



Sale & Purchase of Land/Property

HilliersHRW Solicitors

The Conveyancing Procedure

(a) The offer

After the Seller has accepted an offer, either party may withdraw from the transaction at any stage with no penalty until exchange of contracts. Should this occur, each party would be responsible for their own fees incurred, such as Surveyors fees or Solicitors charges. It is inadvisable to try to fix moving dates early on in the transaction as many matters might hold things up especially if there is a chain.

(b) Survey

The property should be surveyed. Where a mortgage is applied for, the Buyers Lender (Mortgagees) will satisfy themselves as to the valuation of the property, which will include a bare survey. This is not comprehensive and Buyers are strongly advised to consider having a more detailed survey. We may not be supplied with a copy of the survey as a matter of course. Should we be acting for you as a Buyer we suggest that you send a copy once it is to hand in order that we can check any necessary legal requirements. You must not rely on the valuation carried out by your Lender.

(c) Finance

Before exchange, the Buyer must arrange their finances. If appropriate, a written satisfactory mortgage offer must have been issued and any requirements of the Lender have been dealt with. We are approved Solicitors on all of the major Lending Institutes panels. Any additional moneys needed for the purchase and fees must have been accounted for. If one or more adults are moving into the property with you and they are not to be joint owners, a Lender will require them to enter into an agreement with them. This postpones any right or interest they may have in the property in favour of the Lender. They may be required to take legal advice from another Solicitor about this and there will be a fee payable which may be up to £100.00 + VAT per occupant depending on the Solicitor they choose. If your Lender requires mortgage indemnity insurance, this will cover the Lender in the event that they are unable to realise the full amount outstanding under the Mortgage, should they be obliged to repossess the property. This covers the Lender only and the insurer would have the right to claim any shortfall against you personally. Please also note that your Mortgagee may make additional charges for e.g. sending the funds on completion by way of bank transfer, fees for approving your own buildings insurance etc.

(d) The Contract

The Buyer must be satisfied that the property is suitable for them. It is sold as it stands and there may be no legal redress after purchase if the property is in any way not as they expected or required. We do not have the opportunity to view the property. If we are acting for you as a Buyer we will send you a plan and you should check that it is a correct record of your understanding of the property. Please report to us any unusual matters e.g. driveways or garages etc. used with neighbours, evidence of rights of way etc. You should notify us of any particular items of furniture and fittings not detailed on the list, which should be included in the sale. Most contracts limit the Sellers liability in respect of statements made in conversation. It is therefore important that you report any material matter you have agreed to us in order that we may confirm it in writing. Some contracts pass the risk of the property to the Buyer on exchange. If you are arranging your own building insurance this should be in place before exchange and a copy must be provided to us. In addition, the appropriate Life Company should have accepted any life policies required by your Mortgagees. A delay in either of these matters may hold up the transaction. Please ask the company arranging. We may need to see you personally before exchange to go over the documentation and have you sign the contract and any mortgage. We are obliged to verify your identity and will require you to bring your passport if possible or driving licence and a bank statement or services bill showing your current address. If it is more convenient we can send the documentation to you in the post to sign.

(e) Searches and Enquiries

We, as Buyers Solicitors, raise enquiries to ensure there are no legal matters that may adversely affect you use or ownership of the property. This includes a Local Authority search. This reveals any matters from the Councils records, which affect the property. Please note however that the search is confined to the actual property you are buying and will not necessarily reveal matters in the area that may affect you. We will also apply for a Water/Drainage search, a Chancel Liability search and an Envirosearch. If the property has the benefit of a Home Information Pack (HIP) a personal Local search and Water/Drainage search will be included. If these searches are acceptable, we would not have to apply for these again. If you have a copy of the HIP please provide us with this as soon as possible. There are other searches that may be necessary, such as a Commons Land search, Coal Mining search, Company search. These are not included in our standard fees estimate but will be chargeable if they apply. We will assume we have your instructions to apply for these where the circumstances arise, unless you instruct us to the contrary.

(f) Additional Expenses

Please note that our fees exclude the following that may be additional costs in the transaction, we are unable to give estimates for these as they depend on the individual circumstances, which we will presume we have your authority to pay, unless we hear from you to the contrary:

- Fees set out in (e) above and any other fees charged by your Mortgagees (e.g. for transferring funds on completion);
- Fees to third parties payable when the Title is incomplete (e.g. missing planning documentation / copy documents from H M Land Registry);
- Fees for perfecting a defective Title;
- Where the property is Leasehold, fees for registering the Deed of Covenant/Notice of Assignment. These are payable to the Landlord and sometimes also the Management Company's solicitors and depend on the terms of the actual Lease;
- Our additional fees for work carried out where there is or are abortive transactions. These will be at the hourly rates as set out in the Terms & Conditions of Business supplied;
- Where the property is Leasehold, fees for obtaining the required leasehold information.

(g) Exchange of Contracts

Once all the above has been satisfactorily dealt with (and any and any requirements of a dependant transaction have been dealt with), you will be ready to exchange contracts. On exchange, you enter into a binding contract to purchase or sell. This means that after this you cannot change your mind. A deposit is always required. This is paid on exchange of contracts to the Seller's solicitors and will be deducted from the purchase price on completion. This is usually 5-10% of the purchase price depending on the available amount. Please discuss this with us if this is likely to be problematic. If less than 10% is actually paid, the Seller is still entitled to the full 10% under the terms of the contract if there is any delay in completion. If you are buying and selling simultaneously, we will arrange to use the deposit from your sale for your purchase. You will not need to attend the office upon exchange of contracts; we will arrange the exchange over the telephone with the Seller's/Buyer's Solicitors. On exchange, a mutually convenient date is fixed for completion. Please discuss this with the other party or Agent close to the time of exchange. If you are buying, you must ensure that your Buildings Insurance / Life Insurance policy is put in force from exchange of contracts. Sellers are strongly recommended not to cancel their Buildings Insurance until completion has taken place.

