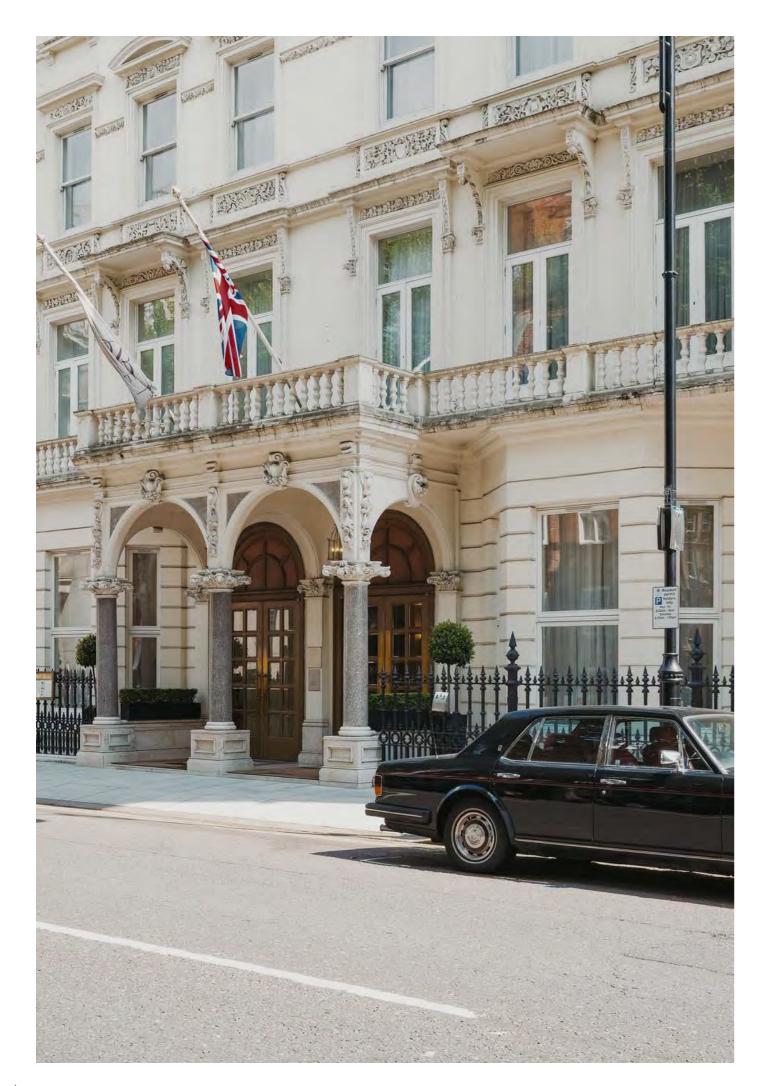
# IIII Homes one

In The Know

### **Buying in London**

With Karim Bazzi

Autumn 2022



The aim of this guide is to give a summary of the main steps and considerations when buying a home or investment in London. We hope this will offer help on how to navigate the challenges many that buyers are faced with when entering the UK.

It is still strongly recommended to consult professionals for the various legal, survey and tax advice needed and we can assist in recommending trusted and experienced partners.

### Costs

The following costs will apply to the purchase of any residential property in the UK on top of the agreed purchase price of the property.



1.	The <b>main cost</b> is Stamp Duty Land Tax (S single property. It is only applicable for proportionally based on property value.			
2.	<ul> <li>There are two additional stamp duti</li> <li>2% additional for non residents.</li> <li>3% additional if the property is a second This can be quite complicated and you will it below on this;</li> </ul>			
3.	<b>Solicitors costs.</b> This will vary from case purchase price.			
4.	<b>Surveyor costs.</b> This will vary depending cases this will not cost more than a few the			
5.	Buying agent costs. If you use one whic			
6.	Interiors   Furnishing & Design. In architects – whatever the vision and brief			
Property or lease premium or transfer value	Up to £			

(SDLT) is a tax that is levied on the purchase of a properties worth over £250,000 and increases

#### ies that apply to buyers.

ond home and not your primary residence.

