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decision. Specific advice should be obtained from ourselves in
relation to particular circumstances.

GUIDE TO CONVEYANCING

A GENERAL GUIDE TO BUYING & SELLING RESIDENTIAL PROPERTY

Conveyancing is the legal transfer of property from one owner to another. This document contains a brief guide of the procedure involved in a straight forward transaction and is not intended to be a comprehensive guide to the services we provide. Additional information specifically related to sales and purchases is also included.

Conveyancing is a 2-stage process. The first stage is up to exchange of Contracts and the second stage up to completion. There is in fact a third stage to the process, which is Registration, which comes after completion, however this aspect is dealt with automatically by us.

"Exchange of Contracts" is when both parties become legally bound to each other. On exchange the parties are Contractually bound to sell and buy, and if one party pulls out after exchange of Contracts they will become liable to the other for the penalties that are contained within the Contract. Therefore it is essential for us, on your behalf, to ensure that before exchange of Contracts the risks of your not been able to complete, are minimised so far as possible.

STAGE 1 - LEADING TO EXCHANGE OF CONTRACTS

Some of the duties that are carried out by us on your behalf in a typical transaction are as follows:

YOUR SALE

1. We contact your Estate Agent (if any).
2. We obtain and examine your Title Deeds from yourself, your Bank, Building Society or depository.
3. We obtain up to date copies of your Deeds from the Land Registry if the property is registered. In the event that it is not, we examine the Title Deeds and prepare a document (Abstract of Title) containing all the information from your Title Deeds relevant to your property that your Buyer's Solicitor will want to see.
4. We send to you the Law Society Protocol forms for you to complete, these include the Fixtures, Fittings & Contents form and a Property Information form.
5. We prepare and send out a draft Contract to your Buyer's Solicitors, together with all available documentation.
6. We receive any observations from the Buyer's Solicitors on the Contract and general enquiries.
7. We lease with the Agents and Seller's Solicitors to ascertain the time scales involved and whether or not the Buyer's have received their Mortgage offer.

YOUR PURCHASE

1. We take instructions from yourself or your Selling Agent.
2. We obtain a draft Contract from your Seller's Solicitors and examine the same in detail together with the Title.
3. We submit searches to the Local Authority, Water Authority or any other relevant searches.

4. We raise enquiries of the Seller's Solicitors (such as enquiries regarding boundaries, disputes, planning, guarantees etc.)

5. We lease with your Bank/Building Society regarding your mortgage.

6. When all of the above matters are completed, you are almost ready to exchange Contracts.

7. Before doing so, the deposit on your purchase will need to be arranged. The deposit paid by your Buyer can often be used on your purchase and no further monies are required. However, the usual deposit is 10% of the purchase price and the Seller may insist on a full 10% being paid in which case the balance will have to be provided.

8. In addition, the completion date will need to be inserted into the Contract, this is the date you actually move. Once all parties are agreed, contracts are exchanged.

STAGE 2 - LEADING TO COMPLETION OF TRANSACTION

1. A binding Contract will now exist. Neither party can then withdraw without incurring liability for breach of Contract.
2. You will now have a date for "completion" you should now make arrangements with your removal firm. You and your Seller/Buyer should also make arrangements now to have the gas, electricity and water meters read on the completion date and also to have the telephone transferred.
3. You should also deal with council tax, water rates and post redirection.
4. We continue with the transaction as follows:

YOUR SALE

1. We approve the final legal documents of Transfer.
2. We reply to any final queries that may have arisen.
3. We obtain a repayment Statement from your Bank or Building Society in relation to your current mortgage.
4. We obtain the Selling Agent commission details.
5. We prepare a Completion Statement showing the balance due to yourself or to be transferred in connection with your purchase.

YOUR PURCHASE

1. We prepare the final legal documents of Transfer and mortgage.
2. We carry out final searches.
3. We report to and obtain mortgage monies being advanced from the Building Society/Bank.
4. We prepare a final Statement, which shows the total sum due from you on or before completion, and how that sum is calculated.
5. A few days prior to completion we shall arrange for you to sign the Transfer documents and Mortgage Deeds and if necessary settle our account.

Continued overleaf...

