



**Let us help you through the Mortgage & Buying Process...**



Bristol Mortgages Online, Weston Mortgages Online, Bath Mortgages Online and Exeter Mortgages Online are all independent, whole of market, mortgage brokers that focus on finding a great deal and the best mortgage for you and your personal circumstances. Our expert team will guide you through the whole process, all the way through to completion.

Due to the excellent relationships we have with many lenders, we can offer the most attractive mortgages on the market, some of which are only available through broker intermediaries, like ourselves.

### **Step One- Free Initial Consultation with one of our Advisers**

Depending on location and availability we can either come to see you at home or you can visit us by appointment at our offices. The majority of our clients choose to have their initial consultation by telephone or Zoom. We will work with you, for the most convenient method and time. We also offer evening and weekend appointments.

One of our experienced, expert Advisers will deal with you on a dedicated basis from your first appointment through to completion. At your free initial consultation, our Adviser will discuss with you any specific requirements, including your current circumstances, how much you can afford and your deposit. Your current employment status and earnings plus your credit history will also have a bearing on the type of mortgages we will recommend. Our Adviser will also give you expert advice about Protection insurance and other costs.

### **What is an Affordability check?**

Lenders investigate your finances - your income, your bills, and any other debts or commitments. This will include your lifestyle - your dependents and your spending. The lender has to be sure that you are not over-stretching yourself. Our Advisers and Administration team will guide you through this process as well as help with any forms and paperwork.

Before finally deciding how much to spend on a property, you need to be sure you will have enough money to pay for all the additional costs. These include:

- Survey fees
- Valuation fees
- Broker fees
- Stamp Duty Land Tax
- Solicitors/Conveyancing fees
- Land registry fee
- Local authority searches
- Fees, if any, charged by the mortgage lender
- VAT
- Removal expenses
- Any final bills, for example, utilities and rates from your present home which will have to be paid when you move.

You should be aware that if you start the process of buying a property and then the sale falls through you may have already paid for a valuation or a survey. If the solicitor has started any legal work you may also have to pay for the work done.

You should also take into account the running expenses of the property you wish to buy. These may include:

- Council tax (in England and Wales)
- Water/sewage rates (in England and Wales)
- Ground rent, if the property is leasehold
- Service or management charges
- Insurance costs, including life insurance, buildings and contents insurance
- Energy bills. An energy performance certificate can help you work out how energy efficient your property is.

### Step Two- How much deposit will I need?

Typically, First-Time Buyers will have a small deposit to put towards their first mortgage. The smallest deposit you can usually use to get a mortgage in the current market is 5%. Your Adviser will tell you exactly how much and when you will need to pay the deposit, in plenty of time to get your finances in place.

We can also help if you are using either a HTB ISA or LISA towards your deposit. Likewise, if you are being given or are giving a gifted deposit, we can advise regarding the implications and the actual process.

### Step Three – Let us arrange an Agreement in Principle for You

Few lenders offer actual mortgages if you do not have a property in place - they offer a "Mortgage in Principle" (MIP) or an "Agreement in Principle" (AIP). This provisionally lets you know how much you can borrow, subject to finding a suitable property in a specified time.

An Agreement or Mortgage in Principle is an important step in applying for a mortgage. It gives an indication of whether a lender could lend you the amount you need to borrow. Lenders use a soft credit check to do this, which has no impact on your credit file. The process is relatively speedy and requires some personal information, including details of your income and financial commitments, this information is used in the strictest confidence.

Getting an Agreement/Mortgage in Principle does not mean you are committing to apply to that lender for a mortgage. However, once you have one, you will be ready to discuss all the options we can offer. **We do not charge for getting you an AIP/MIP.**

### Step Four – Making an Application

Once you have found your property, you are then able to make a formal application. At this point we will review the market for you to ensure you have the best and most suitable mortgage product.

We very much hope that you will appoint us as your chosen Mortgage Advisers. As part of the service we offer, we have a team of expert support and administration staff who will process your application, progress your offer and chase any queries. We will hold your hand through to completion, working with you, your Estate Agents and Solicitors, making the process as smooth as possible. This saves hours of your time waiting on calls and chasing a wide circle of people during office hours and most importantly takes the stress away from you and makes the process much more efficient.

