



## BUYING YOUR HOME

The following notes set out briefly the legal aspects which we shall deal with and are intended as a reminder to you of some of the more practical matters which you should attend to.

1. The Seller's solicitors obtain the Title Deeds from the bank, building society or from whoever is holding them and then prepares a Contract which is submitted to us for approval on your behalf.
- 2a We make a search on your behalf in registers maintained by the relevant Local Authority. (This search only reveals matters DIRECTLY AFFECTING the property). Searches can be made against adjoining land/property at additional cost, if you instruct us so to do. Contracts should not be exchanged before the results of these enquiries are known to be satisfactory.
- 2b We will make a drainage search on your behalf to ascertain whether the property is connected to mains water and to the public sewerage system. The search will also show the route of the nearest water main/public sewer.
- 2c We will make an environmental search on your behalf to check on such issues as ground contamination, natural subsidence, radon gas and so on.
- 2d It is sometimes necessary to make a mining search if the property is in a mining area.
- 2e Please note that it is your responsibility to make your own searches and enquiries regarding the physical condition of the property
3. We then raise enquiries of the Seller's solicitors concerning matters disclosed in the contract documentation and in respect of the property generally. It may be necessary for these solicitors to take instructions from the Seller before replying. Again, Contracts should not be exchanged until you are satisfied with all the replies received.
4. If you are obtaining a mortgage, an offer of mortgage is unlikely to be made until several weeks after the date of application. There may be a further delay if you are selling your own house at the same time as buying the new property, and the sale chain is not as well advanced as your purchase.
5. Contracts are only exchanged when points 2, 3 and 4 are satisfactorily resolved. Please note that if you are buying with the assistance of a mortgage we will be acting for, and protecting the interests of, both you and your lender. The matters set out in paragraphs 2 and 3 must therefore be resolved both to your satisfaction and in accordance with your lender's requirements. On exchange of contracts you will pay a deposit (a part payment of the purchase price) through us to the Seller's solicitors. Traditionally this has been 10% of the purchase price but lesser sums are now common. If you will not have a deposit of 10% available to pay on exchange, it is important that you let us know so that we can seek to agree a lower figure with the seller. On exchange of Contracts the moving date (i.e. the completion date) is agreed and fixed. Once contracts are exchanged the transaction becomes legally binding on the parties to the contract.

6. We then prepare documents which will transfer the ownership of the property to you and at the same time raise any queries which may arise from inspecting the Seller's Title. It is our responsibility to ensure that the Title has no defects which might prevent it being sold on again.
7. We make final searches against the Seller and the property to ascertain that there are no matters registered against it which are adverse to your interest. Where there is a mortgage we are also required by your mortgagee to make a bankruptcy search against you. This may reveal entries against a person of similar name to you, which may not affect you, in which circumstances we shall forward the search to you asking you to write on it that this is the position.
8. We will obtain the money required for completion from you and/or from your Building Society, and/or from the net proceeds of sale of your present house. On the completion date we transmit the purchase monies by Bank Transfer to the Seller's solicitors. The period which is commonly allowed between exchange of Contracts and completion, is four weeks but the period can be shorter or longer if both parties agree. You are not entitled to possession until such time as completion has taken place, which is when the Vendor's solicitors have received all the purchase money.
9. It is sometimes possible when you are purchasing a house that is empty to borrow the keys after exchange of contracts but before completion, in order to clean or carry out minor works (but not to move in). If the Seller agrees to this he will require an undertaking from you not to occupy or cause damage to the property, and to pay for services used.
10. After completion the Seller's solicitors must repay any outstanding mortgage on the property and usually pay any Estate Agent his commission before accounting to the Seller for the balance of proceeds of sale. Alternatively, the balance of proceeds of sale may be used towards buying another property.
11. After completion we arrange on your behalf for any stamp duty land tax payable to be paid to the Inland Revenue and for the purchase to be registered at the Land Registry. After registration the Deeds will be sent to your Building Society if you have a mortgage or if you have not we can send the Deeds to you for your safekeeping. It normally takes some months to complete the registration.
12. Costs - the amount will depend on the value of the transaction and the amount of work involved. We shall be pleased to give you an estimate. The costs are added to the amount you pay before completion, if you are buying, and if you are selling they are deducted from the proceeds of sale. We shall need you to pay us the balance of the purchase price and the costs and disbursements seven working days before actual completion, as it takes time to clear your cheque into our client's account. We are not able to complete your purchase until this has been done because on completion we must pay your Sellers by way of cleared funds through our bank's CHAPS system. It is quicker for you to pay the completion monies to us by a direct bank transfer rather than by cheque; otherwise we will have to wait for your cheque to clear through the banking system.
13. Abortive transactions - if a sale falls through or you change your mind concerning the property you are buying, then we will charge for the abortive work depending upon the amount of work that we have carried out.