

Purchasing A Property

A Guide To Conveyancing Practices



SEARCHES

As soon as your chosen solicitor receives a draft contract pack from the seller's solicitor, and you have paid search monies to them, they will undertake a Local, Environment and Water Authority search (unless already supplied by the seller) that will reveal pertinent details for example; the grant of planning permission, whether the road fronting the property has been adopted by the highway authority, whether there are any intended road schemes and the availability of surface water and foul sewers. In some cases, your solicitor may decide that a Chancel search is also necessary.

DRAFT CONTRACT and PRELIMINARY ENQUIRIES

The seller's solicitors will send a draft contract to your solicitor which will detail the names of the parties, the price, a description of the property and evidence of title, i.e. details of ownership. At this stage your solicitor will also receive replies to preliminary enquiries which deal with issues affecting the property that cannot be dealt with by the local authority e.g. responsibility for boundary fences, which fixtures and fittings are included in the purchase price and whether the property has N.H.B.C. cover.

CONTRACT FOR SALE

If you are selling your property at the same time as buying a new one a sale contract will be prepared and your solicitor will reply to your buyer's solicitor's preliminary enquiries. You will receive a seller's questionnaire which paired with information taken from your deeds will form the basis of your solicitor's replies to the enquiries.

SURVEY

Most solicitors advise in all cases to commission a full structural survey of the property you are buying. A lender's surveyor's report is sometimes little more than a valuation and may not give full details about any potential structural issues as it is carried out for the lenders use only. In some cases your lender's surveyor may offer to complete a full survey on your behalf while completing the lender's survey. If this is the case, often the cost of the full structural survey will be reduced. There are however, separate surveying companies and Fisks can offer you a suitable recommendation.

REMOVALS

Please note you should not book your removals until you hear from your solicitor confirming that you have exchanged or that they advise you to do so. If you book a removal prior to exchange or without a formally agreed completion date and you do not complete on the day you have arranged your removals for, you risk losing any deposit paid to the company.

MORTGAGE

It is important that you keep your solicitor informed of any developments or changes to your mortgage arrangements. You should also note that certain (mainly minor) building societies, banks and other lenders instruct their own solicitors who will make a further charge to you. When you are selling a property it is helpful to advise your solicitor when your buyer's survey has been carried out.

REPORT ON CONTRACT

When your searches and enquiries have been completed and your solicitor has received details of your mortgage offer, they will arrange either by written report or a call to discuss the transaction. It is at this stage that you will be asked to sign the contract, however please be aware that you will not be bound by it until your contract has been exchanged with that signed by the other party.



DEPOSIT

A Buyer usually pays 10% of the purchase price on exchange of contracts. If you are also selling a property your solicitor may be able to arrange with your buyer's solicitor to use their deposit in connection with your own sale. This is not always possible and if you do not have the sufficient funds, you may need to arrange for a bridging loan with your bank or building society to cover this cost. Alternatively, your solicitor may be able to arrange a lesser sum by agreement.

EXCHANGE OF CONTRACTS and COMPLETION DATE

Before exchanging contracts your solicitor will agree a completion date with you and with the other solicitors or Conveyancers connected with the transaction. This will be the date that you will move house. Because of banking requirements this cannot be on a Saturday, Sunday or bank holiday and dependent on all mortgage companies engaged in the transaction, may require a specific number of day between exchange and completion.

BETWEEN EXCHANGE and COMPLETION

Final searches are carried out and the form of transfer or conveyance agreed between all solicitors. Any mortgage documents are prepared and signed by you. If you are selling, a mortgage redemption figure will be obtained and details of any estate agent commissions to be paid on completion will be checked with you.

COUNCIL TAX, WATER RATES and OUTGOINGS

You must notify the appropriate authorities of the change of ownership. It is your responsibility, not that of your solicitor or estate agent to deal with gas, telephone and electricity bills and any other outgoings.

ACCOUNTS

If there is sufficient time prior to completion a completion statement will be prepared by your solicitor for your approval. If money is needed from you to complete your solicitor will ask you to provide it a few days before completion.

COMPLETION DAY

By this stage you should be in regular contact with your solicitor and should confirm final arrangement with them at least a day or two before completion. If you are also selling you should arrange to be clear of the property by midday and be ready to move into your new property early in the afternoon.

KEYS

It is normal practice to leave keys with the selling agents to be handed to your buyer only when they have confirmation of completion. If you hold the keys yourself, you should on no account release them to your buyer until you have heard from your solicitor to confirm completion has taken place.

AFTER COMPLETION

Following completion of your purchase you should receive confirmation from your lender of the state your mortgage repayments will commence. If money is due to you on completion this will be sent to you on or shortly after the day of completion in the manner agreed with your solicitor.