### Step Five Move into your New house

You have completed! Pick up the keys and enjoy your new home!!



We have set out below lots of useful information that you will need to consider along the way. Plus visit our websites and view or download our Useful Information Guides.

[www.bristolmortgagesonline.com](http://www.bristolmortgagesonline.com)

[www.westonmortgagesonline.com](http://www.westonmortgagesonline.com)

[www.bathmortgagesonline.com](http://www.bathmortgagesonline.com)

[www.exetermortgagesonline.com](http://www.exetermortgagesonline.com)

### Adverse Credit History?

A poor credit rating can be a major barrier to getting a mortgage, but the good news is, there are lenders who are prepared to help those whose applications may be refused elsewhere. It might not seem fair but even having a big deposit in place and a decent salary isn't enough to guarantee you a mortgage. If you have a bad credit score, then your application is likely to be refused. Banks and building societies are cautious about who they lend to, so they always check credit reports carefully to see if potential mortgage customers have defaulted on any debt payments in the past. They will also look for any County Court Judgments (CCJs) against you, or if you have ever filed for bankruptcy. If any of these scenarios apply, the chances are you won't be eligible for most mortgage deals – even if your financial problems occurred a long time ago.

### Credit Score

- Poor
- Average
- Excellent

There are some mortgages however, which are specifically designed for those whose credit history is far from perfect. These are often known as 'sub-prime' mortgages or 'adverse credit' mortgages and are generally offered by lenders specialising in this market.

If you think you may have a poor credit history or an adverse credit rating, you can obtain a free credit report from one of the following.

[www.experian.co.uk](http://www.experian.co.uk)

[www.equifax.co.uk](http://www.equifax.co.uk)

[www.clearscore.com](http://www.clearscore.com)

[www.creditkarma.co.uk](http://www.creditkarma.co.uk)

Once you have your report, email it to us at [info@swmortgages.com](mailto:info@swmortgages.com) giving details of the type of mortgage you require and your personal circumstances, and one of our specialist advisors will be in contact to discuss your specific situation.

## Making an Offer (England & Wales)

### Making an offer on a house or flat

When you make an offer on a property, it is more likely to be accepted if it is based on your knowledge of the seller and the local market as well as the house itself. While a bit of haggling is often to be expected, do not offer so little that you enter a lengthy negotiation process, as you might lose the property altogether if someone else makes a higher bid. If there have been other offers on the property, the estate agent cannot legally tell you how much they were for, but they may indicate whether they were close to the asking price, which will also help to inform your own offer.



### Comparing properties to calculate a suitable offer

In order to work out what would be a sensible offer for a property, make sure you compare multiple properties in the neighbourhood. Websites such as [www.zoopla.co.uk](http://www.zoopla.co.uk) or [www.rightmove.co.uk](http://www.rightmove.co.uk), can be very useful.

It is worth writing down the vital statistics for each property you visit - dimensions, condition, number of rooms etc. - in order to get an idea of whether the asking price represents good value.

### Making an offer below the asking price

The asking price does not always reflect a property's worth. Be proactive and research the local market to get an accurate picture of what the house or flat should really cost. In recent times, offers have been required to be over the asking price, or even on sealed bids.

### Common reasons for offering less than the asking price include:

- A similar property recently sold at a lower price and the market has not changed.
- There are some repairs or improvements that would need to be carried out for you to be happy in the home.
- The seller has a motive to complete the deal as soon as possible, for example if they need to move quickly due to a pregnancy or job.
- The property has been on the market for a while and no one else has made an offer recently.

- It is worth bearing in mind that many people find selling their home very emotional and you risk insulting or upsetting them if you go in too low.
- Before putting in that cheeky offer, think carefully about whether the saving is worth risking losing your dream home over - and whether you're being fair.

