

Knowing Your Figures

Buying your first house is such an exciting time! Independence, space, and your own set of front door keys. But it's important not to get too excited before you've worked out what you can afford. You wouldn't want to find the perfect 4-bedroom detached house in a quiet cul-de-sac and then realise your budget only just extends to a studio flat.

So, here's four pieces of information you really need to know before you even think about looking on Rightmove:

ANNUAL SALARY

This isn't just how much you take home each month, but how much you take home altogether over the year. It's important to separate your basic salary from any commission or bonuses. If you're self-employed you will need to add up your invoice amounts.

DEBTS

It's the word we all shy away from but when it comes to getting a mortgage, debt is something we need to look at to determine what you can afford. It's okay to have loans, however if these aren't paid off on time this could damage your credit rating and affect how much you can borrow.

DEPOSIT

To get a mortgage you'll need to put down a deposit. This is typically 10% of the purchase price although there are schemes that offer less than this, for example the Help To Buy scheme allows a 5% deposit. How much do you have?

CREDIT REPORT

Before you even start thinking about your dream property, do you know what your credit rating looks like? Have a look at your credit score and report on Equifax or Experian. Any blips and lenders might question whether loaning you money is a risk.

Your home may be repossessed if you do not keep up repayments on your mortgage.

If you need help obtaining any of these figures, let us know.
We're here to help!