ThomsonHaytonWinkley

Most frequently asked questions

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1. How much is my house worth?

Probably the better question is 'what is someone willing to pay for your property?' and getting the pricing right for your property is one of the areas where a great agent can add significant value. Part of the pricing will reflect your own motivation for selling. If you need to sell quickly to achieve other goals in your life you may price the property more keenly or if you are willing to wait until the right buyer who's willing to pay the right price comes along you may put the price slightly higher.

A good place to start is taking a look at what your neighbouring properties have sold for, this will give you a rough indication of your homes potential. The next step would be to invite a couple of local agents to your home for their thoughts, do not be swayed by the highest figure, ask the agent how they have come to this price and what can they do in terms of marketing the property to its full potential and how they can achieve the best deal for you.

2. When is the best time to move?

There is no wrong or right time to sell your property. There are, however, peaks and troughs during the year and being aware of the cycle will help you make the most of the opportunity, but don't forget this doesn't take into account your own reasons for wanting to sell. The New Year is seen as the best time for a fresh start and is a popular time to start searching. Activity grows from the start of the year towards Spring which is the most popular time to buy and sell and properties do present well during this times especially gardens.

Summer often sees the market slowing mainly due to people focusing on summer holidays and the school holidays. Autumn picks up again as people have had their holidays and there is still a chance of being in your new home for Christmas. Winter is the least popular time with the darker evenings and properties do not present at their best however there are still buyers and sellers as life events such as marriages, births, divorces or the death of a family member will trigger a move.

3. What are the running costs of a home?

These can vary depending on the age and current condition of the property. A good indication can be found on the EPC (Energy Performance Certificate) for the property.

4. When is the best time to look in to mortgages?

We would suggest doing this right at the beginning of your search and would recommend you seek the advice of an independent mortgage advisor who can advise you on the best deals from different lenders and also will be able to give you an indication of how much you could borrow.

5. When is the best time to instruct a solicitor?

Again this is best at the onset of the transaction, securing a solicitor as you start to place your property on the market or at the beginning of the search means it is one less thing to worry about and you know they will be on hand for any queries plus you will have an understanding of what their charges will be.

6. How much do estate agents charge?

This will vary on the level of packages on offer and the quality of the service you wish to receive, we would never recommend choosing the cheapest agent, rather ask them what they will achieve for the fee quoted. Beware of hidden and upfront costs.

7. How long does the whole selling/buying process take?

From having an offer accepted to completion typically takes about 10 to 12 weeks. Though, well-prepared home buyers who pay cash have been known to purchase properties faster than that. However transactions involving lengthy chains may take much longer. Market conditions are a major factor in timings with a busy market with a lot of sales activity, buying a home may take a little longer than normal. That's because several parties involved in the transaction get behind when business suddenly picks up.

For example, a spike in home sales increases the demand for surveys and solicitors, yet there will be no increase in the number of professionals available to do the work. Lender turn-around times for mortgage approvals can also slow down.

8. Do I need a survey?

If purchasing with a mortgage most lenders will require some form of a valuation which will depend usually on your L.T.V. (Loan To Value). For non-mortgage purchasers surveys are not required, however, are highly recommended becausethey can reveal defects in the home that are not easily detected. A survey will bring peace of mind to one of the biggest investments of a lifetime and come in different forms.

- Mortgage Valuation
- Condition Report
- HomeBuyer Report
- Home Condition Survey
- Building or full structural survey

Normally the age, construction and condition of the property you want to buy will dictate what survey is best.

9. How much does it cost to move house?

This will depend on many factors, whether you are selling a property to buy, whether you will require a mortgage or survey. Typically you will need to factor in the costs for mortgage fees, survey fees, solicitor fees, estate agents fees, Stamp Duty, deposit, removal costs. Beware of hidden costs such as redeeming a mortgage early or penalties for leaving utility or internet providers for example.