### When to offer the asking price (or more)

- If the property ticks all the boxes on your 'needs and wishes' list and is not overpriced, it may be worth offering the asking price straight away - especially if you do not intend to move again for several years.
- Those competing with lots of other bidders might even want to consider putting in an offer above the asking price, especially if you're likely to be waiting a while for another property of that type to come onto the market.
- In fact, in thriving property markets where bidding wars are common, it's more than likely you will have to bid above the asking price to land your dream home, so make sure you factor this into your budget.

### Making an offer to an estate agent

- When it is time to make your offer, your research into the value of the property, your understanding of the seller's circumstances and being clear about your own position are all invaluable.
- You can make your offer to the agent either over the phone or in person at their offices. Either way, it is worth also putting your offer in writing and agreeing a provisional timescale to work towards for completing the purchase.
- Make sure that the price you are offering is subject to a survey and getting a mortgage, so that after your offer is accepted there is still the opportunity to revise the amount you pay, and also state that it's subject to the property being taken off the market and not being shown to anyone else.

### Selling yourself as a prospective buyer.

#### Before you make an offer

- It is important that you present yourself in the best possible light so the vendor knows you're able to proceed quickly and aren't going to pull out of the purchase.
- Try and get a mortgage agreement in principle before you make your offer, as this will reassure the vendor and the agent that you can afford the property. We will gladly verify your position to a third party on your behalf.
- If you have a home to sell, it is best if you have already accepted an offer on it before making an offer on the property you want to buy. That way, the vendor can be less worried about the chain causing hold-ups.

#### When you make your offer

- Tell the estate agent that your offer is subject to the house being taken off the market, with no more viewings conducted. Ask them to change the online listing and for sale board to say 'under offer' or 'sold subject to contract'.
- The agent and vendor are not legally obliged to do this, but you should question their reasons if they refuse - it could indicate that the vendor would consider accepting a higher offer from another buyer.

#### After your offer is accepted

- Speed and preparation are crucial. The longer a sale goes on, the more time you give the vendor to back out.
- Keep chasing things up with your solicitor or conveyancer and the agent, and make sure you read, sign and return forms and paperwork as promptly as possible.
- If you are really worried about gazumping, you can draw up a contract that says both parties will exchange within a particular timeframe. This reduces (but doesn't eradicate) the chance of being gazumped as there will be a smaller window when another offer can be made. Your contract could also stipulate that, if the vendor backs out, they will pay you an agreed amount as compensation.
- Exclusivity agreements are another option: you pay the seller a fee in exchange for sole rights to the house for a set number of weeks. You will need to pay a solicitor to do this for you and it can get complicated. Even worse, there is still a small risk that the seller simply waits until the exclusivity period is up, finds any reason to reject the deal and sells to another buyer later.

## Sealed bids

If more than one person makes an offer on a property, the estate agent will sometimes ask all the interested buyers to submit a bid in a sealed envelope by a set date. This is called a sealed bid.

- This can be daunting but it is not legally binding: either party could potentially back out at any point before contracts are exchanged.
- It's very difficult deciding how much to offer: on the one hand you don't want to pay more than it's worth, but on

## New build offers

Getting a mortgage for a new-build home can sometimes be harder than for an older property. You might be restricted to borrowing 85% of the value of a house, or 75% on a flat, while with an older property lender may be willing to loan a bigger percentage.

Timing can also be an issue. Mortgage offers tend to be valid for six months, which can cause a problem if you're buying a home that hasn't been built yet, called buying off-plan, and the completion date is further in the future. Some lenders will consider extending their offers, but this is often subject to reassessing your application.

Please speak to the developer regarding the exchange date prerequisites as it can be as soon as 21 days after making the offer. Our expert Advisers and Admin team will help you through this process.

