

# CONVEYANCING GUIDE

- for -

**The Buyer**

*Roland Robinsons & Fentons  
Solicitors*

## 1. INTRODUCTION

The purpose of this Guide is to: -

- (a) Explain what we will do for you
- (b) Explain the Conveyancing process
- (c) List the other types of service we are able to offer
- (d) Obtain certain information from you to progress the matter

We hope that you will find the time to read it carefully and that it is of some real assistance and benefit to you. We want to be of service to you and to be satisfied that, at all times, you are kept well informed, receive clear advice and that our services represent good value, both now and in the future.

## 2. CONTENTS

- (A) BUYING YOUR HOME –General Information for Buyers
- (B) BUYING YOUR HOME – Financial & Mortgage Advice
- (C) OUTLINE OF LEGAL WORK INVOLVED – This is a resume of the legal work we shall be conducting on your behalf. It is by no means exhaustive but is meant to outline the various stages involved in the purchase of your property.
- (D) OTHER SERVICES
- (E) AIDE MEMOIRE
- (F) CLIENT QUESTIONNAIRE for completion by you and return to us at this stage.

### (A) BUYING YOUR HOME – General Information for Buyers

#### SURVEYS

If you are obtaining a mortgage your lender will require that a **MORTGAGE VALUATION** is obtained. You will have to pay the valuation fee before the survey can be done and therefore before your mortgage can be approved. However, the mortgage valuation report is limited in that it is for the lender's benefit only and is a valuation of the property to guarantee the security of the loan. Whilst the report should highlight any major defects and problems with the property, if the surveyor unfortunately overlooks something it is extremely difficult to obtain compensation from him in the event of any loss that you suffer as his contract is with your lender and not with yourself.

It is therefore advisable in most cases (unless you are buying a new property) to have a more detailed survey report. The main reason for this is that there is a general rule in English law "let the Buyer beware." This means that if you discover a defect in the property after you have moved in it is most unlikely that you will have any right to claim against your Seller. It is therefore possible to arrange for a more detailed report

(at a higher fee), which will serve the benefit of both your lender and yourselves and which is commonly called **A PROPERTY PURCHASE SURVEY AND VALUATION** and which will be undertaken by a member of the Royal Institute of Chartered Surveyors. The report will comment on the condition of a house or flat and includes a valuation. The surveyor will inspect the main structure including roof space (if it is accessible) and the drainage arrangements. A **Flat Buyer's** report will also cover the condition of common parts and services such as central heating.

If you are a cash buyer you will need to consider having a survey report for the reason mentioned above. After all it is likely that your purchase will represent your biggest financial investment and you will wish to have peace of mind that it is a sound choice.

A full **BUILDING SURVEY** is particularly useful for old or large properties. The surveyor will report on everything that is visible. The outside of the roof will be examined and a sample floorboard will be taken up, where practicable. The survey will cover the structure of the building, outbuildings, nearby trees that may cause problems and water services and drainage. The surveyor may suggest that you should have further tests for example, if wet or dry rot is suspected.

**It is also advisable that you should have the central heating plumbing and electrical wiring systems checked at this stage to prevent delays in being able to exchange contracts and arrange an early completion date of your purchase.**

If you need to have a survey arranged please let us know and we will put you in touch with a chartered surveyor who will be able to discuss terms of business with you.

## **THE PURCHASE**

After you have agreed a price with your Seller for the property you wish to purchase "**subject to contract**" and have received the result of your survey report, this is the time that we "get moving" on your behalf. We will have requested from you a sum of money to put in hand our local authority and any other appropriate searches.

A **LOCAL SEARCH** will check whether or not the property was built with the benefit of planning permission; whether the local authority intends taking any enforcement action against the owner of the property (for building an extension without the benefit of planning permission.) It will also reveal if there are plans to compulsorily purchase the property and whether there are any road schemes planned within 200 metres of the property. However, it will not reveal any planning applications for a factory or supermarket in the next street and any such proposals should be disclosed by your Seller should he be aware of them. If you have any doubts about such matters, you should visit the Local Authority planning department and check the situation with a Planning Officer. The usual time it takes for the local authority to process a local search is approximately a week, sometimes less and sometimes more depending on the authority.

At the same time as putting in hand the local search we will have requested a draft contract and copy title deed from the Seller's solicitors. We should also receive a **FIXTURES FITTINGS AND CONTENTS FORM** setting out items the Seller is leaving or removing from the property and also **PROPERTY INFORMATION**

**FORMS** which are answers to questions affecting the property. Once we have received this information we analyse it and ask any further questions in respect of matters, which give us cause for concern. This process takes about 2 to 3 weeks.

