

A guide to buying and selling your home



Frequently asked questions

How long will it all take?

The table below sets out the principal legal stages of a conveyancing transaction, from the perspective of the seller's lawyer and that of the buyer's lawyer.

Please note:

- The times given below are only estimates.
- Every property transaction is different and any number of issues may arise which will need to be addressed before your sale and/or purchase can proceed.
- The parties can dictate some elements of the sale or purchase, for example, the completion date is fixed by agreement between the seller and the buyer.
- No two cases are the same and much depends on the response times of the various individuals and organisations involved.
- Several issues may be unavoidable and 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 to inform all other parties, including the estate agent and the solicitors from the outset. This could be because a certain period is needed between exchange and completion if one of the parties is in rented accommodation and needs to give notice to their landlord.
- Delays (if any) tend to occur with the local authority search results and 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 lawyer) usually means that the transaction takes longer than if the property is freehold as it can take time to obtain replies to leasehold enquiries from the landlord, management company or managing agents and those replies can lead to further enquiries being raised.

Important Note: Do not make any financial commitments or arrangements, including booking or committing yourself to removals, until contracts have been exchanged and a definite completion date has been agreed.

ESTIMATED TIME (WEEKS)	Responsibilities of the SELLER'S LAWYER	Responsibilities of the BUYER'S LAWYER
0	Parties agree on terms of the sale/purchase and instruct their lawyers	
0 – 8	Pre-contract stage	
(0 – 3)	<p>Obtain a copy of the seller's title, title plan and appropriate deeds from Land Registry (if the property is registered) or obtain the title deeds (from the existing mortgage lender, if there is a mortgage secured on the property) and prepare an Epitome of Title (evidencing title to the property and rights and covenants which benefit/affect the property).</p> <p>Provide the draft contract and supporting papers including standard information forms completed by the seller.</p> <p>If there is a mortgage secured on the property, obtain an initial redemption statement to confirm that the sale price is sufficient to repay the secured loan.</p>	<p>Check the papers and carry out searches: this involves investigating title and approving the contract.</p> <p>Search results will be order from the local authority, water company and an environmental assessor.</p> <p>Raise enquiries with the seller's lawyer.</p>

	If the property is leasehold, obtain standard management information from the landlord. The management pack is usually sent to the buyer's lawyer after the initial set of contract papers.	
(2 – 8)	Respond to enquiries raised by the buyer's lawyer. If the property is leasehold, some of the queries may need to be referred to the landlord, management company or managing agent, as applicable. Liaise with the seller to arrange the signing of the contract. Confirm the completion date with the seller.	Obtain and check search results. If necessary, raise further enquiries with the seller's lawyer. Await and check the mortgage offer. Report to the buyer. Liaise with the buyer to arrange the signing of the contract. Buyer transfers the 10% exchange deposit Confirm the completion date.
8	Exchange of contracts	
8 – 10	Post – exchange / Completion period	
(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, service charge and, if paid separately, buildings insurance, from the landlord and preparing a completion statement to obtain a refund of any overpayment made by the seller or to cover the cost of charges due until the completion date, if any remain unpaid. Prepare a financial statement setting out the calculation of the net proceeds of the sale payable to the seller on completion. Liaise with the seller to arrange for the signature of the completion documents. Arrange for hard copies of the signed papers to be returned before completion.	Based on the completion figure provided by the seller's lawyer, prepare a financial statement setting out the calculation of the balance due from the buyer to complete the purchase taking into account any payments made on account by the buyer Liaise with the buyer to arrange for the payment of the completion funds. Ensure the signing of the completion documents. The funds must have cleared the lawyer's account by the working day before completion at the latest, and hard copies of the signed papers must be returned before completion.
10	Complete	
10 – 18	Post – completion stage	
	Send the signed completion documents to the buyer lawyer. Repay the mortgage owed to the existing lender, if any. Pay the estate agent's fee.	On receipt of the completion documents, register the purchase and mortgage at the Land Registry. If the property is leasehold, notify the landlord of the purchase and mortgage. On receipt of the new title registers from the Land Registry, a copy of these are sent to the new lender together with any deeds and documents they require, and the balance of the deeds and documents which the lender does not require are sent to the buyer for safe-keeping.

