



hewitts ingham
Property Lawyers

A Brief Guide to Buying and Selling Domestic Property

Please read this guide as soon as possible and keep it to refer to until you have moved.

We have prepared this guide to assist you in understanding the processes involved in buying and selling your house or flat. In order to provide as speedy and as efficient a service as possible we have adopted the Law Society's **TransAction** scheme as the best system available. We aim to combine this efficiency with a personal approach. We will always be ready to discuss any aspect of the transaction with you, although if you do call in the office it is always advisable to telephone first to check that the person dealing with your matter will be free and able to see you.

WHERE YOU ARE SELLING a property we will on your behalf assemble a complete package of information and documents to send to your buyer's conveyancers. These will include

- A contract based on the information we have taken from your Title Deeds
- Copies of parts of your Title Deeds so that the buyer's Solicitors can see that you own the property and see what rights or burdens are attached to the property.
- A Sellers Property Information Form which you will have completed.
- A Fixtures and Contents form which you will have filled in and **which will form part of the binding contract later**
- Any guarantees and specifications for the guarantee.
- Any planning permissions or similar documents.
- An Energy Performance Certificate (EPC)

If your property is leasehold (usually a flat or apartment), other documents will be needed to cover such things as insurance, shared facilities, evidence that you have paid service charges and ground rent.

Subject to any other queries that may be raised, it will then be for **your buyers** to place themselves in a position to proceed.

When you market your property you will need to have requested an EPC. Hewitts Ingham can arrange this on your behalf.

What is an Energy Performance Certificate (EPC)?

An Energy Performance Certificate is a detailed assessment of the thermal performance of your home. It takes into account factors such as the construction type, size and age of your home, the water and heating systems and an overall account of thermal insulation levels. When completed the information is used to provide a report detailing the Energy Efficiency Rating.

EPCs tell buyers and sellers about the efficiency of a house – using A to G ratings like those used to rate fridges and washing machines. It is expected that the EPCs will be attached to the particulars which estate agents give to potential buyers. EPCs will also make recommendations for improvements that can be made to help cut fuel bills and carbon emissions. The EPC is prepared by Domestic Energy Assessors or Home Inspectors who are members of a Government approved scheme.

WHERE YOU ARE BUYING a property we will obtain a contract and all the information that we need on your behalf from the **seller's** conveyancers. We will check this in detail and see that it is legally in order. We will report to you any information that you need to have, **in particular** sending you a copy of the Property Information Form and Fixtures Fittings and Contents Form.

We will send off a search to the Local Authority, enquiring about anything their records hold about the property. You should be aware that this applies **only to the property itself** and **not** to neighbouring properties. As many local authorities require us to send a plan with the local search, we may have to wait until we receive this from the seller's solicitors before we can send the search off.

You may well have applied for a mortgage and you will need to **have received a written offer from your lender before** fully committing yourself to buy. In most cases the lender will instruct us to deal with their legal requirements, and in all cases we will make sure that any conditions on the mortgage are met. A very small number of lenders insist on instructing separate solicitors.

Please note that our enquiries do not relate to the physical condition of the property - this area should be dealt with by your own inspection and your survey. You should therefore be aware of the **limitations** of certain types of surveys, particularly the simple mortgage valuation, and we would **advise you to consider a more detailed type of survey**. If defects become apparent which were not clear when you made your offer for the property, it may sometimes be possible to re-negotiate the price.

Until these stages have been completed satisfactorily, neither seller nor buyer is legally bound to go ahead. As local searches and mortgage offers can take a few weeks to come through do not worry if for 2-3 weeks nothing really seems to be happening. It is!

If you are arranging the buildings insurance for the property **you** will need to make sure that the insurance is ready to be put in force **just before the exchange of contracts**. We will need a letter from the insurance company confirming that the buildings insurance is in force before we commit you to buy. **You must make sure** that the buildings insurance complies with any **conditions your lender has**.

EXCHANGING CONTRACTS is the stage where both buyers and sellers **do become legally bound** – and, if you are buying and selling at the same time, we will make sure that you do not become bound on one transaction without a binding agreement on the other.

It may well be, particularly if you are only buying, that you will need to pay a deposit of up to 10% of the price at exchange of contracts. We will need to have cleared funds – usually a bank draft or building society cheque (but preferably a Bank Transfer payment) before we can pay over the deposit. A personal or company cheque is **not** cleared funds and we will have to wait for clearance, usually around six working days before we can use **any** money you pay us in this way. If you are selling, the deposit received on your sale can usually be used as a deposit on your purchase.

At exchange of contracts a **completion date** is fixed. This is the date upon which the actual sale or purchase will take place. The completion date is fixed by mutual agreement and this will be your moving day.

You should note that it is **exchanging contracts, which we do for you**, which is the binding act and **not** the physical signing of the contract, and you and your seller or buyer may well **sign** the contract some time **before** contracts are actually exchanged.

If you are involved in a chain you will **not** be able to exchange contracts and fix a completion date **until everyone in the chain** is ready unless one seller in the chain is willing to break the chain and move into temporary accommodation.

It is **very unwise** to make any binding removal arrangements or book time off work in anticipation of being able to move until **we** have obtained confirmation that your buyer/seller will be ready to proceed **from their conveyancer**. If they are not ready you may lose money and/or valuable holiday time.

BY THE COMPLETION DATE all the final documents will have already been prepared and signed for and all the financial aspects finalised. We will need to have **all** the money needed, including our own charges and expenses, and again in **cleared funds**, before completion.

If you are selling you should have booked your removals, arranged all meter readings and notified all the proper Authorities. We will see to paying off any mortgage you have and, with your authority, to paying your Estate Agent. We will not pay your Estate Agent until you have seen their bill and confirmed to us that it is correct and that we may pay it.

If you are buying you should arrange with the correct Authorities for your takeover of the gas, electricity, telephone and other such supplies. If your mortgage is linked to a Life Assurance policy, this must be in force **before** completion.

ON COMPLETION

If you are selling you must leave and empty your property by or on the day of completion. This is what “vacant possession” means. Your buyer’s solicitors will not normally be able to pay the purchase money until your property is empty. Since the purchase will usually take place in the morning of the day of completion, you should try to be out early. If your buyer does not already have a key, the keys should be left with your Estate Agent, or be ready to be handed over directly by the time completion takes place.

If you are buying unless you are able to make an informal arrangement with your seller, you will not normally be able to collect the keys until your seller’s conveyancer has received the purchase money and completion has taken place. If you are buying only, we will try and arrange for completion as early as possible on the day of completion.

If you are buying and selling we will need to have received your sale money from your buyer’s conveyancers before we can complete the purchase with your seller’s conveyancers. This can cause delays in the release of keys; we will do all we can to minimise these.

Please note that on completion all the money is sent through the bank same day transfer system and, once sent, conveyancers have no control over when it will be received. On a popular completion day e.g. just before a Bank Holiday or at the end of a month it may take some hours for money to be received.

AFTER COMPLETION we will see to payment of Stamp Duty Land Tax, registration of your ownership and to other formalities. The Land Registry usually takes several weeks to complete registration, after which you will get your Deeds back and, if you have a mortgage, they will be sent to your lender.

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