

HAGUE · LAMBERT
SOLICITORS

Guide To Selling, Buying & Re-mortgaging Your Property

Selling Your Property

Once you have found a buyer and a price has been agreed, contact us immediately with the details. Then:

STEP 1 - Once your instruction to act has been confirmed by the return of a signed Client Care letter, payment on account for initial disbursements and confirmation of your identification we are able to proceed and will start by arranging the Home Information Pack on your behalf. The requirements for this will be fully explained at that time.

STEP 2 - We will ask you to complete a Property Information Form and a Fixtures, Fittings and Contents Form. Both ask simple questions about the property you are selling.

STEP 3 - We will at the same time obtain the Title Deeds. If you have a mortgage, these will be with your bank or building society. If you don't, then you will know where the deeds are stored, whether with you, a previous solicitor, bank etc. Either way, we need them in our possession.

STEP 4 - Once we have the deeds and your completed forms, we draw up the Contract of Sale.

STEP 5 - We then put together an "information pack" which consists of the Contract, the completed forms and a copy of the Title Deeds. This is given to your purchaser's solicitor. The ball is now in the buyer's court. We have to wait until they are ready to proceed. This will be the slowest part of the process from your point of view, as the buyer's solicitor may have to wait some time for the various searches to be done that they need. How long it takes can vary and there is nothing you can do in the meantime. However, we will let you know as soon as they have got all the information they want.

STEP 6 - When they are ready to proceed, the completion date is settled, i.e. the moving day. At this point we are ready to exchange contracts and having swapped the signed copies of the contract so that each party's solicitor has one. This is now a binding contract and this step is known as "Exchange of Contracts". Between this point and the completion day is the time for you to finalise arrangements for your move.

STEP 7 - On completion day we receive the balance of the sale price from your purchaser's solicitor. We will notify you as soon as the purchase money has been received, as it will be necessary for you to leave the property as soon as it is practical after that, leaving the keys at an arranged pick up point. We use these funds to pay off your existing mortgage and assuming there are enough funds, pay our own fees and those of the estate agents out of the money. Any balance is paid over to you. If there are not going to be enough funds, we will have made arrangements with you for payment by other means. We will at the same time release the title deeds to the new owner's solicitors.

Buying a Property

In general we would strongly recommend that you have a brief discussion with us before you take any active step to buy a property. We do not have a financial interest in your purchase because we are not trying to sell you a house or a mortgage or a life policy so we can offer impartial advice at the earliest point possible and throughout on subjects such as the different types of mortgages, the type of survey you may need and how and when to make an offer on a property.

Having said that, once you have found the property you want and having made an offer which has been accepted, contact us immediately with the details of the property, the name of the seller and their estate agents. Then: -

STEP 1 - We will contact the seller's solicitor and ask for an "information pack" which will include a copy of the Title Deeds, a Property Information Form, a Fixtures, Fittings and Contents Form and a Contract. We may have to wait a while for all this to be put together.

STEP 2 - While we are waiting for the pack, we will carry out the local authority search and any other searches that may be necessary in the area where you are buying. Our access to Transactions on Line provides an almost immediate electronic response to most searches and in these cases, the process should be completed with minimum delay.

STEP 3 - While this has all been happening you will have applied for a mortgage (if applicable). We will need a copy of the mortgage offer once it is finalised. Most lenders will send a copy direct to the solicitors so you don't have to worry about it.

STEP 4 - We will gather together all the relevant documents and searches as stated above. We will then let you know if there are any problems with the property and explain all the significant points. Assuming all is well you will sign the contract ready for exchange. If you are only buying then a deposit will be needed at this point but not if you are doing a sale and purchase at the same time. The amount of deposit needed will have been made clear to you. This is probably the longest part of the process as we have to wait for all the requested details and documents to be sent to us and how long it takes may vary and is beyond our control.

STEP 5 - Once both you and your seller are ready, including having set the completion date, then we will swap copies of the contract as signed by both parties. This is now a binding contract and is known as "exchange of contracts". After this, is the time for you to finalise your moving arrangements.

STEP 6 - On completion date, we arrange for the payment of the purchase price to the seller's solicitors who in turn give us the Transfer Deed and Title Deeds, which means that ownership has passed to you. The keys to your new property will be made available to you as soon as the money has been transferred and the seller has finished moving out. It will have been arranged in advance where the keys will be picked up. You can now move in to your new home.

STEP 7 - The final things for us to do is pay the Stamp Duty (if applicable) to the Inland Revenue within 28 days of completion and once that is done, register your new ownership with the Land Registry. You do not have to be involved with this at all, it is the administrative post completion tidying up that we have to do.

We hope that this explains what will happen when you buy a property but if you have any more questions or need further clarification, please do not hesitate to contact us.

Buying & Selling at the Same Time

It is quite common that a person will sell their house and move to a new one on the same day. As far as the legal aspects are concerned there is nothing different.

We just follow the steps as described in our Step by Step Guides to Buying or Selling and tie everything in together to happen at the same time.

From your point of view though it can be a bit more complicated especially if you are in a chain of people all doing the same thing. In those circumstances everyone is looking after their own interests and the only answer is communication and compromise.

Keep in touch with the people you are selling to and buying from. If you do this personally it can help keep relations friendly and more personal. However, if you do agree something between yourselves always let us know - it may be an important fact that we have to know about e.g. change of completion date. On the other hand you might prefer or it may just be more practical to let your professional advisers, us or the estate agents, handle all the discussions.

A certain amount of flexibility will also be necessary where you are buying and selling at the same time. With other people involved it may not be possible to achieve the first completion date that you'd like so some sort of compromise may be needed.

Re-Mortgaging

It is more and more common these days for people to re-mortgage either because they can get a better mortgage rate or to raise funds for such things as home improvements. Whatever the reason we would recommend you do two things to start with. Firstly, check whether there are any redemption penalties on your existing mortgage. If there are they may be too heavy to justify going ahead. Secondly, take independent financial advice to make sure you get an improved mortgage at the best possible rate for your circumstances. If you do not know of an independent adviser, ask us to recommend one.

Assuming you have done both these things and want to proceed then:

STEP 1 - You apply for your new mortgage. You do this with a financial adviser and we are not involved.

STEP 2 - However while you are doing that, we write to your present lender for the Title Deeds to your property and a Redemption Statement. We also send off for the Local Authority Search and any other searches relevant to your property as your new lender will require that these have been done again, the same way as when you first bought the property.

STEP 3 - Your mortgage offer will come through. We will let the new lender know if there are any problems with the searches and check on the deeds whether there are any life policies attached. And if so, arrange for them to be swapped from the existing lender to the new one.

STEP 4 - A completion date is agreed. You will have to sign the Mortgage Deed, which is then returned to the new lender. At the same time we will ask your previous lender for an up to date redemption figure based on the actual completion date so we have the accurate figure to be paid to them on that date.

STEP 5 - On the completion date we will receive the new loan money and we send on to the previous lender the amount outstanding. You will then be sent any outstanding balance.

STEP 6 - The final administrative task for us is to send the new mortgage deed to the Land Registry so that they can alter their records. They return the Title Deeds to us, which in turn we send to the new lender to keep for as long as the mortgage is in place.

Do not hesitate to contact us if you require further information on re-mortgaging or if any of the points above need clarifying.

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