We will, of course, keep you informed as to the progress of your transaction, and we will advise you on all matters which are specific to your transaction as it progresses. However, there are a number of points that we believe it is helpful to bring to your attention at the outset. We therefore ask that you take a few minutes to read through this information sheet as soon as possible. If you have any questions, please let us know.

Should I have a survey done?

A survey is always advisable to ensure that you are aware of any physical problems with the property before you become legally committed to the purchase. It is important to remember there is no duty upon the seller to disclose to you any physical defects in the property. You should arrange a survey as soon as possible to ensure that the result will be available to you before exchange of contracts.

If you are obtaining a mortgage to purchase the property, your lender will carry out a valuation of the property, and a copy of this valuation may be sent to you. This valuation may have been prepared following a superficial inspection

of the property or, alternatively, your lender may have had a desktop valuation carried out, with nobody physically inspecting the property. It is not a survey and will not reveal sufficient information about the state of the property to enable you to decide whether to proceed with your purchase at the agreed price. As the valuation has been carried out on behalf of the lender, it is unlikely that you would have the right to sue the surveyor/valuer who carried out the valuation should it later transpire that the surveyor/valuer was in any way negligent in the preparation of the valuation report.

Broadly speaking, there are two main types of survey available to you. A “Homebuyer Survey and Valuation Report” or a building survey. A survey should be carried out by a surveyor who is a member of the Royal Institution of Chartered Surveyors (RICS).

A Homebuyer Survey and Valuation Report is a survey done to a standard format set out by the RICS. It is generally considered to be most suitable for conventional properties built within the last 150 years, which appear to be in reasonable condition. It will include an estimated cost of rebuilding the property after fire (required for insurance purposes) and also an open market valuation of the property.

A building survey is a comprehensive inspection of a property. It is particularly suitable for older properties, listed buildings, properties that have been substantially altered, or a property which you plan to renovate or alter. A building survey does not include a valuation of the property.

Following either type of survey, your surveyor may recommend further specialist reports be carried out, such as a timber and damp survey, a heating inspection, an inspection of the electrical installation or a wall tie corrosion survey. The reports recommended by the surveyor will, of course, depend on the age and condition of the property. Remember, once contracts have been exchanged, you will be legally committed to the purchase of the property at the price agreed. It is therefore vital that any surveys or inspections that you arrange are carried out before exchange of contracts so that you have time to consider the outcome before proceeding. You may wish to renegotiate the price or even to withdraw from the transaction if the survey and/or inspections reveal that the property is in a worse condition or requires more work than you had expected.

If you are unsure as to which type of survey will suit your requirements, a surveyor should be happy to discuss this with you before you instruct him.

Do not rely on the lender’s valuation report alone because it does not cover the condition of the property in detail and offers limited protection. The lender’s valuation is purely to check whether the security in the property will be sufficient should the lender need to re-possess the property.

For an additional fee, it is sometimes possible to arrange for the mortgage lender’s surveyor to carry out an inspection called a “Home Buyer’s Report” or even a full building survey. Otherwise, you will need to instruct a separate surveyor to act on your behalf. It is also advisable to consider having the central heating and boiler checked if these have not been checked recently (we can advise you on this on receipt of the draft contract papers from the seller’s lawyers if you are buying).

Searches and enquiries

We will be undertaking legal searches against the property in accordance with best conveyancing practice. It is also likely that we will need to ask the sellers’ lawyers some additional enquiries about the property arising from the documentation that they supply to us. Please remember that we will not normally visit the property and, unless we have been provided with a copy of your survey, we may not be aware of any building work that has been carried out to the property or any other unusual features, such as shared accessways nor will we be able to advise you whether the title plan correctly identifies the boundaries as they are on the ground. It is therefore important that you bring all matters which may affect the condition or legal use of the property to our attention, so that we may ensure that we raise all necessary legal enquiries in order to be able to advise you fully about the property.

