

STEP-BY-STEP GUIDE - PURCHASE

These notes are to give you some idea of the procedures involved and the work we undertake when acting on your behalf to buy a house. They are of course intended to give a brief guide only to the main steps in a normal purchase; we are always pleased to answer any questions that may arise, so do not hesitate to telephone to discuss them or to make an appointment to see us.

Before Exchange of Contracts

i.e. before you and your sellers become legally bound.

We receive your instructions and ask you to fill in a questionnaire to provide your contact information, details of your property and how you will fund the purchase. We ask you for a sum to cover search fees and we will also ask you to verify your ID.

We ask your sellers' solicitors for a draft contract and other documents so that we can check them.

We send a search application to the local authority and to the water authority (unless there are suitable searches within the Home Information Pack (HIP)) and the other agencies to obtain information on such matters as sewers, roads, planning and local land charges affecting the property. This normally takes up to two weeks. There are other searches which we may carry out in addition such as coal mining searches depending on the nature of the property and where it is situated.

We ask your sellers' solicitors enquiries about such matters as boundary responsibilities, fixtures and fittings, guarantees, disputes and any particular points that arise.

Once you have arranged your mortgage offer we receive details of the offer and instructions to act for the mortgage company in approving the property from their point of view and completing the mortgage documents.

We approve the contract, searches and enquiries and any mortgage offer, and report to you on everything with a view to you signing the contract. You will be sent a full written report on the property together with copies of all the relevant documentation. Your sellers should also be signing their part of the contract, and both parties agree on a completion date when the move actually happens. We may ask you for up to 10% of the price as a deposit to be paid to your sellers' solicitors when we exchange contracts; sometimes your sellers will accept less than 10% if this helps and usually if you have a sale transaction we will use the deposit from your sale towards the purchase deposit.

Exchange of Contracts

We then exchange contracts with your sellers' solicitors. Now you are bound to go ahead with the purchase and you can safely confirm your removal arrangements. You will also need to insure the property from now.

After Exchange of Contracts

We prepare the final documents to transfer the property to you and also prepare any mortgage papers.

We carry out any final searches to protect your position and that of any mortgage company.

We report to any mortgage company and ask them to send us the mortgage advance. We ask you to sign the mortgage papers and any other documents.

We ask you for any sums needed to cover the balance of the price payable, together with our costs and disbursements, and send you a statement of the figures.

On the day of Completion

We send the balance of the price to the sellers' solicitors by direct bank transfer as early as possible in the morning; the money usually takes an hour or so to reach the solicitors' bank, at which stage the keys will be released to you by the estate agents or possibly directly by the sellers. You can then move in.

Sometimes delays can occur in the transfer of funds between banks, and this delays the release of the keys; this is unavoidable but we do what we can to minimise any problems.

On completion we receive the transfer and other relevant documents; we then pay any Stamp Duty Land Tax (SDLT) and register your ownership and any mortgage at the Land Registry, who will issue a Title Information Document. Once this is done, it is sent to the mortgage company (with a copy to you) – if there is no mortgage then we will send the Title Information Document to you together with any other relevant paperwork.

Further information

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Disclaimer: This information is provided for interest only, and is a brief and generalised summary. It may contain errors or be incorrect in the circumstances which apply to you, and it does not attempt to cover all developments in the law. It must not be treated as legal advice, and you must always take specific advice before taking or refraining from taking action.