(h) Post Exchange

We have a dedicated Post Exchange Assistant who will look after your file following exchange of contracts. The Buyers Solicitors will request the mortgage moneys required to complete, make the final searches and enquiries and arrange for any balance of the legal documentation to be signed. We will provide you with a Completion Statement detailing any sums that are due on completion. Please note that we always require funds to be cleared in time for completion and therefore a Banker's Draft or Telegraphic Transfer from you is required. Please ensure the Banker's Draft is made payable to HilliersHRW Solicitors. A personal cheque will have to be received by us at least 5 working days before completion to enable clearance of funds, and is therefore not our preferred payment method. The Seller's Solicitors will request a redemption statement from the Mortgagee (if applicable) showing the amount to repay on completion and make final arrangements.

Please note that if the Buyer is unable or refuses to complete to purchase the Seller may:

- (a) Keep the deposit (having sent a notice in accordance with the contract) and sue for the balance of 10% of the purchase price if less than 10% was paid on exchange and /or;
- (b) Sue for damages and /or;
- (c) Try to enforce completion of the contract and/or;
- (d) Charge interest at between 4% or 5% above bank base rate on the balance of the price.

Should the Seller be unable or refuse to complete, the Buyer can request back the deposit paid and sue for damages.

(i) Completion and Post Completion

The Buyers should inspect the property before Completion. The keys are usually left with the agents and released to you on completion. Please check that they have these the day before. The Seller must move out on or before the day of completion. It is safest for a Buyer to arrange removals for the afternoon if moving on the actual day, as the Seller will not hand over keys until their Solicitors receive the money. The completion itself takes place by post and bank transfer. The fee for this is £35.25. You will not need to attend the office. The Seller should have notified all of the service authorities that they are moving and arranged to have all meters read. The Buyer should also have contacted these authorities to take over the accounts and ensure they are not cut off. The meter readings should be taken on the day of completion.

On completion the Sellers Solicitor repays any existing mortgages, the Estate Agent (if any), and pays the Seller the balance. If there is a balance due to you on completion we will forward this to you by cheque. If you require the balance by Telegraphic Transfer, we will require your bank details in writing prior to completion. A charge of £30.00 plus VAT of £5.25 is payable for this service. The Buyers Solicitors will complete the Stamp Duty Land Tax (SDLT) form and apply for title to be registered at the Land Registry, which is a regional centre for the registration of title to land. The fee for this depends on the purchase price. Once the registration has been completed we will provide you with a copy of the Title Information Document together with any balance of deeds and documents. Some or all of the documents may be required by your Mortgage Lender (if any) and we will therefore check their requirements.

(j) Joint Purchase

If you are purchasing property jointly the property may be held in two ways.

(i) Joint Tenants

Couples often hold property in this way. There is a presumption that the shares are equal. On the death of one party, the property automatically belongs to the survivor. This may be altered in the future by "severing" the joint tenancy, which will convert it to a Tenancy in Common. You should seek legal advice about this if you wish to do this in the future.

(ii) Tenants in Common

In this case, the shares are not necessarily equal and on the death of one party the property goes to any person named in the deceased's Will or to the next of kin if intestate. It is important that any agreement relating to the shares or use and occupation of the property is set out in writing in a Trust Deed or in the deed of transfer. Please let me have your instructions on this if choosing this method.

(iii) Deed of Trust

If one party is contributing a large sum towards the purchase price it is advisable to protect this investment by way of a Deed of Trust. Please let us know if you require this service.

(k) Stamp Duty Land Tax

This is paid by the Buyer on the whole of the price and is levied as follows:

£0 - £125,000: **Nil**
£125,001 - £250,000: **1%**
£250,001 - £500,000: **3%**
£500,001 and over: **4%**

If the property is identified as being in a disadvantaged area, no stamp duty is payable if the purchase price of the property is under £150,000. If a new lease is being granted then there will also be a charge - usually 12% of the average ground rent.

(I) Wills

You are strongly advised to consider making a Will. The Provisions for intestacy are complex and it may mean that the person(s) you would like to benefit from your estate on your death may either not be entitled or have difficulty in administrating your estate. If you are interested in this, please specify on the accompanying questionnaire.

The Team

We have a highly efficient comprehensive conveyancing service to offer our Clients. There will be the following people dealing with your file to ensure that you can have contact with us at all times:

- Deborah Bishop:** Head of Conveyancing Department (Legal Executive) who has over 10 years experience in residential conveyancing and will handle all aspects of your matter.
- Geraldine Simmans:** Conveyancing Manager (Kempston) who has over 30 years experience in conveyancing and will be handling all aspects of your matter..
- Freya Buckley:** Trainee Licensed Conveyancer (Stevenage) who has over 10 years conveyancing experience and can assist you in all aspects of your matter.
- Michelle Meadwell:** Exchange/Completions Assistant (Kempston) who has over 11 years conveyancing experience and can assist you in all aspects of your matter. *Michelle normally specialises in the work involved from exchange of contracts onwards.*
- Sue Bristow:** Conveyancing Secretary (Kempston) who has 6 years experience in residential conveyancing and will be able to deal with general enquiries on your file.
- Carol O'Reilly:** Conveyancing Secretary (Stevenage) who will be able to deal with general enquiries on your file.