One of the searches that we will carry out will be a local authority search (see below for more information). The local search provides information about the property that you are purchasing from the records held by the local authority. It is not (as the name might suggest) a search of the locality and will generally not provide any information about proposals for development of land outside of the boundaries of the property that you are purchasing. If you require any specific information about any other land in the vicinity, please let us know so that we can carry out a further search or make further enquiries as appropriate. Alternatively, you may wish to contact the local authority’s planning department yourself. This might be of particular importance to you if, for example, you are purchasing the property because it currently enjoys an open aspect over farmland. Whilst we can obtain a local search giving information about the property as at the date of the search, and whilst the local authority can advise you of any planning applications of which they are aware at the time you contact them, planning applications can be submitted at any time and therefore you need to be aware that what surrounds the property now, may not be the same in the future.

If you have any specific plans for the property, such as adding an extension or conservatory, please let us know so that we can check that there is nothing revealed in the deeds to the property, or in the searches that we make, which

would prevent you from carrying out your proposals. Remember that building work will almost always require building regulation approval and may also require planning permission or listed building consent and, if your purchase is dependent on your being able to carry out any work, you should contact the local authority to check whether consent would be required and, if so, whether it is likely to be granted before you commit yourself to purchasing the property by exchanging contracts.

List of other standard Property Searches

Index map search

An index map search confirms whether a property is registered at the Land Registry (and, if so, the title number(s) under which it is registered). If a property is not registered, an index map search will show whether a property is subject to any pending applications for registration or any cautions against first registration. This search is obtained by the seller's lawyer and provided to the buyer's lawyer.

Local land charges search

A search of the local land charges register shows matters such as compulsory purchase orders, tree preservation orders, planning enforcement notices and financial charges registered against a property. You should note that the search result provides a snapshot of the register on the date of the search. Local land charges registered after the date of the search will still bind a property. This search is part of the local authority search.

Local authority search (including any optional and additional enquiries)

A local authority search reveals important information about a property, such as planning permissions and building regulation consents, whether planning conditions have been breached, whether enforcement action has been taken, proposals for road schemes, environmental and pollution notices and whether any part of the property is registered as common land or as a town or village green (this question will be asked in appropriate circumstances). A local authority search only reveals matters that affect the property being searched against. It will not disclose matters that affect neighbouring properties. If you require information about neighbouring properties, you should let us know so that further enquiries can be made or make contact with the local authority to obtain further information about plans for the surrounding area.

Drainage and water enquiries

The replies to drainage and water enquiries show whether a property is connected to the mains water supply and mains drainage. The replies may also show the location of public sewers within the boundary of a property and other such matters that may restrict development. It will also reveal whether the property is on a water meter or whether a water meter is likely to be fitted following a sale of the property.

Flood risk search

A flood risk search gives a high-level assessment of the risk to the [property from the four main types of flooding (river, coastal, groundwater and surface water). It is important to know this information before committing to buy a property, as it can affect the value of the Property and the terms of your buildings insurance for the property. If your environmental search reveals that flooding is a concern in the area in which you are buying, then we would recommend that this additional search be obtained for an additional search fee.

Environmental search

If a local authority determines that land is contaminated and the party who caused or knowingly permitted the contamination cannot be found, the current owner or occupier of the land may be required to remedy the contamination. This can be an expensive process so it is important to assess the risk of land being contaminated before committing to buy a property.

An environmental data search can be used to establish the risk of land being contaminated, by collating information from regulatory bodies, floodplain data and a review of current and historic land uses. This type of search is also known as a "desktop search". An environmental data search does not include a site visit or testing of soil or groundwater samples.

Coal mining search

A coal mining search provides details of past, present and future coal mining activity at a property. The search also indicates if there are mine shafts on the property and whether any mining activities may cause subsidence. This is an additional search which is only carried out if the area in which a property is located is or was a mining area.

Chancel repair search

A chancel repair search shows whether the owner of a property may be liable to contribute towards the cost of repairs to the chancel of a parish church. We would advise you not to contact any parish churches directly in relation to chancel repair liability as this may limit the availability of indemnity insurance. This search is only necessary if a property has not been sold for value since 13th October 2013. An alternative to carrying out a chancel repair search and then obtaining indemnity insurance if a potential risk is identified, is to obtain the indemnity insurance only.

