

# A guide to buying and selling your home



## Buying a house

We will...	You need to...	Mortgage Lender will...
Contact the seller's Conveyancer to obtain and check <ul style="list-style-type: none"> <li>• Proposed Sale Contract</li> <li>• Property title</li> <li>• Seller's Information Forms</li> </ul>	Provide suitable evidence of identity, residence and source of funds to satisfy regulations  Arrange a survey and consider testing services eg central heating (See FAQs)	Carry out a valuation of the property
Carry out appropriate searches Check search results	Consider Buildings Insurance (See FAQs) Arrange life cover Raise any neighbouring planning concerns with the Council	Check that you are eligible for the mortgage
Receive mortgage instructions from your lender	Ensure that all the necessary papers are signed and returned to mortgage lender	Send us the mortgage offer and instruct us to check: <ul style="list-style-type: none"> <li>• Title deeds of the property</li> <li>• The proposed contract with the seller</li> <li>• Conveyancing searches</li> <li>• Mortgage conditions can be satisfied</li> </ul>
Raise issues arising from papers with seller's conveyancer	Investigate removal companies	
Prepare all documentation for your signature and report to you with documents to sign	Read all reports that we send to you, raise any concerns with us and return documentation signed	
Check your signed documents and settle deposit	Pay your deposit to us	
Negotiate exchange and completion dates and associated issues		
Exchange contracts Pay deposit to seller's conveyancer	Put buildings insurance and life cover on risk (see Q&A section)	Receive request for mortgage funds from us
	Confirm removal company booking	Mortgage funds paid to us in advance of completion
Conduct final searches	Book utilities connections	
Request mortgage funds from your lender	Agree arrangements for handover of keys with agents  Check seller is clearing out their personal belongings and storage.	
If leasehold agree any rent and service charge apportionments	Notify change of address to Council, banks, building societies, credit card companies, insurance companies, DVLA, doctors, dentists, post office etc	
Pay purchase monies to seller's conveyancer  Receive deeds and documents from seller's conveyancer	Collect keys  MOVE IN	COMPLETION
Pay any Stamp Duty Land Tax	Settle in to your new home	
Register your ownership with the Land Registry (and freeholder if leasehold).		
Deal with storage of deeds		

## Selling a house

We will...	You need to...
Provide you with contract forms to complete Obtain title information	Provide suitable evidence of identity and residence to satisfy regulations
Retrieve your title deeds If leasehold provide information pack from freeholder	Complete property information form and fittings and contents form and return to us
Issue a contract package to your buyer's conveyancer Send contract to you for signature	Return signed contract to your conveyancer
Retrieve such information as requested including: <ul style="list-style-type: none"><li>• planning papers</li><li>• consents</li><li>• guarantees</li><li>• indemnity insurance</li></ul> to satisfy the buyer's conveyancer  Reply to any enquiries raised by your buyer's conveyancer	Arrange to leave keys with Estate Agents to allow buyer's surveyor access  Investigate removal companies
Check redemption figures on your mortgage	Investigate alternative accommodation needs
Confirm completion date	
Exchange contracts Buyer's deposit received	Exchange contracts
Request final settlement figures from your lender	Agree arrangement for hand over of keys
Organise final accounts	Book the removal company
Approve transfer deed (legal change of ownership document) and send to you for signature  If leasehold agree any rent and service charge apportionments	Ensure signed transfer deed is returned to your conveyancer prior to completion  Notify Council, banks, DVLA etc of your address from completion  Clear the property of your belongings and anything stored.
Settle balance of funds with you Pay Estate Agent	COMPLETION MOVE OUT
Pay off any outstanding mortgage	
Pass deeds to your buyer's conveyancer	

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## Frequently asked questions

### How long will it all take?

No two property transactions are the same. The table below sets out the main legal stages of a conveyancing transaction, from the perspective of the seller's solicitor and of the buyer's solicitor.

The time estimates provided are general only. Some elements of the transaction can be dictated by the parties; for example the completion date is fixed by agreement between the seller and the buyer. However, each case is different and much depends on the response times of the various individuals and organisations involved, some of whom will be outside the control of the seller and the buyer; for example the mortgage lender and landlord. If either the buyer or seller has a particular timeframe in mind, it is useful for the other party, the estate agent and the solicitors to be informed of that timeframe from the outset.

Delays (if any) tend to occur in relation to the local authority search results and the issue of the mortgage offer. If the property is leasehold the involvement of the landlord and the existence of the lease (which is read and checked by the buyer's solicitor) usually means the transaction takes longer than if the property is freehold.

Don't make any financial commitments or arrangements until contracts have been exchanged and a definite completion date agreed.

TIME (WEEKS)	SELLER'S SOLICITOR	BUYER'S SOLICITOR
<b>Parties agree terms and instruct solicitors</b>		
<b>Pre-contract stage</b>		
(0 – 3)	Provide the draft contract and supporting papers, including standard information forms completed by the seller. This may involve obtaining the title deeds from the seller's existing mortgage lender. If the property is leasehold, it will involve obtaining standard management information from the landlord. The management pack is often sent after the main set of contract papers.	
(2 – 8)	Respond to enquiries raised by the buyer's solicitor. If the property is leasehold, some of the enquiries may have to be referred to the landlord / management company.  Liaise with the seller to arrange signature of the contract and to confirm the completion date.	Check the papers and carry out searches. This involves investigating title and approving the contract. The search results are provided by the local authority, water company and an environmental assessor. Raise enquiries with the seller's solicitor. Await and check the mortgage offer.  Report to the buyer.  Liaise with the buyer to arrange signature of the contract, transfer of the 10% exchange deposit and to confirm the completion date.
8	<b>Exchange of contracts</b>	
8 – 10	<b>Post – exchange / Completion period</b>	
(8 – 9)		Draft the completion documents and carry out Land Registry and bankruptcy searches. Request the mortgage advance from the lender.
(9 – 10)	Approve the completion documents and calculate the completion figure. If the property is leasehold, this will involve obtaining up-to-date rent and service charge figures from the landlord.	