In some cases it is necessary to do other searches, for example, a mining search to the Coal Authority in a mining area to check whether there are any plans for further mining or whether or not any mining subsidence claims have been made affecting the property. An Environmental Search may be carried out to find out if the property may have been built on contaminated land.

If the land has not been registered at the Land Registry (see later) in many cases it will be necessary to do an **INDEX MAP SEARCH** to check if any of the land, which the Seller is trying to sell to you, has already been sold off to another person.

Hopefully, whilst this work is being carried out by us, we will receive your **MORTGAGE INSTRUCTIONS** from your lender, which tell us what they expect us to do for them. We will have to comply very carefully with their requirements as they will also be a client of the firm and will be treated in the same way as yourself. We have to satisfy them that the property will be readily saleable in the unfortunate event that they have to sell it having repossessed the property from you for your failure to pay the mortgage payments.

Further, in most cases, we have to satisfy the lender that you are providing the balance of the monies to purchase the property from your own resources. If a third party is lending you the money then we are in most cases, under a duty to advise the lender of this. The lender will also require that we have verified your identity. Therefore please do not be offended if we request sight of your passport, driving licence or the like.

After you have initially instructed us and we have put in hand the local search etc you will probably not hear from us for approximately 2 weeks. Please do not be alarmed. Once we have received our local search result, your mortgage instructions and have had all our questions answered satisfactorily by the Seller's solicitors we will prepare a detailed report to you advising you of the legal aspects of your purchase. We will also at this stage prepare our Completion Statement setting out the amount of money that we will require from you to be paid as the deposit (usually 10% of the purchase price) and the final balance in readiness for a completion date. We will normally request that any monies that you pay to us are made in the form of a building society cheque or preferably a bankers draft as a personal cheque will take longer to clear through the banking system and will cause delays in our being able to exchange Contracts on your behalf and achieving an early completion date. However, payment may be made by bank "CHAPS" transfer and we will discuss this with you. Please note that due to Money laundering Regulations neither we nor our bankers are able to accept cash payments in excess of £500.

At this stage we will request that you make an appointment at the office to discuss your purchase in detail with a view of signing the contract, the mortgage and other documentation and we will discuss a suggested completion date with you.

If you are taking out any new **LIFE INSURANCE POLICIES** these will need to be put in force in readiness for exchange of contracts and completion

**BUILDING INSURANCE.** If you are getting a mortgage and you are insuring the property through the lender then they will have arrangements for insuring the property from exchange of contracts. We will need to know your insurance company or broker so that we may advise them to place the property on risk.

**EXCHANGE OF CONTRACTS.** When all the terms have been agreed and both parties have signed, contracts are exchanged and the completion date is agreed, ideally about a fortnight after exchange of contracts. Please note it is not advisable to make a definite booking of your remover until contracts have been exchanged as you might incur unnecessary expense. Backing out after exchange of contracts is expensive, as this will involve you losing your deposit to the Seller who will be able to keep it. He may also be able to claim other expenses from you.

Between exchange of contracts and completion, we still have a large amount of work to do: -

Putting in hand final searches – checking for the benefit of your lender that you have not been made bankrupt which would prevent them lending the money to you – checking if the Seller has gone bankrupt or has created any new mortgages over the property which will need paying off by them upon completion.

If you are buying and selling, preparing a completion statement and requesting any further monies from you to complete the sale and purchase.

**KEYS** – we will not normally know the arrangements for you being able to collect the keys until a day or so before completion.

### **THE COMPLETION DATE – “THE MOVING DATE”**

You will not normally have to attend at our office upon completion and you can therefore concentrate on your moving arrangements. If you are selling as well as buying, we will normally receive the balance of the sale price from your Buyer’s solicitors during the course of the morning of the completion date after the banks have opened. The money is usually sent between each firm of solicitors’ bank account. If there are several related transactions in a chain it might be quite late in the day before all the money has changed hands. You will not normally be able to obtain the keys to the property until your Seller’s solicitors have received the money and it is advisable not to expect to be able to move in to your new property until after 2pm on the completion date.

Please note also we can only arrange a completion date on a normal working day and we therefore cannot complete at weekends.

### **STAMP DUTY LAND TAX AND REGISTRATION**

After the completion date, if applicable, we will pay any **STAMP DUTY LAND TAX** that is payable. We will then register your purchase and your lender’s mortgage

over the property at the Land Registry. This process will take approximately 1 to 2 months although times vary.

## **STORAGE OF DEEDS**

Once we have received the title documents back from the Land Registry, the **TITLE INFORMATION DOCUMENT** (and Mortgage Deed if you have a mortgage) and relevant title deeds will be sent to your lender and we will send you a copy of the Document along with any obsolete documents which are worth keeping. In some cases Lenders do not keep the essential title deeds and documents. We can arrange to store these documents, which you will need when you come to sell the property, in our deeds store. There is a charge of £50 plus VAT for this service payable on release of the deeds but the charge is waived if we are later instructed in the resale. If you do not have a mortgage, we will receive a **TITLE INFORMATION DOCUMENT** and we can keep this and your title deeds for you free of charge. We can supply a copy of the Title Information Document if you wish.

