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## **Article**

### **Title: Getting a first foot on the property ladder**

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Just for once there's good news for first time buyers in that there is more choice at the lower end of the market, in one and two bedroom properties, so for those of you able to get a mortgage you might find that property is now very much a buyers' market. If you are not able to fund the whole deposit and mortgage on your own, you could consider co-buying, joint equity or joint ownership and finding a property partner who feels right for you. This could be the traditional 'bank of parents', a trusted friend or even a group of like-minded friends who want to buy a bigger or nicer property in a better area, perhaps even 'leap-frogging' the bottom rung of the property ladder altogether.

Property prices are now so high that finding a property co-buyer seems almost a logical progression. But despite the obvious advantages there are great risks – particularly financial, if things don't go to plan. So here are a few tips to protect yourself and your investment:

- Make sure you've considered all the options open to you, before you get carried away!
- Appoint a trusted solicitor, well in advance, who can help protect your interests as well as help your move go smoothly
- If you're going for joint ownership, try to come together as equal property partners on an even financial footing – that way there's no imbalance of power which may cause upset later
- Avoid delays - prepare as much as possible, for example apply for your mortgage prior to putting in an offer to avoid the chances of the purchase falling through.
- Take out insurance, if it's joint ownership, to protect against one or more of you not being able to keep up the mortgage payments

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- If you're married, your solicitor can help you set out a 'joint tenancy' agreement which entitles each to half a share of the property irrespective of any financial contribution. In the event of one partner dying their share in the property will usually automatically pass to the other, but make sure you make a Will.
- If you are buying a property as a group, your solicitor can help you draw up a 'tenancy in common' agreement so that each person can own a definite share in the property. Draw up a Will so that you can specify who gets your share of the property in the event of your death and your solicitor can formalise a 'declaration of trust' or 'trust deed'.
- Draw up a 'cohabitation agreement' which regulates the day-to-day use, occupation and running of the property and regulates the proportions in which the respective shares of the mortgage payments are made
- Remember to allow for stamp duty if you are buying a house worth more than £125,000, which amounts to 1 per cent of the value of the property or 3 per cent on a house worth over £250,000
- Whatever you do, make sure you make a Will

Alex Preshaw, partner at Phillips Solicitors in Basingstoke, comments: 'There are a range of schemes available to help you get your foot on the property ladder. Make sure you take good professional advice because this could be the biggest investment you've ever made. Use your solicitor as part of your team – we're on your side and can help you protect yourself and help your purchase go through smoothly. It'll be money well spent because if it all goes wrong, you could be in for an even bigger bill'

### ENDS

**Note to editor:** Phillips is a leading law firm in Basingstoke, with nearly 60 members of staff. We offer a comprehensive range of services to business and private clients, locally and nationwide. We specialise in residential property and helping clients achieve what they want.

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