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GETTING ADVICE ON BUYING A HOME

Buying a home is always an exciting prospect, but without the help of a solicitor it can also be a legal minefield. We are here to help you avoid potential problems and to protect your interests at every step, from making an offer to getting the keys to the door.

Ideally you should contact us as soon as you think about buying a home.

Costs

Charges will depend on the type and difficulty of the sale. The cheapest quote is not always your best option. You will also need to pay a variety of other expenses such as stamp duty land tax, VAT and other search fees.

What we will need from you:

We will ask you for a variety of details and documents. These will include:

- some personal identification;
- the price of the property;
- a copy of the home information pack for the property;
- any factors that may influence the exact time you want to buy the property e.g. to coincide with school holidays; and
- how you are planning to pay for the property.

We will also need to know whether:

- you have applied for a mortgage;
- you plan to carry out work on the property;
- you are buying with someone else;
- the seller is buying another property; and
- you have a property to sell.

Home information packs (HIPs)

The seller (or their estate agent) must provide a Home Information Pack (HIP) when they put their home on the market. The HIP will contain a number of legal documents and other documents about the home. These include documents that give details about who owns the home and a plan that shows the boundary between the owner's home and their neighbours' homes.

The HIP includes details of the 'leasehold' if there is one (if you buy a leasehold home you only own it for a fixed length of time - usually 99 or 125 years). It will also include local searches and drainage searches which give information on local land charges (payments you might have to make to local authorities or the Government), planning decisions and proposals for building new roads.

However, what is included in a HIP depends on the home. For example, not all homes will have a leasehold document. We will be able to give you more advice.

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If a home was already on the market before HIPs were needed, the seller has several months before they must provide a HIP.

Contacting the seller's solicitor

We will contact the seller's solicitor, who will give us a draft contract and any other items we have asked for. A form listing the fittings and contents which will be included when you buy the property will either be given to us at this stage or it will have been included in a HIP. You will need to check this list carefully.

Searches

We will make various searches, including enquiries with the local authority (if an acceptable search is not included in the HIP pack). These can help to reveal any planning issues affecting the property, such as road improvements and details of any planning permission granted on the property. We may also carry out flooding, mining and contaminated-land searches if necessary. If any of these searches show matters of concern, we will let you know.

Leasehold properties

If the property is leasehold (particularly common when buying a flat), there will be detailed lease terms and conditions. We will need to check these carefully and will also make enquiries with the seller's solicitor or the managing agents of the property about what service charges and management costs you will have to pay. These items should be in the HIP.

Survey advice

If you are applying for a mortgage, your mortgage lender will need an independent valuation of the property. Usually they will appoint their own surveyor to do this, but you will have to pay for it. Remember that this is a valuation and not a survey.

You should consider appointing your own surveyor (possibly the same person as the valuer) to carry out a survey on the property as it is up to you to satisfy yourself that the property is structurally sound before you buy it. If the survey reveals that building work is needed, you should tell us as this may allow you to renegotiate the price.

Mortgage deed and terms

Your mortgage lender will also need a mortgage deed. You should read the mortgage deed, offer letter and mortgage conditions very carefully.

Signing the contract

We will then report back to you on all the investigations we have made for you so far. If you are still happy to go ahead, we will finalise the terms of the contract and explain it to you. You then need to sign the contract and provide the deposit money - usually between 5 per cent and 10 per cent of the purchase price.

Exchanging contracts

This is the crucial moment of the agreement between you and the seller. We and the seller's solicitor exchange contracts so that you have the contract the seller has signed and the seller has the contract you have signed. If you want to withdraw from buying the property after this stage, you may have to pay financial penalties. The date for completing the sale is also set at this stage following discussions and agreement between the parties.

Final balance

Between exchanging contracts and completion, we will request the mortgage money from your lender and the rest of the money from you. This will include costs, VAT, Land Registry fees and stamp duty (if any). At this stage we will carry out final searches and make arrangements with the seller's solicitor for paying off any existing mortgages on the property. We will also prepare the transfer deed and send it to the seller's solicitor for signing.