## Pros and cons of buying new build homes

Advantages of buying new-build homes	Disadvantages of buying new-build homes
<b>Guarantees:</b> new-build homes come with a 10-year NHBC warranty covering structural defects. Most developers also provide their own two-year warranty.	<b>Delays:</b> if there's a hold-up during construction, your mortgage offer could expire.
<b>Specification:</b> new homes are built to the latest specifications, so major repairs should be unnecessary for the first few years. They tend to be more energy-efficient, too, so you could benefit from lower utility bills.	<b>Defects:</b> not all problems will show up in a snagging survey, and some developers have come under fire for poor after-sales service.
<b>Personalisation:</b> if you buy off-plan, you might be able to choose your fixtures and finishes. This is great if you're attracted by the 'blank canvas' element of buying new-build.	<b>Risk:</b> plans and brochures don't always give a clear idea of what the home will actually look like when it's built.
<b>Incentives:</b> Developers may often offer discounts, free fittings or even payments towards Stamp Duty.	<b>Size:</b> the rooms in new-build homes are often smaller than those in older properties, so you will need to make sure your belongings will fit.
<b>Ease of purchase:</b> there's no upward chain to contend with when you buy a new-build home.	<b>Disruption:</b> if you're one of the first to move in, you could find yourself living on a building site while the rest of the work is completed.

## Arranging a Survey

One in five homebuyers rely solely on a mortgage valuation report, so it's no surprise that many are hit with repair bills once they move in. Getting a survey can help avoid the stress and cost of making repairs further down the line.

## Types of property survey

Choose a survey based on the condition of the property itself, not the cost of the survey. Money spent on a decent survey can save you a fortune in the future.



## Condition Report

A Condition Report is a very basic survey. This is a mandatory survey for all lenders the respective lender will appoint an approved surveyor/valuer to carry out this survey to ensure the value of the property meets their lending criteria. No advice or valuation is provided in this survey.



## Home Buyer Report

A Home Buyer Report is a survey suitable for conventional properties in reasonable condition. Costs start at £400 on average.

- This will help you find out if there are any structural problems, such as subsidence or damp, as well as any other unwelcome hidden issues inside and outside. But the Home Buyer Report doesn't look beyond the floorboards or behind the walls.
- Some homebuyer's reports include a property valuation, so you may be able to revise your offer if the survey reveals a lower price than the mortgage lender's valuation.
- If there's no valuation included, you could use the report's suggestions for repairs to renegotiate the price. For example, if it's going to cost you £5,000 to carry out work on the property's damp walls, it's reasonable to offer £5,000 less than the asking price.

## Home Condition Survey

The Home Condition Survey provides the same level of in-depth inspection as a building survey.

- It uses a simple and clear presentation style and a 1, 2, 3 rating system to ensure that you can easily identify the most serious issues.
- Included with the Home Condition Survey you should find some advice sheets on how to deal with some of the more common problems that have been found at the property.
- The typical cost is in excess of £500.

## Building or full structural survey

This is the most comprehensive survey and is suitable for all residential properties. It's particularly good for older homes or homes that may need repairs.

- This type of survey typically costs upwards of £700 and provides detailed advice on repairs. It's very extensive and in some circumstances worth the extra money but it does not usually include a valuation.
- Although this survey can't look under floorboards or behind walls it should include the surveyor's opinion on the potential for hidden defects in this area.
- The surveyor should also provide information on potential repair options. Again, you could try to save money by comparing the details of the repairs required against the lender's valuation.

## New-build snagging survey

A New-build snagging survey is an independent inspection to look for any issues with the property. Costs typically start from £300 depending on the size of the property. Developers should fix faults highlighted before you move in.

## Mortgage valuation survey

The sole aim of the mortgage valuation is to satisfy the lender that your desired property is worth the price you're paying – or at least the amount it's lending – before they approve your mortgage. A valuation is just that – it won't point out repairs or structural problems that you will have to pay to fix.

Generally, you will pay for the lender's survey. The cost is based on the value and size of the property and is typically £150 to £1,500. Sometimes lenders offer mortgages with free valuation surveys.

If the surveyor reports that there are some problems with the property, you will have to consider whether you still want to go ahead with the purchase or want to negotiate further with the seller about the price. The surveyor will usually advise you as to how any problems they have identified should be dealt with and the likely costs of this.

If you require a quotation from a recommended Surveyor please ask one of our Advisers.

## Conveyancing (England & Wales)

You can use any Solicitor or Conveyancing Specialist you choose. You are not obliged to use the Solicitor recommended by your lender or Estate Agent. We work closely with a number of very reputable, local and reasonably priced Solicitors practices that we will highly recommend. If you don't have a preferred Conveyancer, please ask your Adviser to arrange a no-obligation quotation.



