

Can I Afford to Buy, What Other Costs Are Involved?

The amount of money you can spend on buying your new home will depend on how much money you have saved and how much a bank or building society will lend you. When deciding how much of a mortgage they are willing to offer you the lender will take the following into consideration:

- the amount of deposit you can put down
- your salary
- your regular outgoings
- any adverse credit history

Lender's attitudes vary, however if you have a good credit rating you can expect to borrow between 3 and 4 times your annual income before tax. If you're applying with somebody else, lenders will often lend between 3 and 4 times the main income plus between 1 and 2.5 times the second income added together.

Other costs that need to be considered when purchasing a property include:

- solicitor fees – from £500 + VAT
- stamp duty – link to government website
http://www.direct.gov.uk/en/MoneyTaxAndBenefits/Taxes/BeginnersGuideToTax/DG_10010529
- surveyor's fee – From £170 + VAT
- land registry fee – Average £140.00
- actual moving costs