Land charges search

A land charge is used to protect a third party's interest in land that is not registered at the Land Registry. It is for a seller's lawyer to obtain and provide these searches when preparing the Epitome of Title for an unregistered property, and the buyer's lawyer would obtain up-to-date searches prior to completion.

Land Registry official search

A Land Registry official search shows whether the register for a property has changed since the copy of the register was originally issued to the buyer's lawyer. The search also gives the applicant a "priority period". Any new entries that are registered in the priority period will not bind the applicant, as long as the Land Registry receives their application for registration within the priority period.

Company search

A company search against a seller company, if applicable, is used to verify that the company exists and that there is nothing registered against the company that would affect the property.

What work we will not be providing in carrying out conveyancing

1. Dealing with the tax consequences or implications of purchasing or selling a property (or taking or not taking any steps in the purchase or sale process);
2. Helping you to decide whether you should be buying the property and the financial implications of doing so, or how you will obtain funds and the terms and conditions on which you can do so;
3. Advising you on whether the mortgage offer you have received is the best product for your personal situation;
4. Advising you on the condition, state or structural nature of the property;
5. Dealing with disputes, problems, claims or issues after completion which do not relate to the quality of service provided by the lawyer (e.g. that the property is not in a good condition or that an item included in the sale is not in good working order).

Acting for both borrower and lender

If you are obtaining a mortgage to buy the property, we will also be acting for your proposed lender in this transaction. We have a duty to fully reveal to your lender all relevant facts about the purchase and mortgage. This includes:

1. Any differences between your mortgage offer and information we receive during the transaction; and
2. Any cashback payments or discount schemes or incentives that a seller is giving you.
3. If a conflict of interest arises between the you and the lender, we cannot continue to act for either of you any further and your proposed mortgage lender may withdraw their mortgage offer when we notify them that we are no longer acting for you.

Is a deposit necessary?

When exchanging contracts, a deposit is paid to the seller's lawyer who will usually ask for 10% of the purchase price as this is the deposit stated in the standard sale contract. Please contact us if you have agreed a lesser deposit.

If the buyer fails to complete the purchase, following the appropriate procedure, the seller can keep the deposit as part compensation and pursue the balance of up to 10% (although this is more complex with chains). A seller can also sue the buyer for other losses arising from the breach of contract.

Deposit must be paid electronically out of your own bank account to our client bank account in cleared funds at least one working day before contracts are exchanged.

What does 'exchange' & 'completion' mean?

Exchange: Two identical contracts are drawn up, one to be signed by the seller, the other to be signed by the buyer. When both parties are ready to commit to the transaction, the two signed contracts are dated and 'exchanged' between the seller's and buyer's lawyers. At this point, the contract becomes binding and there is no turning back. Usually neither party can pull out without paying compensation.

Completion: At the same time, a date for 'completion' is agreed. This date signifies the conclusion of the transaction when the keys and deeds are handed over in return for the purchase money, and the buyer can move in.

Balance of purchase price: Must be paid electronically out of your own bank account to our client bank account in cleared funds at least one working day before completion.

At Completion:

1. The money is transferred from the buyer's lawyer to the seller's lawyer.
2. The seller moves out and leaves the property in the state agreed in the contract.
3. The seller's estate agent (if there is one) hands over the keys to the buyer once they hear that the balance monies have been received by the seller's lawyer.
4. The legal documents needed to transfer ownership are handed over to the buyer's lawyer.
5. The property now belongs to the buyer.

Why is a written mortgage offer important?

Before we commit you to purchasing the property by exchanging contracts, following your instructions to us to do so, 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 will be released and you need to be happy with the terms which you have been offered and be able to take advice on the offer before any legal commitment is made.

What should I do about life cover?

