**Get Mortgage Ready: Useful Information for First-Time Buyers**

As a first-time buyer, the process can seem overwhelming. Our goal is to make it feel more manageable and support you every step of the way. Here is a helpful guide with ideas and tips that could benefit first-time buyers.

**First homes scheme**

The Government has introduced the First Homes Scheme to help people get onto the property ladder1. Through this scheme, individuals can purchase a house for 30% to 50% less than its market value. Properties included in this scheme can be viewed through developers or estate agents. Every home that is sold is evaluated by an independent surveyor to ensure that the discount is based on the actual market value.

Before applying, it's important to check with your local council as some may have specific eligibility criteria. Some councils have been known to provide discounts to key workers, current area residents, or those with lower incomes. According to the scheme, a newly built first home cannot exceed £250,000 in value after the discount has been applied, although the local council may establish a lower maximum price1. After purchasing a property, you are free to decorate or modify it, but if you intend to rent or sell the property, it's crucial to adhere to the rules of the First Home Scheme.

**How can I access this scheme?**

There are several ways to access this scheme. One option is to consult with a developer or an estate agent, who can help determine your eligibility and provide information on the requirements. They can offer insights into the properties available under the scheme and guide you through the initial steps.

Alternatively, you can reach out directly to us and schedule an appointment. During this appointment, we will walk you through the entire process, from assessing your eligibility to completing the necessary paperwork. Our experienced team is dedicated to providing personalized guidance, ensuring that the process is as seamless and stress-free as possible. We are here to assist you every step of the way.

**Skipton track record mortgage**

When applying for a mortgage, lenders typically assess factors like credit score and bank statements to determine eligibility. However, Skipton's track record mortgage takes a different approach by focusing on the applicant's history of paying rent. This fixed-rate mortgage spans 5 years, ensuring that the interest rate remains constant throughout this period 2. While a deposit of less than 5% is accepted, it is not mandatory. Additionally, there are no completion fees associated with this mortgage. The main requirement is that all rent must have been paid for 12 consecutive months within the last 18 months. Proof of household bill payments may be required.

**How am I able to access this mortgage?**

A way to access this mortgage is that you are able to contact us and schedule an appointment, during which we will provide tailored advice based on your unique financial situation. Our team will walk you through the available options, offering a wide range of mortgage products to choose from.

**95% Loan to Value Mortgage**

How many times have you heard, "You need to stop paying for Netflix and buying expensive coffees, and one day you may have a mortgage"? This advice isn't helpful because one of the most daunting aspects of a mortgage is the initial deposit, which is typically 10% of the value of the house. Recognizing this, some lenders have introduced a new 95% mortgage requiring only a 5% deposit.

This can help people who are unable to put down a large deposit for various reasons. For example, on a £200,000 house, you would only need to pay a 5% deposit, which amounts to £10,000. This can be beneficial because it means you can own your property sooner compared to saving up for a larger deposit. Additionally, a fixed-rate mortgage can make budgeting easier by providing a clear understanding of the monthly payments.

**Is a 95% Mortgage right for me?**

A 95% mortgage has the benefit of allowing you to own your property sooner compared to saving up for a larger deposit. Additionally, a fixed-rate mortgage can make budgeting easier by providing a predictable monthly payment. By entering the market quicker, you can build equity in your house and potentially take advantage of rising house prices by remortgaging for a better-suited mortgage with a different interest rate.

However, a downside of a 95% mortgage is that you may only qualify for a smaller loan due to the higher risk involved. The interest rates on a 95% mortgage would be higher, meaning it may not be the most cost-efficient option. Additionally, you might have to pay extra fees, such as the high lending charge, which protects the lender if you're unable to meet the mortgage.

**How am I able to find the most suitable mortgage?**

The way you can find the most suitable mortgage is to speak to us. We can have access to the wide range of products from High Street Lenders and specialist products not available direct with many different lenders. Contact us today and see how we can help you through your journey.

**We’re here to help you:**

We understand that the mortgage market can feel overwhelming. We’re here to help simplify the process and offer guidance every step of the way. Our expert team provides personalised advice tailored specifically to your financial situation, long-term goals, and individual needs.

Reach out to us today to discover how we can assist you in finding the right mortgage solution. Schedule a no-obligation consultation and let us help you navigate the complexities of the mortgage market with confidence. We’re committed to guiding you through this important journey with clarity and care.

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.**

**Sources**

1. Government (2022) *First Homes scheme: first-time buyer's guide.* Available at <https://www.gov.uk/first-homes-scheme> (Accessed: 29 August 2024)
2. Skipton Building Society (2023) *Track Record Mortgage*. Available at <https://www.skipton.co.uk/mortgages/track-record-mortgage> (Accessed: 30 August 2024)