## Conveyancing fees

Conveyancing fees range from around £500 to £1,500, depending on the cost of the property and whether you're just buying or selling one home and buying another. The cost will also depend on how complex the property transaction is. For example, if the property is a leasehold there's more legal work to do. Some solicitors will charge a flat fee, while others will charge a percentage of the property's value. Always check exactly what the fee covers - some will charge extra if any unforeseen issues arise. Get a few different quotes before choosing who to use.

## What does conveyancing involve?

Conveyancing describes all the legal work that goes on between your offer being accepted, you and the seller exchanging contracts, and the completion of the sale. Every property purchase whether residential, investment or commercial is different but in general a conveyancer will manage things like:

- Dealing with the Land Registry
- Stamp duty charges and payments
- Collecting and transferring money during a house sale
- Providing legal advice and recommendations
- Drawing up and assessing contracts



Once you've instructed your conveyancer, they will carry out a number of checks on the property you're planning to buy, while providing your buyer with essential information about your current home if applicable.

Preparing to exchange is usually the longest part of the conveyancing process, and neither your sale nor your purchase will be legally binding until this step is complete and you've exchanged contracts. Understanding exactly what's going on during this time can make things a bit less baffling and stressful.

In a nutshell, it's the time when you and your conveyancer check essential information about the property you're buying to reveal any issues you might need to be aware of. Typically, this takes somewhere between four and 12 weeks. However, it can take longer depending on the speed of your seller's conveyancer in sending information through, the tenure of the home (leasehold transactions often take longer), and the amount and complexity of queries submitted by your buyer's conveyancer.

### Leasehold versus freehold

If you don't already know, you will need to find out from the estate agent whether the property you're buying is leasehold or freehold. Conveyancing for leasehold properties is more complex and can take slightly longer. You will also need to check how long is left on the lease. If there are fewer than 80 years remaining, the property will quickly go down in value. If you find that this is the case you can either ask the seller to extend the lease before they sell it to you, or try to negotiate the price accordingly. It's best to ask the seller to extend it themselves as you won't have the automatic right to do so until you've owned the property for two years.

### Questionnaires and forms

You will need to fill out a number of standard forms with information about the property you're selling. Your solicitor will use these to create a draft contract for your buyer. The forms include:

- TA6 – covers general information about your home such as boundaries, parking, insurance and whether there are any existing planning notices that could affect the property.
- TA10 – gives you the opportunity to set out which fixtures and fittings you plan to include in the sale of the property.
- TA13 – covers some of the finer details about the completion of the sale; your conveyancer will usually complete this form for you although they may ask for your input.
- TA7 – leasehold and share of freehold properties only; contains details about the lease.

As well as the above, you will also need to send your solicitor an energy performance certificate (EPC) for the property and a form of identification.

### Property searches

Your conveyancer will conduct a number of checks to make sure that there are no issues with the house you're buying. These include:

- Local authority search – to gather information about factors such as environmental issues, proximity to railway lines and development plans that might affect the property.
- Drainage search – to check whether the property is connected to mains drainage and water supply.
- Environmental search – your conveyancer will order an environmental report to find out about factors such as flood risk, ground stability and landfill sites in the local area.
- Chancel repair liability – if your property is close to a church, your conveyancer will check the property deeds to find out whether you will be liable to contribute towards church repairs.

### Enquiries

Depending on the results of the searches and surveys, your conveyancer may raise a number of enquiries with your seller's conveyancer. The enquiries tend to include questions about rights of way, which home contents will be included in the sale, and any planning constraints that the seller is aware of.

If you're buying a leasehold property, there will be additional enquiries relating to the terms of the lease. These will include factors such as the upkeep of common areas, restrictions about what you can do to the property and whether there's a managing agent.

Your conveyancer will need to read the full lease and will talk you through any of the major issues to consider. When all the enquiries have been adequately answered, your conveyancer will report back to you with any key findings. At this point, you, your buyer and your seller will need to confirm that you're happy to go ahead.

