

 **THE CONVEYANCING PROCESS EXPLAINED**

***It is a recognised fact that moving house can be more stressful than divorce!***

We would like to take as much stress out of this process for you as we can and with that in mind we have produced this leaflet as a guide to various stages of the transaction. Please take a few minutes to read through this guide and keep it handy for reference.

**Title Information: If you are selling, we cannot do anything to start the Conveyancing process until we have documents to prove your ownership of the property.**

Registered title: If the property has changed hand within the last 30 years it will be registered at the Land Registry with a unique title number. We will obtain a copy of the Register which comprises details of the property, registered owners and mortgages.

Unregistered title: If the property has not changed hands within the last 30 years it may not have been registered and if so, it will be subject to first registration by the new owners.

Mortgaged property: Mortgage Lenders until recent years, held and stored title deeds. They have now ceased to do this and rely instead on the computerised Land Registry records. If you have a mortgage and are selling, depending on when your mortgage was taken out, it may be necessary to obtain deeds from your lender. This takes about 5 working days and most mortgage lenders charge for producing the deeds.

If you don’t have a mortgage and have any title deeds at home, then please let us have them as soon as possible. Similarly, if you have any old deeds (which might be obsolete now) please let us have them as they may possibly contain information not apparent from registered title information held by the Land Registry.

It is also most important for you to tell us if there have been any changes which would affect the title to your property such as a change of name by marriage or the death of a co-owner. Evidence of such changes has to be produced as part of the title information.

**The Conveyancing Package:** This package of documents is provided by the Sellers Conveyancer to the Buyers Conveyancer and comprises of:-

**(1) *Draft Agreement for Sale* (referred to commonly as “the contract”). This is probably the most important document in the Conveyancing process. This document will eventually legally commit you to the transaction. You will receive detailed advice prior to being asked to sign or commit yourself.

(2) *Office copy entries or an epitome of title.* This is evidence of the Sellers title to the property.

(3) *Sellers Property Information Form (SPIF).* If you are selling then we will ask you to complete this form and send us the originals of any guarantees or other documents you might have which are relevant to the information requested in the SPIF.

(4) *Fixtures Fittings and Contents Form.* If you are selling then we will ask you to complete this form which precisely indicates the items which are included in the sale price, those which are specifically excluded and any which may be purchased.

If you are selling then we have to prepare the Conveyancing Package and send it to your buyers’ Conveyancer. If you are buying then we need to receive the Conveyancing Package and have time to read and check the documents before we can advise you.**

**Occupier of Property:** Any occupier of property over the age of 18 years of age is deemed in law to have a right of occupation. An occupier may not be the owner or one of the joint owners of the property or contribute financially.

If you are selling, then we need to know if there are any adult occupiers who are not joint owners living at your property as we will have to add a further clause to the contract and any adult occupiers will have to sign the contract along with you.

If you are buying with a mortgage then it is most important that you tell us if anyone other than you will be living at the property with you.

**Homebuyers Survey/Valuations:** If you are buying with a mortgage: your lender will send its own surveyor to make an inspection of the property to satisfy itself that the property is sufficient for their security. Although the lenders surveyor will point out any items which will need further investigation, the surveyor is not working for you; he is working for your mortgage lender. We would therefore recommend that you do not rely solely on the mortgage valuer's report but commission a Homebuyers survey for yourself.

**Remember this is likely to be the largest single investment you make in your lifetime, not to mention the fact that it is to be your home – take great care.**

**Mortgage Instructions/Offer:** If you have told us that you have applied for a mortgage then your Lender will instruct us to act for them and we should receive their instructions about the same time as you receive your formal written mortgage offer. Please take care to read the offer conditions carefully and deal with any conditions which require action on your part. In particular, requests to sign and return a copy of the offer or provide direct debit mandates as these are thing which commonly cause delays.

**Searches:** We shall carry out the various searches as soon as you let us have the necessary funds (these will have been requested from you in our initial letter) and after we have received the contract documents from the seller’s solicitor. Unless time is of the essence you may wish to delay letting us have your payment until you are in possession of a written mortgage offer or at least until you know the result of the mortgage valuation/survey report. It is a costly waste if search fees are expended and you take the decision not to proceed with your purchase because you cannot obtain a mortgage or have received an adverse valuation/survey on the property.