GUIDE TO CONVEYANCING CONTINUED



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COMPLETION (MOVING DAY)

1. On the day of completion your Buyer's Solicitor will arrange for the purchase money to be transferred directly to our Bank account. Upon receipt of that money we arrange for your Title Deeds and supporting documentation to be forwarded to your Buyer's Solicitors.
2. On your purchase or in the event that you have a purchase connected to a sale, we arrange for the balance of your sale together with any new mortgage advance or balance of purchase monies to be sent by direct Bank transfer to your Seller's Solicitors and obtain their undertaking to forward to us the Title Deeds.
3. Keys to any property sold can be handed over as soon as we receive your Buyer's monies, and your keys to your new property are then handed or released to you as soon as your Seller's Solicitors receive the final balance.
4. Following completion and receipt of the Title Deeds from your Seller's Solicitors we then arrange to pay any Stamp Duty and submit the Stamp Duty Land Tax Return. On receipt of the SDLT Certificate we then arrange to register your ownership at HM Land Registry. Following completion of registration all relevant documents relating to the property are then forwarded for safe keeping in our storage facility with East Yorkshire Wills & Securities (if requested) or forwarded to you for safe keeping, and use in connection with any subsequent sale.

ADDITIONAL INFORMATION

SURVEYS

When you buy a property, the onus is on you as the purchaser to check its condition. For this reason alone, a survey is always advisable in order to discover physical defects, which are not readily apparent. Only in exceptional cases will you have a remedy against the seller should you discover any defects after you have completed the purchase. If you are obtaining a mortgage the property will be examined by the Bank or Building Society Surveyor.

In an ideal world, a purchaser should always have a full survey carried out before exchange of Contracts. Yet many Buyer's particularly first time Buyer's, for whom the expense of a survey is a major consideration, do not commission an Independent Survey, preferring to rely instead on the valuation undertaken by their Lender. However, a Lender's valuation will not necessarily reveal sufficient information about the state of the property to allow the purchaser to make a reason judgement as to whether or not to proceed with the purchase.

The exact expense and value of a full survey will depend upon what the Surveyor is instructed to investigate. A full survey will only reveal the true stage and condition of the entire property if the Surveyor is correctly instructed to investigate all aspects of the property.

INSURANCE

If you are obtaining a mortgage, the Bank or Building Society often arrange the Insurance as well. If you are permitted to undertake your own Insurance arrangements, you must make sure that the cover is adequate and a cover is put in place before the mortgage advance is used. As a general rule it is the purchasers responsibility to arrange to insure the property from "Exchange of Contracts".

You should always of course arrange for adequate Insurance Cover for the contents of your property including the period of transit.

Please also make sure that the property you are selling is insured for the day you move out and the property you are buying is insured from "Exchange of Contracts" (so that the 2 overlap by one day).

DEPOSIT

It is customary for a Buyer on exchange of Contracts to pay to the Seller a deposit of 10% of the purchase price. The payment of a deposit acts as part payment of the purchase price and demonstrates the Buyer's good intentions of completing the Contract. In the event that the Buyer subsequently pulls out, the deposit paid is forfeit.

In the event that there is a connected sale, it is often acceptable to use the deposit received on the sale for your purchase, even if it is less than 10%, however in the event that the purchase does not subsequently proceed, a full 10% deposit is forfeit, notwithstanding that a lesser deposit has been paid.

CHEQUES

Cheques take 5 working days to clear through our client account. It is therefore necessary that you submit any cheques to us in sufficient time so that they can be cleared.

BANK TRANSFERS

Please note that most transactions are now dealt with by direct Bank transfer in respect of which additional fees are paid. In the event that you are selling a property and you would like the balance directly transferring to your Bank account, please let us have your relevant details. Please also note that a Bank telegraphic transfer fee (usually £20.00 - £25.00) will be deducted from the balance due to you.

FIXTURES

Fixtures and Fittings (or Chattels) do not form part of the land and so are not included as part of the property on a sale, unless the Seller expressly agrees to leave them behind. Some fittings may be included in the sale price of the property. The Seller and Buyer will need to reach agreement over which items are to be left or removed or paid for separately. The Fixtures, Fittings and Contents form completed by the Seller's indicates which items are included, and must be examined in detail by any Buyer.

CO-OWNERSHIP

If you are to co-own a property with another person, it is necessary to determine how you intend to hold the property. You can either hold the property as "Joint Tenants" or as "Tenants in Common".

The main distinguishing feature of the joint tenancy is that where properties are held as "Joint Tenants" the death of either party means that the property will automatically pass to the survivor.

Whereas if the property is held as "Tenants in Common", on the death of either party the interest of the deceased party passes in accordance with the deceased's Will and not automatically to the survivor.

USE OF THE PROPERTY

In addition to knowing what the present use of the property is, we will need to know what you intend to use the property for after completion. Any change of use of the property alteration to its physical structure may require planning permission, including replacement of double-glazing.