

ESPC recommends fast action by first time buyers



First time buyers could save up to £2,500 if they buy before March 2012

Plus more good news for those looking to make their first property purchase.

- First time buyer stamp duty exemption ends on 24th March 2012.
- Over the course of 2011, properties for first time buyers have become increasingly affordable.
- ESPC running special event to provide first time buyers with help to learn if and how they can get on the property ladder

The government's Stamp Duty holiday for first time buyers is coming to an end in March 2012. First time buyers are currently exempt from paying the 1% Stamp Duty which is applicable on properties between £125,000 – £250,000. This could save buyers up to £2500. Last year 48% of the properties sold through ESPC were within this price bracket.

From 24th March 2012 first time buyers will no longer be exempt, however there's still time to buy before the Stamp Duty holiday ends.

For first time buyers out there who are not in a position to make a purchase so soon, 30% of homes for sale on espc.com are available for less than the minimum Stamp Duty threshold of £125,000 which equates to over 1,000 properties on which Stamp Duty is not required to be paid.

Another piece of good news for first time buyers is that

affordability improved during 2011. For buyers looking for a City Centre location the east end is becoming more affordable with the average price of a one bed flat in Leith Walk and Easter Road falling below £100,000 for the first time since 2006 having peaked at just over £130,000. Gorgie was among the most affordable areas in the Capital for starter homes last year with the average one bedroom flat in the area selling for just £91,374.

Last year 18% of one and two-bedroom flats sold by ESPC were secured for more than 10% under their Home Report valuation. There are currently around 25% more homes for sale than would normally be expected at this time of year. The good news is this means there is more choice available for buyers and should allow them to be more successful in negotiating with sellers.

In terms of securing a mortgage interest rates are unlikely to rise significantly during 2012 meaning first time buyers will continue to be able to benefit from historically low interest rates.

ESPC is holding a First Time Buyers Event on Thursday 26 January 2012 in its newly refurbished showroom at 85 George Street from 5pm-7pm to help potential buyers see if they can get their foot on the ladder. At the event experts will be able to advise customers on all aspects of buying, deposits, mortgages and how to go about completing a purchase before the Stamp Duty holiday comes to an end.

Malcolm Cannon, ESPC Chief Executive comments, "During the property boom first time buyers were being priced out of the market. The credit crunch reversed this trend but did mean those looking for their first home had to build up a bigger nest egg before applying for a mortgage. There are more mortgage options available at a higher loan to value percentage and this means first time buyers can take advantage of properties being more affordable. It is important that

anyone thinking about owning their own home takes advice and works out what is the best route for them.

“If first time buyers would rather speak to us in person they can take advantage of all the free advice available everyday in the ESPC showrooms or at one of our events”.