### Signing contracts

Once everybody confirms they're happy, your conveyancer will send you your final contract and any other documents to sign. Your conveyancer will then arrange to collect the deposit funds from you for the property you're buying, and if applicable will provide you with a transfer deed to sign for your current property.

### Exchange

Once all parties are happy to go ahead, the next step is to sign and exchange contracts with your seller and your buyer. At this point the transactions become legally binding. Normally, you will exchange contracts somewhere between one and four weeks before completion, although it's technically possible to exchange and complete on the same day. Your conveyancer will check with you that you're happy to proceed, and will speak to your buyer and seller's respective conveyancers to organise a time and date to exchange contracts.

### Exchanging contracts

The actual exchanging of contracts usually involves phone calls between all of the 'linked' conveyancers in the chain to confirm that the respective contracts are identical, after which the conveyancers will post them out to one another. At the same time your conveyancer will send your deposit funds to your seller's conveyancer, and your buyer's conveyancer will send their funds to yours. Once exchanged, you, your buyer and your seller are legally bound to complete on the completion date. Major financial penalties will apply if any party pulls out after this point.

### Final checks

Around the time you exchange contracts, either just before or shortly after, your conveyancer will conduct a final search – known as a Priority Search or a Land Registry Search. This is to check that nothing has changed regarding the ownership of the property in the time since you made your initial offer. This search also prevents anybody else from changing or making new entries on the property's legal title, so you know you won't get any nasty surprises after completion.

Around this time, your conveyancer will send you a final statement – sometimes known as a completion statement – which shows you the total amount you will owe on completion. Your statement will include:

- Search fees
- Stamp duty land tax
- Any rents or service charges payable on a leasehold property
- Conveyancer's costs
- Any applicable mortgage fees
- Estate agent's fee,

Your conveyancer will also request a final redemption statement from your mortgage company, confirming the exact amount you will owe on the day of completion. This will include any early repayment fees that apply.

### Complete and move in

Assuming you're completing on your sale and purchase on the same day, this is when all remaining funds and keys change hands, and you're free to move into your new home. On completion day, your conveyancer will check they've received the mortgage funds from your lender.

Your conveyancer will contact you to check that you're happy to complete, and will then phone both your buyer and seller's conveyancers to formally complete the sale. Once your conveyancer has received funds from your buyer, they will transfer funds to your seller's conveyancer, as well as any money owed to your mortgage company, and any other outstanding funds owed to people, such as your estate agent. They'll then send any leftover funds to you.

If you are selling a property, you will need to give your old house keys to your estate agent, ready for your buyer to collect, and around the same time your seller's conveyancer will confirm to their estate agent that the house keys can be released to you. You're then free to collect them from the estate agent's office and move in. Completion is usually arranged to take place at midday, but in practice it can be slightly later by the time money has changed hands and your seller has moved all of their belongings out of the property.

### After completion

After your purchase is complete, your conveyancer will take the following steps to tie up the loose ends on your new property:

- Register the transfer with the Land Registry
- Pay the stamp duty land tax on your behalf
- Notify the bank of completion
- If the property is leasehold, your conveyancer will notify the freeholder of the sale.

### Enjoy your new property!



## Stamp Duty Land Tax

### Overview

You must pay Stamp Duty Land Tax (SDLT) if you buy a property or land over a certain price in England and Northern Ireland.

You pay the tax when you:

- buy a freehold property.
- buy a new or existing leasehold.
- buy a property through a shared ownership scheme.
- are transferred land or property in exchange for payment, for example you take on a mortgage or buy a share in a house.

### Thresholds

The threshold is where SDLT starts to apply. If you buy a property for less than the threshold, there's no SDLT to pay. The current SDLT threshold for residential properties is £250,000. The threshold for non-residential land and properties is £150,000.

### First-time buyers

You'll get a discount (relief) that means you'll pay less or no tax if both the following apply:

- you, and anyone else you're buying with, are both first-time buyers.
- the purchase price is £625,000 or less.