At this stage we will also send a questionnaire to you to complete and return to us inviting your comments on our service to you. We trust that you will be more than satisfied with our service and that you will be able to recommend us to your relatives, friends and work colleagues.

## **(B) BUYING YOUR HOME – Financial & Mortgage Advice**

### **MORTGAGES**

Whether you are a first time buyer or are a seasoned mover, your decision to take the plunge into the house buying market will be governed mainly by your financial situation. You may have worked out how much you need to borrow to buy your new home but may feel confused as to what type of mortgage you require and from whom.

Do you take out either a repayment; endowment; pension; personal equity plan; annuity; ISA; fixed or variable rate mortgage?

We recommend that you seek independent advice from a financial advisor (not being tied to any insurance company or lender) who is regulated by the Financial Services Authority. He or she can advise you on what mortgage product suits you best.

### **WHAT TO DO WITH THE SURPLUS FUNDS ON YOUR SALE AND PURCHASE**

If after completion of your sale and purchase you will have money to invest from the proceeds and you are unsure what is the most appropriate form of investment for you, then we can arrange for you to receive independent financial advice from an independent financial advisor regulated by the Financial Services Authority as to the most suitable way of investing this money on your behalf. Your needs may be for capital growth, regular income or to fund nursing or rest homes fees. We will be able to arrange for you to receive a free initial consultation to assess your needs and requirements without obligation. Please contact the person dealing with your sale and purchase to arrange this.

## TO SUMMARISE

### (C) A BROAD OUTLINE OF OUR LEGAL WORK

- Acknowledging instructions from you and providing estimate of legal fees and terms of business.
- Obtaining draft Contract and ancillary documentation from the Sellers Solicitors and reporting to you.
- Investigating the title to the property.
- Obtaining any additional information from the Sellers Solicitors required about the property.
- Submitting your local authority and other search applications. These will only be submitted once the fees are received at our offices.
- Receiving your Mortgage Officer, perusing and reporting to you fully on the terms of your offer and preparing the Mortgage Deeds in readiness.
- Attending upon you to sign all relevant documentation.
- Submitting our further official searches.
- Liasing with any financial advisers where applicable.
- Requesting Mortgage Advance monies once a date has been agreed.
- Where applicable requesting and receiving from you any balance required to complete.
- Completing the transaction.
- Dealing with any life assurance policies.
- Registering your title for your new property with H M Land Registry.
- Finalising our file and forwarding the title deeds to your Mortgagees if applicable or otherwise reporting to you once the application is received duly completed.

### (D) OTHER SERVICES

At Roland Robinsons & Fentons we pride ourselves in the range of services we are able to offer to our clients. We presently have two offices at Blackpool and Bispham both offering a wide variety of work. This includes: -

- Accidents and Accident claims
- Business problems
- Charity Law
- Company formations and general Company work
- Civil Disputes
- Conveyancing work
- Criminal Law
- Debt recovery services
- Employment Law
- Financial Problems
- Landlord and Tenant difficulties
- Lease
- Mental Health Law
- Motoring and Traffic offences
- Mortgage and Insurance Services
- Personal Injury Claims
- Probate work
- Services for the Elderly Power of Attorney and Court of Protection matters
- Trust work
- Wills

**(E) AIDE MEMOIRE**

We appreciate that you have been provided with a substantial amount of correspondence and documentation at this stage. We can assure you that this is meant to facilitate and expedite the transaction and to protect your interests. This Aide



Memoire is therefore meant to serve as a reminder of what we need now and in the future. We trust it serves its purpose.

1. The Client Questionnaire requires completing and returning to us.
2. Please put us in funds to enable us to carry out the initial searches as requested in our Client Care letter.
3. Please bring with you to your first appointment proof of identity for inspection.
4. In cases where finance is being obtained: -
  - (i) If you are obtaining an Endowment Mortgage and are in possession of any current Life Assurance Policies please let us have these for inspection.
  - (ii) Please note that we are not only act for you in the Purchase but also on behalf of the Lender. We are therefore obliged to inform such Lender if any matter or discrepancy which is likely to adversely affect the decision to lend the mortgage monies to you or which would affect their security in anyway. This could therefore mean disclosing to them certain information received from our enquiries of the property or of you. If you feel this may cause any problems or conflict we need to know at an early stage.
  - (iii) Buildings Insurance. If this is to be arranged independently of your lender then we need to be informed at an early stage, as we will have to provide full details to the Lender before any monies for completion will be released to us.