**Report on Sale / Purchase:** Once we have received and inspected the Conveyancing Package, carried out local authority and any other preliminary searches and received instructions from your mortgage lender, we will invite you to attend our office to go through and discuss the transaction in detail, and sign relevant documents.

**Exchange of Contracts:** This is probably the most important point of the Conveyancing transaction. When contracts have been exchanged then both Seller and Buyer are legally bound to complete the transaction. Financial penalties come into effect at the point of exchange of contracts to guard against failure to complete. These will be explained to you prior to exchange of contracts.

**WARNING

Until contracts have been exchanged, either party may withdraw from the transaction without any redress against the other for financial loss which has been suffered.

You are strongly advised not to book removals, time off work or make any other arrangements for moving until contracts have been exchanged.**

**Completion:** This is when the Buyers Conveyancer pays over the balance purchase money to the Sellers Conveyancer and the property formally becomes the property of the Buyer. The date this takes place is usually agreed prior to the exchange of contracts and the “Completion Date” is entered into the contract. You do not have to physically attend for completion to take place. If you are selling then any net proceeds due to you will be available for collection after 3.30pm or you may instruct us to deposit them direct into your bank account. We will take your specific instructions on this nearer the time.

**Between exchange of contracts and completion:** If you are selling then we have to obtain an up to date mortgage settlement figure from your lender bearing in mind the date of completion. You should ensure that once contracts are exchanged, you instruct your bank to cancel any standing order or direct debit mortgage payments. If you make a payment after we request a statement then you may well have to wait a few weeks to receive a refund from the lender. We will also obtain your Estate Agent’s account and produce a final statement (Completion Statement) for you which will include repayment of your mortgage lender, payment of your Estate Agent (unless you instruct otherwise) and deduction of our account for costs and disbursements.

If you are buying, we have to send a Certificate or Report on Title for the property and give the lender notice of the completion date so the Lender can provide the mortgage funds.

**It is important to note that the average length of notice required by mortgage lenders is 5 working days to guarantee mortgage funds on the date required. Lenders will sometimes accept less notice but make it clear that they will not guarantee funds on the required date in such circumstances.**

**Transfer Document:** This is the document which is signed by the Seller and handed over to the Buyers Conveyancer on completion of the sale and purchase in exchange for the sale and purchase money. It is then sent to the Land Registry to register the Buyers title.

**After Completion:** If you are selling then we are under an obligation to your mortgage lender to pay off your mortgage and under an obligation to your buyers Conveyancer to provide the lenders formal receipt.

If you are buying there is a legal obligation to submit a Land Tax Return to the Inland Revenue within 28 days of completion. We will prepare this document for you and ask you to sign it prior to completion and send it to the Revenue. on your behalf immediately following completion. The Revenue will then issue a Certificate which will be sent to the Land Registry with the transfer document and the mortgage deed (if any) to register your title and the interest of your mortgage lender (if any). When registration has been completed we will provide you with a copy of the new title information for the property.

**PLEASE KEEP IN MIND THAT THE AVERAGE TIME REQUIRED TO UNDERTAKE THE CONVEYANCING PROCESS IS EIGHT TO TEN WEEKS.** **The actual time taken depends on many factors including the number of properties in the chain and the time taken to process the mortgages and surveys involved.**

**There are a number of forms to return to your Conveyancer.**

**Please use this guide to check you have fully completed and signed all that are required.**

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| Form name | Signature required | Included |
| Copy of the client care letter – if appropriate | Signed by all parties |  |
| Terms of Business  | Signed by all parties |  |
| Photographic ID (Passport or Photo driving licence) | Required for all parties |  |
| Address ID (Photo driving licence/utility bill/bank statement) | Required for all parties |  |
| Sale/Purchase questionnaire | Signed by all parties |  |
| Sales only: Mortgage account information form (if applicable) |  |  |
| Sales only: Fittings and contents form | Signed by all parties |  |
| Sales only: Property information form | Signed by all parties |  |
| Leasehold Sales only: Leasehold information form  | Signed by all parties |  |
| Purchase only: Owning a property jointly form | Signed by all parties |  |
| Purchase only: Request for verification of source of funds form | Signed by all parties |  |