## How much you pay

How much you pay depends on whether the land or property is residential use or non-residential or mixed-use. If you're buying a residential property, there are different rates of SDLT if:

- you're a first-time buyer
- you already own a property and you're buying an additional property.
- you're not a UK resident.
- You can use HM Revenue and Customs' (HMRC) Stamp Duty Land Tax calculator to work out how much tax you'll pay.

You may be able to reduce the amount of tax you pay by claiming relief, such as if you're a first-time buyer or purchasing more than one property ('multiple dwellings')

## How and when to pay

You must send an SDLT return to HMRC and pay the tax within 14 days of completion.

If you have a solicitor, agent or conveyancer, they'll usually file your return and pay the tax on your behalf on the day of completion. They'll then add the tax to their fees. They'll also claim any relief you're eligible for, such as if you're a first-time buyer. If they do not do this for you, you can file a return and pay the tax yourself. You must send an SDLT return if you pay more than £40,000 for a property - even if there's no SDLT due.

## Residential Property Rates

You usually pay Stamp Duty Land Tax (SDLT) on increasing portions of the property price when you buy residential property, for example a house or flat. SDLT only applies to properties over a certain value.

The amount you pay depends on:

- when you bought the property
- how much you paid for it

## Rates for a single property

You pay stamp duty at these rates if, after buying the property, it is the only residential property you own. You usually pay 3% on top of these rates if you own another residential property.

There were different thresholds and rates for residential properties before 23 September 2022.

You can also use this table to work out the SDLT for the purchase price of a lease (the 'lease premium').

Property or lease premium or transfer value	SDLT rate
Up to £250,000	Zero
The next £675,000 (the portion from £250,001 to £925,000)	5%
The next £575,000 (the portion from £925,001 to £1.5 million)	10%
The remaining amount (the portion above £1.5 million)	12%

## If you're buying your first home

You can claim a discount (relief) if the property you buy is your first home. This means you'll pay:

- no SDLT up to £425,000
- 5% SDLT on the portion from £425,001 to £625,000

You're eligible if you and anyone else you're buying with are first-time buyers.

If the price is over £625,000, you cannot claim the relief. Follow the rules for people who've bought a home before.

## Higher rates for additional properties

You'll usually have to pay 3% on top of SDLT rates if buying a new residential property means you'll own more than one.

If you're replacing your main residence

You will not pay the extra 3% SDLT if the property you're buying is replacing your main residence and that has already been sold.

If you have not sold your main residence on the day you complete your new purchase you'll have to pay higher rates. This is because you own 2 properties.

### **How does stamp duty work on buy-to-let properties?**

If you're buying an additional property, such as a buy-to-let, landlords will have to pay an extra 3% in stamp duty on top of the rates for each band.

For further information and to use online calculators please visit <https://www.gov.uk/stamp-duty-land-tax>

## **Protection & Life Cover**

### **We always recommend a Fully Protected Mortgage**

As an Independent Mortgage Broker, we are not only mortgage specialists, but we can also access the whole market for your insurance protection needs too.



Many banks and building societies and estate agents are "tied" to one insurer, and therefore cannot compete with an independent specialist like us on cost or benefits as they only offer one product. This is a complex area and, in our view, is sometimes a more important decision than the mortgage. Whereas a mortgage deal may only last two or three years, the right protection could last the whole term!

We therefore always have a free face to face consultation with you and one of our experienced advisers to discuss your individual requirements to help us with our personal recommendations.

We have listed below a brief description of some of the many types of protection currently available, which may help narrow down your choices. Please feel free to call us and we will arrange an appointment with you at home, in your office, at one of our offices or via Zoom.

## **Life Cover**

### **What is life insurance?**

Life insurance is a type of insurance policy designed to help cover your loved ones' financial needs after your death. Most life insurance policies will pay out a lump sum of money if you die within the specified time period. This means that, regardless of your own financial situation, you can leave your family the money they need to use.

### **How does life insurance work?**

Life insurance can help you protect your family after you're gone, which means that policies pay out after you die. This money will usually be paid to the deceased's estate and then managed through probate, unless the policy is written into trust with a named beneficiary in which case a lump sum would be paid out.