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Completion

This is the final stage in the Conveyancing process when we hand over the money to the seller and the keys are released to you. We will pay the stamp duty land tax and Land Registry fees for you and register your ownership at the Land Registry. This registers the interest of your mortgage lender and records you as the new legal owner of the property.

Related legal matters

Buying a property may introduce other related legal matters. For example:

- if you are buying a home with someone you are not married to, you may need to enter into a 'deed of trust' to set out what share of the property each person owns;
- if you do not have a will, you should consider making one; and
- if you do have a will, you may need to update it.

GETTING ADVICE ON SELLING A HOUSE

Before putting your property on the market for sale you must have a HIP, unless the property was already on the market before the HIP regulations came into force. As a further concession, the current regulations require that a HIP must have been commissioned but does not have to be completed before marketing can begin. We can obtain a HIP at competitive prices which belongs to you and can be "transported" if you wish to change Estate Agents at any time during the marketing process.

We will obtain the Title deeds from yourself or your current mortgage lender and request copies of any planning or building regulation consents or any guarantees relating to the property. If you cannot locate them it is usually possible to obtain copies from the relevant Local Authority but they will, undoubtedly, charge a fee.

We will send you a standard enquiry form requesting various details about the property and also a fixtures and fittings list detailing items that are included in the sale price; will be removed from the property; or can be purchased in addition to the sale price.

What happens once a buyer has been found?

Once a buyer has been found the Estate Agent will write to both parties legal advisers informing them of the details.

We will send a contract package to the Buyer's solicitor which will contain: contract in duplicate, Office Copy Land Registry Entries and Plan, copy Transfer referred to in the entries, planning documents (if available), replies to enquiries form and fixtures and fittings list. If the property is Leasehold we will send enquiries to the Landlord or the Management Company regarding the rent, service charge, insurance, repairs etc. They will demand a fee for this information and the cost depends on the particular Landlord/Managing Agent.

The Buyer's solicitor will put in hand any searches that need to be carried out and will raise any extra enquiries that he deems necessary.

Once he is satisfied with all the information and has received his mortgage instructions (if a mortgage is required) he will be ready to proceed to exchange of contracts. He will report to his client on the matter with one part of the contract for signing by his client and will return the other part to us for signing by you. At this point you should discuss with your buyer a mutually convenient date for completion i.e. the date that the buyer hands over the money and you give him the keys.

Once a date for completion is agreed the buyer's solicitor will telephone us and confirm that he is ready to exchange contracts with completion fixed for that date. He will send us the buyer's part of the contract and a cheque for the

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agreed deposit and we will send him the contract signed by you.

What happens after contracts are exchanged?

Once contracts are exchanged the buyer's solicitor will send us a draft Transfer for approval and, if approved, we will send it to you to sign in readiness for handing over on completion. We will contact your mortgage lender(s) and obtain up to date details of the amount required to pay off (redeem) your mortgage(s) on the agreed date and we will obtain details of the fees of the Estate Agent. We will then prepare a financial statement showing you all of the payments that must be made and the balance that will be due to you. You should continue to make your mortgage payments until after completion. This will avoid any problems with the mortgage lender being unwilling to release their charge due to insufficient monies being paid because of a cancelled direct debit

What happens on completion?

On completion we will receive the purchase monies from the buyer's solicitor and we will pay to the mortgage lender the amount required to pay off your mortgage(s), pay the Estate Agent and deduct our fees. The balance will then either be sent direct to your bank account (a fee is payable for this service) and you can use the money straight away, or you can receive a cheque.

Once the monies are received (and not before) we authorise the Agents to release the keys to the buyer and we send the Transfer and other relevant documents to the buyer's solicitor.

You should aim to be out of the property as soon as is reasonably possible and no later than midday/early afternoon. The property should, of course, be left clean and tidy and all rubbish removed -- as you would expect to find any property you were buying.