

Summary of the procedure for buying a property

Buying a property

The estate agents will write to your solicitor informing him/her of the name and address of the solicitors acting for the seller.

Once a cheque has been received from you your solicitor will apply for any searches required on the property. This will be the environmental search and a local search.

Your solicitor will receive a package of deeds from your seller's solicitor, which includes the contract, copies of the title deeds, Property Information Form, Fixtures Fittings and Contents Form and leasehold information and Lease in addition if it is a leasehold property.

A copy of your mortgage offer will be sent to your solicitor at the same time that you receive your offer but in addition the solicitor will receive extra papers from your lender giving the solicitor instructions and additional documents to complete.

Once your solicitor has received your mortgage offer, the results of the local authority search and the papers from the seller's solicitors the solicitor is then in a position to report to you on the paperwork in writing. A meeting will then be arranged to go through and sign the papers, to prepare for exchange of contracts. There may be additional questions for your solicitor to raise at this stage.

On exchange you have to pay a deposit of between 5% and 10% of the purchase price. If you have a related sale quite often the deposit from that sale can be used for the purchase. On exchange of contracts a date is fixed for moving and you are committed to move on that date otherwise you will be in breach of contract.

Between exchange and completion you must notify all the authorities of your move date. Your solicitor applies for and obtains the funds from your lender, prepares a financial statement setting out the sums required and due from you if any. The balance of money due from you (if any) must be paid to the solicitor to clear in time for completion. The solicitor also makes final searches at the Land Registry to check that no new entries have been made against the title and obtains protection and priority for you until after completion when the application for registration is made. If you have a mortgage the solicitor also makes a bankruptcy search before completion.

On completion the solicitor sends the money to the seller's solicitor to complete the purchase and then pays the tax on the transfer to the Inland Revenue and registers the property at HM Land Registry in your name. Once the property has been registered the deeds are then sent to your lender, copy to you or if you have no mortgage the deeds are sent to you.



Summary of the procedure for selling a property

Selling a property

You first of all have to obtain an energy performance certificate (EPC) to give to the estate agents when you market your property. The cost of this is about £40. Your solicitor can obtain this for you or the agents may offer to obtain it without charge.

Once you have a buyer, the estate agents will write to your solicitor and the buyer's solicitor and confirm the price of the property and inform each solicitor of the others address.

Your solicitor will then send you information forms and a fixtures fittings and contents form for you to answer and complete and return to your solicitor. Your solicitor will then need your title deeds, which will be with your lender if you have a mortgage. They will also be obtained from the land registry as the buyer's solicitor will want up to date copies of your title before they proceed and there is a charge at the land registry for requesting the deeds. When the title deeds and property forms are received by your solicitor they are then able to prepare the contract and package of papers to send to the buyer's solicitors.

The buyer's solicitors may raise additional questions for you and your solicitor to answer. Once the buyer has their search results and mortgage offer and has no more questions to raise then they will be ready to exchange contracts.

If you have a property you are buying as well the exchange of contracts on the sale and purchase will usually take place at the same time and the same date will be agreed for completion on both properties unless you say otherwise.

On exchange of contracts a moving day is finalised and becomes part of the contract and a deposit is paid by the buyer of between 5% to 10% of the purchase price. It is traditionally a 10% deposit.

Once contracts are exchanged your solicitor can then prepare a financial statement setting out how much is to be received less the money to be paid out. If you have a mortgage your solicitor will obtain a redemption figure from your lender. You will also be sent a transfer to sign, which transfers the property to the buyer. Your solicitor will check this first.

On completion the money is received from the buyer's solicitor and your solicitor will pay off your mortgage (if any) and obtain the appropriate discharge form and send all the papers to the buyer's solicitors. Usually your solicitor will also pay the estate agents and other disbursements agreed.