### **Types of life cover policies**

Please note that we can quote you for life insurance, critical illness cover or a combination of both types of protection, to suit your specific requirements.



### **Decreasing term assurance**

This product provides a lump sum on death. Cover decreases each year, in line with the balance of a repayment (capital & interest) mortgage.

### **Level Term Assurance**

As above, but cover remains level throughout the term.

### **Family income benefit plan**

For this type of policy, after the death of the policyholder, the family/beneficiaries receive a monthly/annual payout over an agreed period of time, rather than a lump sum at the point of death.

### **Whole of Life cover**

This type of policy covers the policyholder until their death, rather than during a fixed term. These policies will often have premium reviews built into the policy at prespecified times.

## **Critical Illness Cover**

### **What is critical illness cover?**

Critical illness insurance will pay out if you get one of a number of a specific medical conditions or injuries listed in the policy. But be aware that not all conditions are covered and the policy will also state how serious the condition must be. Most policies will also consider permanent disabilities as a result of injury or illness. A critical illness policy only pays out once and then the policy ends. Some policies will make a smaller payment for less severe conditions, or if one of your children has one of the specified conditions.

### **What is not covered?**

Some serious illnesses might not be covered, for example, some cancers and conditions not listed in the policy. You probably won't be covered for health problems you knew you had before you took out the insurance, and this type of insurance does not pay out if you die. What's covered and what's not, will be set out in the policy details so make sure you're fully aware of them and that they cover your needs. We guide you through all the considerations to find the right policy to meet your needs.

### **How much does it cost?**

Your monthly payments will depend on a number of factors, including:

- age
- whether you smoke or have previously smoked
- health (your current health, your weight, your family medical history)
- job (some occupations carry a higher risk than others and may mean you have to pay more each month)
- the amount of cover you take out

Our experienced and knowledgeable Advisers will talk you through all the policy options enabling you to make an informed decision regarding the best level of protection.

### **Other types of Protection products include:**

#### **Permanent Health Insurance/Income Protection**

Provides a long-term, Tax-Free income, if you are unable to work due to accident or sickness, if eligible. This ideally would provide an income up to retirement. Some providers offer shorter term income payment periods, for example to the end of a mortgage term or for two or five years. If you are employed, this tends to commence from when your employer's sick pay entitlement finishes. If you do not have sick pay or are self-employed, payments will commence as per your chosen deferment period, this is usually from 4 to 52 weeks.

### Private Health Insurance

To provide cover to allow for any private medical treatment and may also provide an income while in an NHS hospital. Subject to limits and eligibility. This insurance may help avoid lengthy waits on the NHS by having a private consultation or procedure using this insurance.

### Mortgage Payment Protection

Usually provides short term protection against sickness and/or redundancy. If you are eligible, cover can be from Day 1 or 30/60 days and lasts 12 - 24 months in either event.

### Business & Commercial Cover

We will be delighted to provide you with quotations for any of the above insurance products. We also have access to excellent providers for Investment, Commercial and business Insurance.

Whether you are a sole trader, partnership or Limited company, Business protection is a vital safety net, and can take many forms, life and/or Critical Illness cover, Income protection, Key person or 'Key Man' insurance, and for Limited Companies, why not Let the Tax man pay for some of your life cover?

### Home and Contents Cover

We will be pleased to run a comparison quote for either a new or existing policy for all your Home and/or Contents requirements.

### Contact Us

**For further details about the mortgage and protection products we offer as a fully independent mortgage broker, or any other mortgage information, book your FREE CONSULTATION with one of our expert Mortgage and Protection Advisers.**

Bristol Mortgages Online	<a href="http://www.bristolmortgagesonline.com">www.bristolmortgagesonline.com</a>	Tel 0117 325 1511
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**Please note that the information provided in this guide is meant as a general guide as we are not authorised nor act in any capacity for any legal, tax, or other service outside the provision for researching mortgages and protection products. We recommend you seek advice from specialist within each field of expertise. The information is correct at the time of production but is subject to change and as such we cannot be held responsible for its content.**

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**YOUR HOME MAYBE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE**