

GUIDE TO CONVEYANCING (PURCHASE)



INTRODUCTION

Whether you are a first-time buyer or someone with experience of property matters, the language and process can seem intimidating and sometimes less than clear.

At Gittins McDonald we aim to ensure that:

- We only use plain English
- You understand the process from start to finish
- You are clear in who is dealing with your matter and how to contact him/her
- You know how long your matter will take (as best we can)
- You know how much it will cost you in total

We set out below a number of frequently asked questions about the process of buying your property.

WHAT IS 'CONVEYANCING'?

Conveyancing is the process of transferring ownership of property or land from one person to another.

ARE THERE ANY HIDDEN COSTS?

We operate a fixed cost service. We set out in our initial letter to you the cost of the whole transaction including our costs, VAT and expenses (often called disbursements - for example search fees). However, there may be some unexpected matters that arise during the course of the transaction and if this should happen then we will request your approval on the same before proceeding.

HOW LONG DOES THE WHOLE PROCESS TAKE?

A typical transaction would be expected to take six to ten weeks. However, this is only a rough guide as there can be delays caused by third parties that we have no control over. The most common delays are waiting for search results, mortgage offers to come through or making the timetable for your move fit with others in the 'chain'.

I HAVE INSTRUCTED YOU BEFORE, WHY DO I HAVE TO FILL OUT ANOTHER INFORMATION SHEET?

We appreciate the time you take to fill in these forms. The information sheet acts as your acknowledgement of your instructions to us to act on your behalf. They also provide us with the most up-to-date information, which will allow us to carry out the work as quickly and efficiently as possible.

HOW MUCH WILL I PAY IF MY PURCHASE DOESN'T GO THROUGH?

Even if your transaction does not go through we will have incurred some administrative costs in opening a file and ensuring that all the documents that we need are in order. We will in those circumstances unfortunately have to issue what is known as an 'abortive bill'. The bill will depend on how far your transaction has progressed. We are sympathetic to the fact that such a scenario may arise through no fault of the client so always aim to keep the abortive bill to a minimum.

WHAT DO YOU MEAN BY 'INVESTIGATE TITLE'?

Quite simply, we have to make sure that the seller has the right to sell their property to you.

WHAT ARE 'SEARCHES'?

Searches are not to be confused with your survey. One of the major principles of buying a house is 'Let the buyer beware'. This means that it is ultimately your responsibility to ensure that the property that you are buying is suitable before you commit to buying it. Unlike a survey, searches do not entail a physical inspection of the property that you are purchasing.

We always carry out Local Authority, Drainage and Environmental searches which reveal a great deal of information including - whether the property is at risk of flooding, whether there are any coal mining shafts in the locality, and whether there are any environmental issues. Searches will allow you to make an informed decision about proceeding with your purchase.

DO I NEED A SURVEY CARRIED OUT? MY BANK HAS ALREADY DONE ONE.

Regardless of whether our clients are obtaining a mortgage we always recommend that they should have an independent survey carried out on their behalf, preferably by a Chartered Surveyor. Indeed the Building Society and Banks now point out that the borrowers should not rely solely on the Building Society/Bank valuation report in deciding whether to proceed with their purchase and that the Purchaser obtain a more detailed report on the condition and value of the property based on a fuller inspection to enable the purchaser to decide whether the property is suitable for their specific purposes. We would urge you to arrange an independent survey so that any problems are brought to your attention by the survey in good time before too many expenses are incurred.

WHAT IS THE DIFFERENCE BETWEEN EXCHANGE OF CONTRACTS AND COMPLETION?

Once contracts are exchanged, both parties are legally committed to the transaction and cannot withdraw without legal consequences. The contract generally provides for payment of a deposit of 10% of the purchase price on exchange of contracts. Completion takes place following exchange and is when all payments are made/received. The date of completion will usually be set at exchange. Completion is generally the day that parties actually move house.

WHEN DO I NEED TO INSURE MY PROPERTY?

You become responsible for insuring your property when contracts are exchanged so we recommend having insurance ready to go in advance of exchange.

WHO DEALS WITH MY LENDER AND WHO IS THE MONEY PAID TO?

We will receive a copy of your mortgage offer from your lender and will deal with your lender from that point on. Before completion is due to take place we will request your mortgage advance from your lender which will then be paid to us. This means that we can transfer the purchase to your seller on the day of completion with no delays. We will ask you for any monies that are required in addition to the mortgage several days before completion so that you and we know that we have the right amount to conclude the transfer.

WHAT HAPPENS AFTER COMPLETION?

We will register your purchase with the Land Registry. This will take a few weeks and depends on how busy the Land Registry is. You don't need to do anything else at this point apart from enjoy your new home. Once it is registered we will send confirmation to you and your mortgage company. We will quite happily store your deeds at our office free of charge. If you ever need to retrieve them you can give us a call and we will have them ready for collection.