I need advice but as an estimate you can calculate

TY CALCULATOR

e to case but usually between 0.25%-0.5% of the

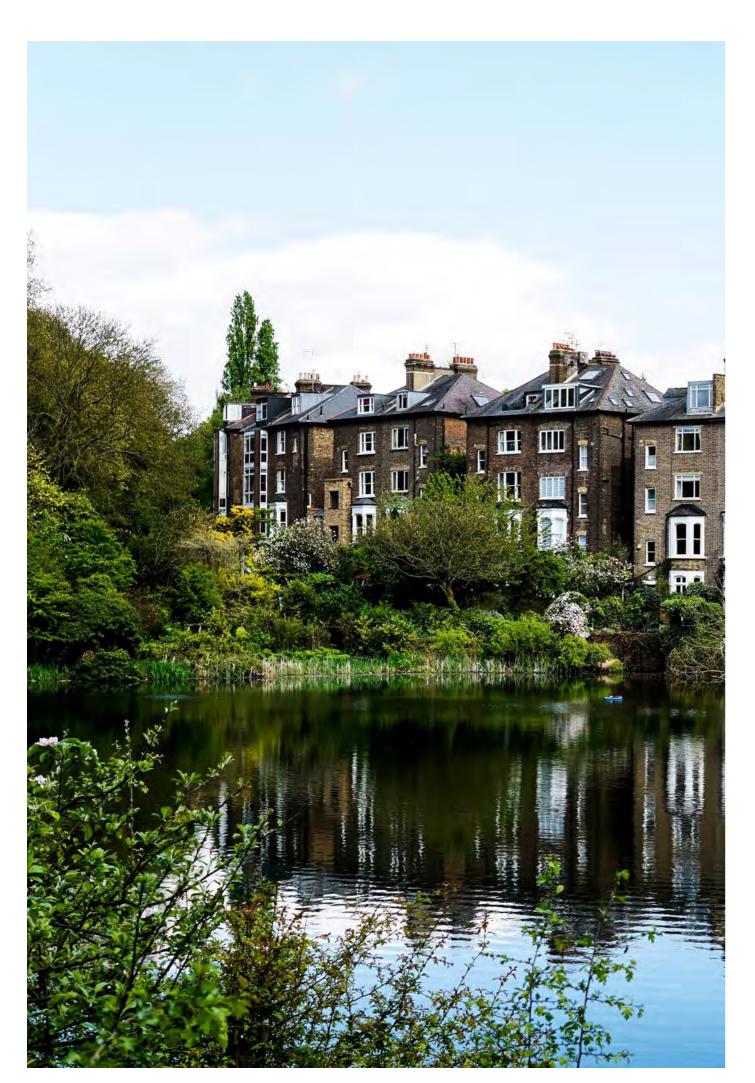
g on the size and type of survey required. In most ousand pounds.

ich will typically be 2% of the value of the home.

ntroductions to interior designers, builders and we can advise and support your project.

#### SDLT RATE

to £250,000	ZERO
The next £675,000 (the portion from £250,001 to £925,00	00) <b>5 %</b>
The next £575,000 (the portion from £925,001 to £1.5 million)	10%
The remaining amount (the portion above £1.5 million)	12%

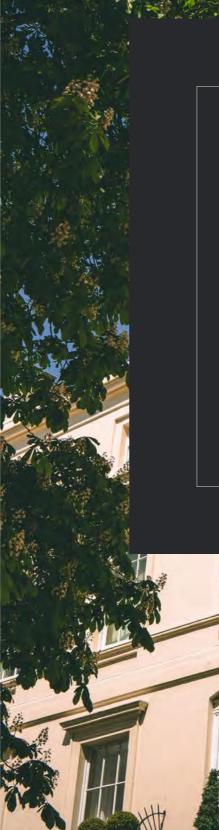


The first thing to do is to appoint a solicitor and figure out your budget. In order to be a strong buyer it is important to have the finance agreed in principle before you seriously start the search either on your own or using a buying agent.



## Timings & Process

<b>Step 1:</b> Search/Identify/Preview	Viewings and contacts with agents to view as many properties as possible. It is easy to waste a lot of time here – buying agents can help source and preview pre market, offmarket and choose best in class.
<b>Step 2:</b> Make an offer on the property	Compare to market data and figure out what a property is worth. Research online. A buying agent is well informed and can negotiate the right price and make sure you have the advantage in a bidding process.
<b>Step 3:</b> Offer accepted and Memorandum of Sale	Once an offer is accepted a memo of sale is agreed and sent to solicitors; This is a non binding agreement that outlines the terms of the sale. Once an offer has been accepted, the legal and property due diligence will take place including the building survey. If the buyer is borrowing, a bank valuation will also take place which usually takes anywhere between 2-8 weeks. A buying agent will assist in the process and act as a point of contact with all the various professionals such as solicitors, designers, surveyors, and estate agents.
<b>Step 4:</b> Exchange of contract	The key step to securing your purchase. The exchange of contract only takes place when all previous steps have been completed and both the buyer and seller are satisfied. Legally binding contracts are exchanged. The buyer then must put down and pay 10% of the property value which is non refundable.
Step 5: Completion	 In the 6th and final step, the buyer is required to pay the outstanding 90% fee. Once this has been completed, the buyer is then essentially handed the keys and is ready to move in or begin refurbishment.



# It is *very hard* to say how long the process takes.

In general, from offer being accepted exchange usually takes place between 2-6 weeks and completion is more flexible.







## The Journey -Hiring A Buying Agent

#### The Buying Agent.

Finding, buying and moving into a new house is stressful at motivations and finding solutions. A buyer represented by a the best of times. Well, it's enough to put anyone off. Which reputable buying agent, such as Homes One, will be taken is why a buying agent might be exactly what you need. From much more seriously than anyone without one. Our mission making offers to finding a lawyer and sealing the deal. A is to protect your interests and use our hard-won insights into buying agent can access relative value, providing relevant the market to find your dream home or investment at the best comparables. It is essential to have access to this due possible price - We will cover the whole market online, offdiligence when buying a property. We use this information market and through our network pre-market. in our negotiations with the selling agent, understanding

#### In addition to a buying agent, you will need to a number of professionals to be involved in your search.

We will introduce you to and coordinate all of these specialists We work to ensure a project, be that a private residential and ensure you are looked after by a network of individually property or investment will have the best and most suited (to selected trusted advisors. We also spend a lot of time the vision and brief) talent to design, build, style and grow. discussing schools with our clients, as often they are a basis Managed to perfection and delivered with the marketing for which the decision on property location is made. We can tools required for sale or, simply, move in ready! introduce our clients to a range of schooling experts who can advise on the best schools for the individual children's needs. The architecture and design talent we have in our black book

- Mortgage Brokers
- Solicitors & Surveyors
- Architecture & Design

has been carefully curated and consciously selected based on their ability to add a unique perspective and add value to the property.

# -Òr Our Tips

It is advisable to organize all finances and get a mortgage approved in principle before starting the buying process.

If you are new to buying in London, it is generally wise to use a buying agent as they will be extremely helpful in simplifying the process for the buyer. Focusing fully on 1-2 areas after initial research as opposed to less focus on multiple areas is recommended in order to find the best property for the buyer.

Instructing your solicitor to complete all KYC and AML processes early will also have huge benefits in terms of speeding up the total process.

"Smart, knowledgeable, connected, Homes One always seem to have their finger on the pulse. They somehow secured a gorgeous family house in Chelsea for my wife and I despite multiple offers at our level and even higher. Their sense of timing, network of contacts and clever 'buyer positioning' won the day. I would strongly recommend them."

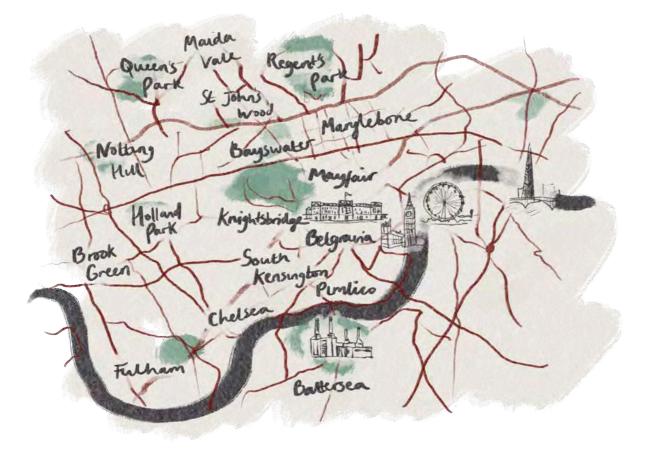
J.G

"Working with Homes One has taken the hassle out of house hunting. In a notoriously competitive and aggressive market, Karim from Homes one provided an exceptionally effective and thorough service. He is honest, reliable and have saved me both time and stress."

> | A.O

"Living in Kuwait, it is invaluable to have a trustworthy and highly knowledgeable property agent in London. We will be using your services again for our next purchase."

R.T





### How long does it take to buy a property in London?

From the time you find a property around 2-8 weeks

### Is leasehold okay, or should I only buy freehold?

A leasehold is perfectly fine as long as the lease is above 90 years. Below this level the flat will start to lose value and you will need to seek advice from a specialist leashold valuer. Almost all leases have the automatic right after two years of ownership to extend by 90 years.

#### Do I pay tax on rental income?

Yes, rental income is taxable. Any profit made from rental income is subject to tax after deductions for allowable expenses.

### Do I need a solicitor to help me purchase a property in the UK?

Yes, as mentioned above under the Solicitor and Surveyor section, a solicitor is required in order to execute a property sale in the UK.

#### Usung a buying agent

A buying agent could also be commissioned for a fee, and if used, will likely manage to negotiate a very favorable deal for the buyer with regards to the cost of property.

(please see document why use a buying agent)

#### Is purchasing property in London worth it?

Property prices in London have been on a tremendous climb over the last 15 years and show no sign of slowing down.



+44 (0) 207 199 3680

enquiries@homes-one.com

The Pavilion, 96 Kensington High Street, W8

-