAFCASS) or the NHS
- Local Authority Planners and Environment Health Practitioners
- Firefighters and other uniformed staff below principal level in Fire and Rescue Services
- Connexions Personal Advisors employed by a local authority or a Connexions Partnership
- Ministry of Defence (certain personnel)
- Highways Agency Traffic Officer staff in safety critical roles within the Traffic Officer Service.

For more information about Key Worker schemes contact a local Housing Association. In the Bromley area these are:

- Broomleigh Housing Association
- Hyde Housing Association
- Kelsey Housing Association
- Penge Churches Housing Association Ltd
- Keniston Housing
- Tower Homes Ltd



Shared Ownership (part buy, part rent)

Shared ownership schemes are administered by Housing Associations and are designed to help people who cannot afford to buy the home they need. In most instances, key workers, existing council/ housing association tenants and people registered for housing with the council, are given priority. Most shared owners are first time buyers. The scheme is not available to people who can afford to buy a home on the open market.

The size of the share purchased is normally 50% although smaller or larger shares may be available. Shared owners pay a monthly rent to the Housing Association for the share they were unable to purchase. In addition, there will normally be a service charge to cover items such as buildings insurance, management and cleaning of any common areas.