We recommend that you arrange sufficient life cover for your mortgage liabilities to protect your dependents. The type of protection required will depend on the type of mortgage you take out and so you will need to liaise with your financial adviser and your lender before deciding what cover to arrange. Life cover should go 'on risk' from the date that you exchange contracts as from that point, you will be committed to the purchase and should you pass away before completion takes place, your mortgage offer will automatically be withdrawn, however, the contract will remain valid and your Executors or Administrators may be left with having to find the funds to perform the contract, i.e. complete the purchase.

What do I do about buildings insurance?

You will be responsible for arranging buildings insurance on your new property from exchange of contracts (unless you are purchasing a leasehold property and insurance is effected by the landlord or management company, or a newly built property, which will normally be insured by the builder under a block policy until completion).

If the property is damaged between exchange and completion, you will still be obliged to complete your purchase and you will not have the right to terminate the contract. It is therefore essential that you ensure that you have arranged for comprehensive buildings insurance to be put into place from the date of exchange which will enable you to make a claim under your buildings insurance policy should a claim need to be made. Such a claim would only be successful if the policy provided cover against the damage caused, insured the property for the full reinstatement value and had not been invalidated by any act of the seller. You would also be liable to pay any excess under the policy.

Please note that any insurance policy, or obligation on the seller to transfer the property in the same condition as it was at the point of exchange, will not apply to any damage caused by fair wear and tear, such as a central heating boiler breaking down. You should therefore satisfy yourself that all appliances are in good working order before you commit to purchase the property by instructing us to exchange contracts.

One point to bear in mind is that the usual comprehensive policy may not provide cover for empty properties against burst pipes and malicious damage, such as vandalism. Your proposed policy should therefore be checked to see what, if any, cover it provides against such risks. Practical solutions are to drain the water system, keep the heating on, and notify the police.

If you are not going to be moving into the property immediately, please also check with your proposed insurer that the policy will not be invalidated by this. The insurer should be asked the question even if you are going to be doing works to the property on a day-to-day basis but not actually living at the property. Please ensure the insurer has all the facts.

Flood Re

Flood Re was designed to provide support to those homeowners who are most likely to face problems in obtaining affordable flood insurance, however, it does not cover all homes as you will see below. The Flood Re scheme is a not-for-profit flood reinsurance fund, owned and managed by the insurance industry, and has been established to ensure that those domestic properties in the UK at the highest risk of flooding can receive affordable cover for the flood element of their household property insurance.

The flood element of a home insurance policy will be placed in Flood Re, based on Council Tax band, and priced accordingly – from £210 for Band A homes to £1,200 for Band H homes. Insurers will use this facility for the highest risk homes that would have struggled to find affordable cover in a normal market. If they are flooded, those customers will deal with their insurer in the usual way to get their claim paid and Flood Re will reimburse the insurer behind the scenes for the cost of the claim.

Some properties will not be covered by Flood Re and will find it either difficult or impossible to insure their property which may therefore affect the property's value, saleability and/or mortgagability. These include homes built after 1 January 2009, commercial properties, housing association properties, private rented/buy-to-let properties and most leasehold properties and it is essential that you investigate the availability of insurance prior to exchange of contracts which is your commitment to purchase the property.

If insurance is not being arranged through your mortgage lender, then you should make sure that this is on risk from exchange of contracts and the interest of your lender noted, if your lender requires this.

If you will be having a mortgage, we will need full details of any insurance arranged by you as soon as possible, and certainly before completion of your purchase, as we will be obliged by your lender to check that the terms comply with their requirements. Your lender will require that the policy cover the following risks:

fire; lightning; aircraft; explosion earthquake; storm; flood; escape of water or oil; riot; malicious damage; theft or attempted theft; falling trees and branches and aerials; subsidence; heave; landslip; collision; accidental damage to underground services; professional fees, demolition and site clearance costs; public liability to anyone else.

Your lender will also require the policy to be index linked, and many lenders require that any excess payable under the policy does not exceed their specific maximum (often £1,000.00 for a subsidence excess but less for other excesses).

Please bear these requirements in mind when arranging your building insurance and check your mortgage offer and mortgage conditions for your specific lender's insurance requirements. Please also ensure that any insurance you arrange both now and throughout the term of the mortgage, comply with your lender's requirements, however, we would, of course, recommend that comprehensive insurance is in place throughout your period of ownership of the property.