10. What is the difference between Freehold and Leasehold?

Freehold means that you own the whole building and the land it stands on, giving you ownership of the property for an unlimited period of time. You will be responsible for maintaining the buildings and the land that make up the property. Most houses are freehold properties, but not always, and some may be held leasehold which is explained below. Freehold is generally the type of tenure that is preferred – it's a simpler arrangement.

Leasehold is where you are given the right to use a property or part of a property for an extended period time. This arrangement is defined in a lease document and will be for a fixed period (typically anywhere from 99 years and sometimes up to 999 years), after which the freeholder can take back the property unless you extend the lease. Even though leases are normally granted for a very long time, technically a leasehold is a temporary right to occupy the property and it is this that differentiates it from a freehold ownership which is permanent. A leasehold arrangement is typically used for flats where the freeholder own the block of flats and the land it stands on and then grant a lease to each of the occupiers of the individual flats, although there are leasehold houses too.

The lease will detail what the freeholder (also called the Landlord or Lessor) is required to do and likewise what the Leaseholder (also call Tenant or Lessee) is required to do. This will include the payment of an annual ground rent, a charge stipulated in the lease, often typically a modest charge of £50-£300 but your solicitor will need to check the exact detail of the individual lease. You are also likely to have to pay an annual service charge for the maintenance of the communal parts of the property along with a contribution to the cost of insuring and managing the building. When you buy a leaseholder property, you are actually buying the lease from the seller and taking it over the remaining period of the lease. A mortgage lender will generally only want to lend you the money where there is a significant period of time left to run on the lease. Typically, they will want at least a further 70 years.

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11. What is a seller's market?

In sellers' markets, increasing demand for homes drives up prices. Here are some of the drivers of demand:

Economic factors – the local job market heats up, meaning new residents and pushing up house prices.

Low interest rates – improves home affordability, creating more buyer interest, particularly for first time home buyers who can afford bigger homes as the cost of money goes lower. Buyers want to make a move before their purchasing power (the amount they can borrow) drops.

Low availability - fewer homes on the market means prices may go up because there are fewer homes available.

12. What is a buyer's market?

A buyer's market is when demand is reduced and can lead to declining house prices. Several factors can effect buyer demand, like:

Economic disruption - a big employer in the area ceases operations, making their workforce redundant.

Higher interest rates – the amount of money people can borrow to buy a home is reduced because the cost of money is higher, thus reducing the total number of potential buyers in the market. Home prices drop to meet the level of demand and buyers find better deals.

High availability – a new development can create downward pressure on prices of older homes nearby, particularly if they lack highly desirable features (modern appliances, etc.)

Natural disasters - flooding can effect property values in the neighbourhood where those disruptions occurred.

13. What is Stamp Duty and what does it cost?

Stamp Duty Land Tax (SDLT) is a form of tax that is paid to the government when you purchase property or land, above a certain price threshold, in England.

14. What is gazumping?

Where the seller, having already accepted an offer, decides to accept a higher offer from another buyer. As both parties are only legally committed to the purchase after the exchange of contracts, the seller is legally entitled to do this. Asking the vendor to stop advertising and doing viewings at the property once your offer has been accepted will reduce the risk of this happening.

15. What is gazundering?

When a buyer reduces their offer just before the contracts are exchanged in the hope of forcing the seller to accept less for the property. This can legally happen until the exchange of contracts.

16. What is the difference in owning a property as a tenant in common or as joint tenants?

Tenants in Common – A form of ownership used when two or more people own a property. If one of them dies, their share of the property forms part of their estate and does not automatically pass to the other owners in common.

Joint Tenants - A form of ownership used when two or more people own a property. If one of them dies, their share of the property automatically passes to the other owners, regardless of the what it says in the deceased's Will.

17. What does L.T.V. mean?

Loan to Value - The amount a mortgage lender is prepared to lend you against the value of your property. If the property was valued at £100,000 and the mortgage lender's maximum LTV for a scheme was 75%, the maximum mortgage would be £75,000.

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