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Ten top tips for buyers

What are the most important things to remember when bidding for the most expensive single purchase you've ever made - often using someone else's money to part-fund it?

- 1. Try and buy with your head and not your heart.** You may love the view, the garden or your dream kitchen, but don't forget that you need to be able to keep up with your mortgage repayments. However if you have found the perfect house, or if there are not many properties available in your desired area, then you may need to look at your budget and affordability. A good independent (whole of market) mortgage advisor should be able to help you plan your budget at different price points so you know exactly what you will be paying if you do spend more.
- 2. Don't be afraid to negotiate** if you think the asking price is too high. Again as a cautionary note, bear in mind current market conditions and other properties that have sold locally – if there are 6 sold signs in the street you may not get a massive “discount” from the asking price if the property is marketed in line with similar properties locally.
- 3. Use tools online** [to check what similar properties have sold for](#), what other homes are for currently for sale at and how long the property has been on the market. However when preparing an offer remember that surveyors for example will use roughly a 3 month history for mortgage surveys. Anything older than this is not really relevant, so saying to an agent “but it sold last August for xxx” will not really help your case. Remember that you will not necessarily be able to find the reasons why a property sold for a certain price, for example the condition it was in, or why the vendor was selling (if it needed total refurbishment and the vendor was days away from being repossessed for example, they would probably be keen to sell quickly at a lower price, maybe to a cash buyer, especially if the house was not mortgagable), this too will affect how serious your offer looks to an agent/vendor.
- 4. Calculate the yield** - the rent that could be achieved (annually) divided by the asking price. Aim for 6%+; less than 4% should ring alarm bells.
- 5. Look at other properties through the same agent** so he knows you are serious and could buy something other than the one you have your heart set on.
- 6. Bid an odd number.** You don't have to increase in regular amounts to outbid someone else.

7. Be clear about what you are buying. Is the garden furniture, the carpet, the curtains and/or the new kitchen equipment included in the price?

8. Put your best foot forward. Include the name of your solicitor, your mortgage lender/broker, state just how fast you think you could exchange contracts and how flexible you are on when you might complete. Make it easy for the seller to accept your offer. It may not be as much as he wanted but it gives him other things of value such as time to find another home. Although an agent cannot penalise you for not using their mortgage services or solicitors (if available), if you are looking for the best deal it may be worth speaking with them and it will give the agent confidence that you are open and honest about your situation.

9. Don't be afraid to walk away. There is no law that says the buyer has to be the one to blink first, often the seller will negotiate indeed often he expect to.

10. Always follow up any offer in writing and mark it 'subject to contract'. Be confident, after all you have what the seller wants... money!

For advice on house hunting, mortgage quotes, solicitors costs or any other part of the house buying process, contact your local office.

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