It would be helpful if, when asking your insurer to confirm to us that the insurance has been effected, they also confirm that the policy meets these criteria (sometimes referred to as the Lender's Handbook requirements).

Please establish your insurance needs early in the process to understand the cost and capability of insuring, particularly in areas of the country with potential flood risks.

You must arrange your own contents cover in due course.

Stamp Duty Land Tax (SDLT)

Stamp Duty has been replaced by Stamp Duty Land Tax (SDLT). Anyone purchasing a property now has an obligation to notify the HMRC of the transaction and to pay any tax due within 14 days of the effective date (which is usually the completion date of your purchase). The rate of tax depends upon the purchase price of the property. Fixed penalties apply for returns that are submitted late.

We will act as your "tax agent" for the purposes of SDLT in connection with your purchase. This means that we will complete the Land Tax Return form on your behalf and ask you to sign a draft copy. We will add the exchange and completion dates before submitting the return to HMRC together with your payment of the tax due immediately after completion has taken place.

Our role as your tax agent does not create an agent/principal relationship under the law of agency. You will be responsible for confirming the amount of SDLT which will be due and, whilst we will advise you of the amount that we consider to be due from you, if there are any circumstances which are particular to the property that you are purchasing which may have a bearing on the rate of SDLT payable, please take specialist tax advice to check this and advise us of their findings. We must be in receipt of the SDLT payment and registration fee prior to completion. You will also be liable for any penalties that are incurred if the Land Tax Return is submitted late (for example, if you fail to put us in funds to pay the tax when it is due). Where there is more than one buyer, the liability for payment is joint and several, even if one party is, in reality, funding the purchase. We will complete the Land Tax Return form in reliance upon information that we have received from you. You are responsible for the accuracy of the information contained in the form and it is therefore important that you check the draft form carefully and take appropriate advice before signing it thereby confirming that you are in agreement with its contents.

General Tax Advice

Other than in relation to Stamp Duty Land Tax, we will not provide advice on the tax implications of your sale or purchase as part of the conveyancing service that we offer.

A liability to pay Capital Gains Tax may arise if you work from home, own more than one property, or if your house has grounds of more than 0.5 hectares, in which case you should certainly seek specialist tax advice. We may be able to recommend an appropriate advisor to you if required.

There may be potential Inheritance Tax Implications, or a need to reconsider your tax planning strategies as a result of any sale or purchase.

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. If you want to do this, you need to contact the lender for consent as quickly as possible. When the lender gives their approval, they will need to send written confirmation to your conveyancing solicitor.

It may be that you wish to port your existing mortgage product from your current property to your new property and, if so, you will need to arrange this with your existing mortgage lender. They will issue a new mortgage offer in respect of the property you wish to purchase which takes into account the existing mortgage product, plus any additional borrowing on new terms, but we will, in effect, be repaying the existing mortgage secured on your current property and obtaining 'new' mortgage funds (based on your existing mortgage product plus any new lending) from your lender in order to complete your purchase of the new property.

When are the estate agents and solicitors paid?

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

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

Purchase monies are transferred between the buyer's and seller's lawyers 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.

Arrangements for moving

If you have any timescales or target dates in mind for moving, please let us know and we will do our very best to meet your requirements. However, please remember that until exchange of contracts has taken place, the date for completion (the moving date) is not fixed and may change. For this reason, we strongly advise you not to confirm any booking with your removal company or make any other firm arrangements to move until we have informed you that exchange of contracts has taken place and can confirm the completion date to you.

How do I sort out the keys?

Unless you have made special arrangements before completion, the keys are handed over on the completion day in exchange for the purchase monies (the seller having already given them to the Estate Agent). However, this is often not the case due to inconvenience, and the seller will hand them directly to the buyer. If you are the seller, please **do not** hand over the keys to the buyer until we confirm that we have received the full balance monies and that completion has therefore taken place.

Please note: you must find out and agree on the arrangements for the keys before completion.