



## Guide to Conveyancing

Buying a new home is probably one of the biggest purchases you will make and we understand the enormity of the decision.

Whether you are buying a new build property, selling a property or are moving to a new home, we aim to make the process as smooth and stress free as possible.

We will guide you through the legal aspects of moving house and help you understand your rights and liabilities, making sure that the transaction runs as smoothly as possible. We offer no-move-no fee insurance which protects you from legal costs if the transaction falls through.

You will be given the direct contact details of the person handling your case and we will keep you informed about the progress of your case every step of the way.

We can also help you to put in place arrangements for the future –co-habitation agreement or will, for example—because everyone needs the peace of mind that comes from knowing your investment is protected, no matter what the future brings.

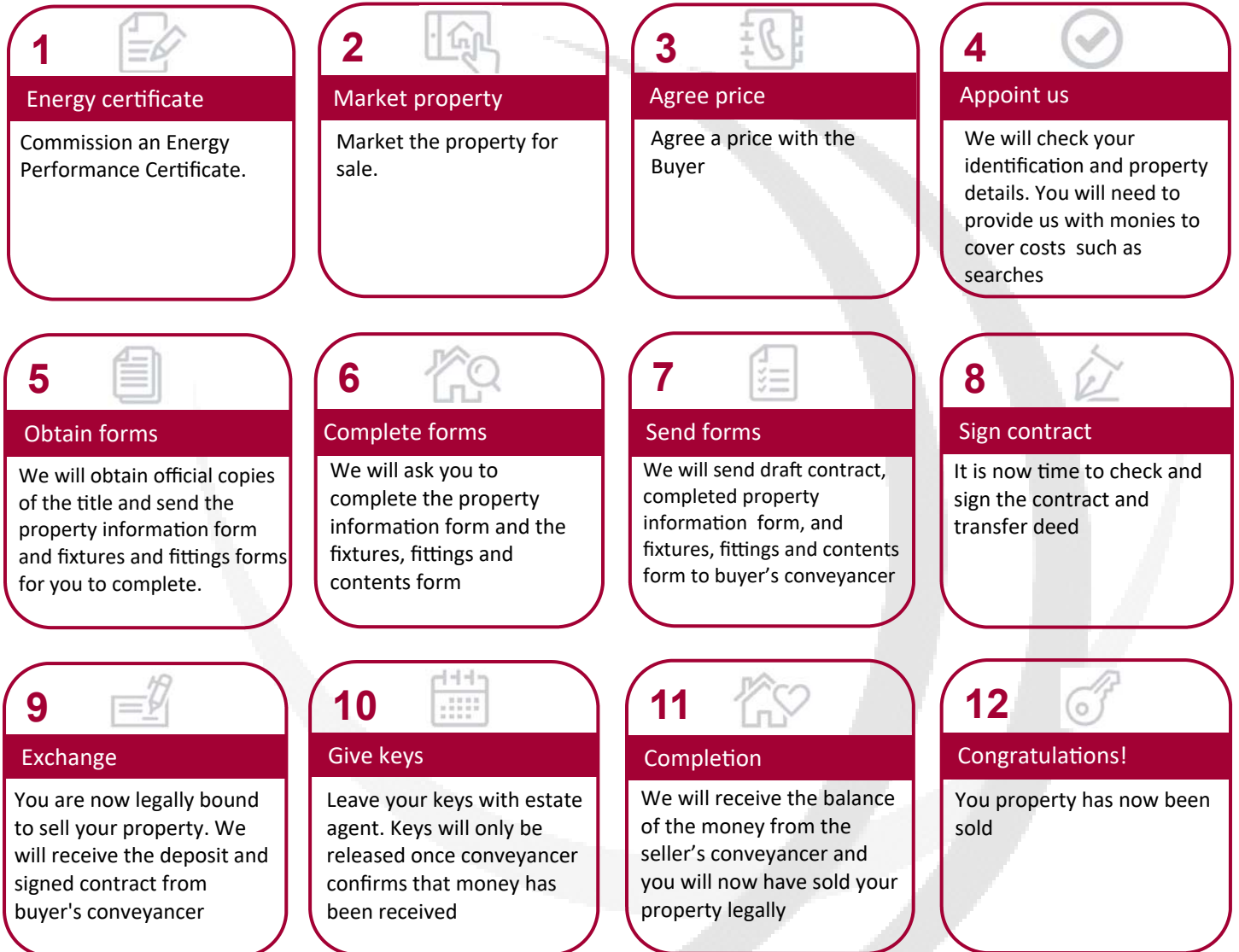
### The Process: Buying your property

<p><b>1</b> </p> <p><b>Agreement in principle</b></p> <p>Find out how much you can borrow and obtain an agreement in principle</p>	<p><b>2</b> </p> <p><b>Property search</b></p> <p>Look for a property and make an offer</p>	<p><b>3</b> </p> <p><b>Contact us</b></p> <p>We will ask for some details and provide an estimate of our costs</p>	<p><b>4</b> </p> <p><b>Appoint us</b></p> <p>We will check your identification and property details. You will need to provide us with monies to cover costs such as searches</p>
<p><b>5</b> </p> <p><b>Documents</b></p> <p>We will ask for a copy of the title deeds, draft contract, property information form and fittings and contents form. We will also raise enquiries</p>	<p><b>6</b> </p> <p><b>Searches</b></p> <p>We will apply for searches including local authority search, drainage search and environmental search if necessary</p>	<p><b>7</b> </p> <p><b>Search results</b></p> <p>We will receive results from searches and provide you with a report. Results may prompt the need for further enquiries</p>	<p><b>8</b> </p> <p><b>Sign contract</b></p> <p>It is now time to check and sign the contract, transfer deed, mortgage deed and Stamp Duty Land Tax Return</p>
<p><b>9</b> </p> <p><b>Completion date</b></p> <p>Agree a completion date with seller's conveyancer</p>	<p><b>10</b> </p> <p><b>Exchange</b></p> <p>You are now legally bound to buy the property. We will send your deposit and signed contract to seller's conveyancer and request mortgage advance</p>	<p><b>11</b> </p> <p><b>Completion</b></p> <p>We will send the balance of the money to seller's conveyancer and you will now legally own the property</p>	<p><b>12</b> </p> <p><b>Congratulations!</b></p> <p>You can now collect the keys from the estate agent or developer and move in</p>



## Guide to Conveyancing

### The Process: Selling your property



Contact our friendly conveyancing experts, email [enquiries@hegarty.co.uk](mailto:enquiries@hegarty.co.uk).

Peterborough  
**01733 346 333**

Stamford  
**01780 752 066**

Oakham  
**01572 757565**



## Conveyancing: Frequently asked questions

### Q. How long does it take?

The length of time a transaction will take is dependent upon many factors; such as the number of people in the chain, search results and mortgage offers.

### Q. Do I need a survey?

If you are having a mortgage your lender will arrange a valuation survey on the property. This is a basic survey which is only for the benefit of the mortgage lender and will not consider the condition of the property in detail.