	<p>Prepare a financial statement setting out the calculation of the net proceeds of sale payable to the seller on completion of the sale.</p> <p>Liaise with the seller to arrange for the signature of the completion documents and for hardcopies of the signed papers to be returned before completion.</p>	<p>Based on the completion figure provided by the seller's solicitor, prepare a financial statement setting out the calculation of the balance due from the buyer in order to complete the purchase.</p> <p>Liaise with the buyer to arrange for the payment of the completion funds and for the signature of the completion documents. The funds must have cleared the solicitor's account and hardcopies of the signed papers must be returned before completion.</p>
<b>10</b>		<b>Complete</b>
<b>10 – 18</b>	<b>Post – completion stage</b>	
	<p>Send the signed completion documents to the buyer's solicitor.</p>	<p>On receipt of the completion documents, register the purchase and mortgage at the Land Registry.</p> <p>If the property is leasehold, notify the landlord of the purchase and mortgage.</p> <p>On receipt of the new title deeds from the Land Registry, send the deeds to the lender and the balance of documents to the buyer.</p>

### Should I have a survey done?

Ideally yes, especially on older properties, because if anything needs fixing, after exchange of contracts it's the buyer (not the seller) who has to pay for any necessary repairs. A surveyor will inspect the property to value it if you're getting a mortgage.

Do not rely upon the lender's valuation report alone because it does not cover the condition of the property in detail and offers limited protection.

It's often possible, for an extra fee, to arrange for the same valuer to carry out an inspection called a "Home Buyer's Report" or even a full building survey. Otherwise, instruct your own surveyor. You should also consider getting the central heating checked.

### Is a deposit necessary?

When contracts are exchanged, a deposit is paid to the seller's conveyancing solicitor who will often ask for at 10% of the purchase price. Please contact us if you have agreed a lesser deposit.

If the buyer fails to complete the purchase on time, the seller can keep the deposit as part- compensation and pursue the balance of up to 10% (although this is more complex with chains).

### What does 'exchange' & 'completion' mean?

Two identical contracts are drawn up, one to be signed by the seller, the other to be signed by the buyer. When both sides are ready to commit to sell and buy, the two signed contracts are dated and 'exchanged' between the conveyancing solicitors. At this point the contract becomes binding and there is no turning back. At the same time a date for 'completion' when the keys and deeds are handed over in return for the purchase money and the buyer can move in is usually agreed.

### What is a local authority search?

This is an investigation to find out any important information affecting the property, which may be on the Council's records. For instance, it could be that an extension on the property has been in breach of Building Regulations or the nearest road is not maintained by the Council. It will not give any information about proposals affecting neighbouring property and if you have concerns in this respect, contact the Local Authority Planning Officer for advice.

### Why is a written mortgage offer so important?

Before we commit you to buying the property (by exchanging contracts) we need written confirmation that your lender will provide the funds you require. There are often many conditions in the mortgage offer that need to be satisfied before funds are released. You need to be happy with what you are being offered and to be able to take advice on it prior to legal commitment.

### **What should I do about life cover?**

We recommend that you arrange sufficient life cover for your mortgage liabilities to protect your dependants. The type of cover will depend upon the mortgage you take out so you will need to liaise with your financial adviser and your lender. Life cover should go 'on risk' from exchange of contracts.

### **What do I do about building insurance?**

A 'second hand' property should be insured by the buyer from exchange of contracts but a brand new property should be insured from completion. Leasehold flats are treated differently as the insurance is usually arranged by the landlord. Houses should be insured not necessarily for the price paid but for the estimated cost of rebuilding which is often different to the actual market value. You should be able to arrange buildings insurance through your mortgage adviser or your lender. Please establish your insurance needs early in the process to understand the cost and capability of insuring, particularly in areas of the country with a potential flood risk.

### **Can I transfer an existing secured loan to my new property?**

All secured loans outstanding on a property (e.g. a business overdraft facility, legal aid charge or personal loan) must be paid off out of the sale proceeds unless the lender concerned agrees to secure the loan on your new property. This may take some time for the lender to organise, and if you want to do this you should contact the lender for consent as quickly as possible. When the lender gives their approval, they should be asked to send written confirmation to your conveyancing solicitor.

### **When are the estate agents and solicitors paid?**

If you are selling, the Estate Agents will send their invoice to us after exchange of contracts and we will settle the amount on completion from your proceeds of the sale. Prior to completion we will require you to provide sufficient funds to settle our fees, expenses and your Stamp Duty Land Tax liability.

### **Why does completion have to take place on a working day?**

Purchase monies are transferred between conveyancing solicitors electronically. At present, banks only transfer money electronically on a working day and, therefore, completion cannot take place at the weekend or on a Bank Holiday.

### **How do I sort out the keys?**

Unless special arrangements are made, the keys are handed over on the completion day in exchange for the purchase monies (the seller having previously handed them to the Estate Agent). It frequently happens that this is not convenient and the seller will hand them direct to the buyer. It is important that you find out and agree the arrangements for the keys.

**Call us today on 0203 875 5090 or email [info@kplsolicitors.com](mailto:info@kplsolicitors.com) for further information.**