Your home is one of the largest purchases you will make, it is sensible to ensure its condition is checked properly for potential problems by an expert so, whilst it is not obligatory, we always recommend you commission a HomeBuyer report or full structural survey yourself. To find local surveyors in your area ask for recommendations from friends & family or your conveyancer.

### Q. How is conveyancing for a new build different?

When buying a new build house, buyers may purchase a property before construction has begun or before the property is completed, this may mean that contracts are exchanged before the property is built and therefore a fixed completion date may not be given.

The conveyancing process can be slightly different for new build properties and proper checks on planning permission for the property and development will be necessary along with checks that appropriate agreements are in place relating to the adoption of the roads and sewers, the access rights, and routes for other services.

### Q. Help To Buy is now available for many New Build purchasers, how does this affect the process of purchasing a property?

Help To Buy is very popular with purchasers of New Build properties. The procedure can be complex and it is therefore very important that your solicitor is familiar with how the scheme works. Here at Hegarty Solicitors we are pleased and proud to hold Stakeholder Status with Help To Buy. Please contact a member of our New Build Team who would be happy to explain the scheme in more detail.

### Q. What is Shared Ownership?

Shared Ownership means that buyers can buy a share of a property (between 25% and 75% of the home's value) and pay rent on the remaining share to a developer or housing association. You can take out a mortgage to pay for your share of the home's purchase price but this will need to be approved by the developer or housing association. At a later date, you could buy bigger shares to increase your share of the property.

### Q. What happens if my transaction falls through?

We understand that occasionally things don't go as planned within the buying and selling process. If a transaction fails the conveyancer will already have completed a proportion of work and therefore will charge for this, even though the purchase or sale is no longer going ahead.

We offer clients the opportunity to protect themselves against legal costs if the transaction fails. For a simple one-off payment our 'no move no fee' protection policy covers your conveyancing costs in the event of a transaction falling through. This protection policy costs just £75 including VAT for a single transaction, or you can protect both your sale and your purchase for just £99 including VAT; a small price compared to possibly hundreds of pounds in fees. Any disbursements already paid will not be refundable as these are paid to third party companies.



## Technical terms explained

### Title Deeds

(or if the property is registered at the land registry official copies of the title)- show who owns the property, and if there are any rights or obligations attached to it.

### Property Information Form

The seller completes this form to give general information about the property, for instance whether there have been disputes with neighbours, any guarantees on the property and if they have made any alterations.

### Fittings & Contents Form

The seller completes this form. It is a list of items being left or removed from the property on completion.

### Transfer Deed

This document transfers the legal title from the name of the seller to the buyer and is sent to the land registry to register the new details.

### Redemption figure

This is the amount required to repay your mortgage.

### Freehold

Property and associated land owned outright.

### Leasehold

The exclusive right to reside in a property for a fixed period of time e.g. 90 years or 999 years. At the expiry of the lease you will have to vacate the property or purchase another lease.

This type of purchase may involve additional payments to the individual or company that owns the freehold – including maintenance or ground rent. You will also be limited by the lease as to how you can alter or use the premises.

### Conveyancing/ Property Searches

Enquiring with various authorities such as Local Councils to obtain additional information about the property you plan to purchase. This information may include identifying common drains and access rights to your property.

### Disbursements

Fees paid to third party companies that carry out specific tasks in the buying/ selling process. For example, the local authority for planning searches.

### Enquiries

Questions raised relating to property and the title of the property.

### Restrictive Covenants

A contractual agreement that may restrict how the property land can be used and developed.

### Exchange of contracts

Both the buyers and sellers sign a contract and their solicitors normally exchange them. On exchange both parties are committed to buy and sell the property. The deposit will have been paid and a completion date agreed. There are large financial penalties to pay if either side fails to complete after exchange.

### Completion date

This is the moving date. On the day of completion the balance purchase price is sent to the seller's conveyancer. The sellers should have left the property and left the keys with the agents. The conveyancer will only allow the estate agent to release the keys once they have received the balance of the purchase price.

### Deposit

An upfront payment to the seller or developer in the purchase of a house. This payment must come from the buyer themselves and not a loan.



## Guide to costs of buying and selling your property



### Costs

Your conveyancing quote should be a breakdown of all of the charges for your transaction. Our quote includes everything you should expect to pay, including disbursements. If you are comparing quotes please check if there are any additional costs not specified in the quote to ensure you are comparing like for like.

There is no standard format for a quote but the items that are usually included are:

- 1. Conveyancer's fees** – this is the cost for the work carried out by the conveyancer. Make sure you check whether this includes VAT.
- 2. Fees for acting for lender** – if you are having a mortgage, your mortgage company will ask your solicitor to act for them as well and will make it a term of your mortgage that you pay the fee.
- 3. Official copies of the title** – when you are selling a property your conveyancer must apply for a copy of the title and title plan from the land registry. These are commonly referred to as 'official copy entries'. If the property is unregistered these are not necessary.
- 4. Searches** – the searches give information about the property. The main searches are:
  - **Local authority** – this looks at whether the council has adopted the road, planning applications and permissions and tree preservation orders.
  - **Drainage** – this shows if the property is connected to the mains water supply and sewerage system and if property is on a water meter.
  - **Environmental** – this will search to see if the property may be on contaminated land, land liable to flooding, subsidence or landslip, or is near a landfill site.
  - **Land Registry** – this will protect the buyer between exchange and completion and prevent any entries being made at the land registry.

- **Bankruptcy** – all mortgage lenders require evidence that the buyer is not bankrupt.
- **Leasehold** – often an additional fee is added if the property is leasehold.
- **Insurance** – some firms will automatically include a fee for an insurance policy in case the transaction fails. At Hegarty LLP we give clients the option of purchasing our 'No Move No Fee' policy.

**7. Land registration fee** – this is for registering the new owners of the property at the land registry.

**8. Stamp Duty Land Tax** – if you purchase a property for over £125,000 you will have to pay Stamp Duty Land Tax to HMRC. The tax is charged at increasing rates for each portion of the price, i.e.

- Nothing on the first £125,000 of the property price
  - 2% on the next £125,000
  - 5% on the next £675,000
  - 10% on the next £575,000
  - 12% on the rest (above £1.5 million)
- Higher rates for additional properties—additional 3%

There are different rules if you are a first time buyer. Visit [www.gov.co.uk/stamp-duty-land-tax](http://www.gov.co.uk/stamp-duty-land-tax)

### Money Matters

If you are buying property, the deposit or purchase price must be cleared funds. Cleared funds refers to money that has cleared the banking system and is available for use. Cheques and bankers drafts take 8 "overnights" to clear. We can accept cash to a limit of £1,000. Owing to the Money Laundering Regulations we will ask you to produce bank statements for the account where the money is coming from.

We often suggest clients arrange an electronic transfer from their account to the Hegarty LLP client account. The money is already cleared and can be used immediately. Your bank/building society will charge you around £30 for this.

**Peterborough** 48 Broadway, Peterborough PE1 1YW | 01733 346333  
**Stamford** 10 Ironmonger Street, Stamford PE9 1PL | 01780 752066  
**Oakham** 66 South Street, Oakham, Rutland LE15 6BQ | 01572 757565

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