

Steps in the Conveyancing Process: Information sheet for the sale of your property

1. **Either** we obtain your title deeds if they are unregistered
 - from you if there is no mortgage or
 - from your lender who will hold the deeds**or** we obtain copies of your title deeds if they are registered (which is more usual)
 - from you (you should have copies) and
 - from your lender who may hold some relevant deeds
 - and from the Land Registry to provide up to date evidence of your legal ownershipand then assemble a contract package to send out to the buyer's conveyancers which will include
 - a sale agreement (the contract)
 - a property information form giving relevant details about your property
 - a list of fixtures fittings and other contents included in the sale
 - a copy of the title documentation to your property
 - any planning permissions and building regulation consents
 - any guarantees for the property
2. Once we have assembled the contract package (which we start once a buyer is found and which usually takes 8 to 10 days) we send the package to the buyer's conveyancers.
3. We then proceed to exchange of contracts once
 - the buyer's conveyancers are satisfied with the contract package we have sent them
 - the buyer has had a satisfactory survey on your property and any mortgage offer
 - the buyer (if he has a property to sell) is also in a position to exchange contracts on his own related sale
 - you too (if you have a related purchase) are in a position to exchange on that transaction

The time it takes to proceed to exchange of contracts therefore depends on a large number of variables, the most important of which is the existence and length of any conveyancing chain in which you find yourselves: that is the number of related sales and purchases which are linked to your transaction and on which contracts have to be exchanged simultaneously with yours. While it generally takes 4 to 6 weeks to get the legal documentation ready for an exchange of contracts it takes on average between 6 and 10 weeks before

contracts are actually exchanged, allowing time for all the transactions in the particular chain to be synchronised.

Or put in table form

Stages	Summary of time scales - actions	Time
A	From offer acceptance via agents to conclusion of contract enquiries	3 to 5 weeks
B	Exchange of contracts	1 to 2 weeks after A
C	Completion after exchange	Usually 2 to 4 weeks after B

It is important to understand that selling or buying a property is actually a very technical process. If problems are going to arise then they will always arise between the time that the sale is negotiated with the agent and the time when contracts are exchanged. We hope that you appreciate this rounded view of the conveyancing process and in particular alerting you to common problems that arise between negotiation of the sale and exchange of contracts.

If you are selling your home, there may be technical defects in the paperwork of which you are totally unaware. Particularly so if you have owned your home for at least the last 10 years. This is because there have been changes instigated by the Council of Mortgage Lenders as to their requirements to mitigate their risk on a lending transaction. Given that the majority of homes are funded partly by cash and partly by mortgage funding, you will see that this may affect your sale. Examples of these technical defects are:

- A liability for Chancel Repair.
- No certificated building consent for alterations or additions to the property (and this may relate to your period of ownership or previous periods of ownership).
- No consent from a freeholder or owner of a covenant for such alterations or additions particularly on estate developments since 1960.
- Lack of Planning Permission for certain works which may have been carried out.
- Difficulty in obtaining a clear Environmental Search because of some historical use of the land on which your home has been built or because of adjacent property uses.

All these sorts of issues are easily and usually relatively cheaply insured and we can arrange this for you. Insurance replaces application to relevant bodies or authorities for missing permissions.

The question of course rises as to who should pay for the insurance. A rule of thumb, all things being equal, is that the buyer makes an offer on the basis that

the Title to the property is in good condition. Therefore it may be appropriate for the seller to pay for such policies (this of course ignores any market or any other economic conditions which may be in play).

If you are purchasing a residential property, you would be looking to the seller to pay for the insurance premium.

We simply raise and mention these points because we find that these sorts of factors arise in probably 6 or 7 out of 10 conveyancing transactions. Early diagnosis of a problem will usually lead to an early solution and therefore will cut down any delays inherent in the conveyancing process.

4. On exchange of contracts

- the buyer pays a deposit to us of up to 10% of the sale price which he forfeits if he fails to complete
- a legally binding agreement arises which gives both buyer and seller rights of action if the sale does not proceed
- a date for completion of the sale is fixed (which must be observed to avoid penalties) normally 2-4 weeks after the date of exchange.

It is only when contracts are exchanged that you definitely know you have a sale and until this time no binding commitment should be made to arrange house removal.

5. After exchange of contracts we get in details of the amounts you will have to pay on completion, e.g.

- selling agents' commission account
- the amount needed to pay off any mortgage you have on the property; please note that mortgage companies have different systems for calculating the amount required to pay off a mortgage; some use a daily basis and some a monthly basis which means interest will be calculated to the last day of the month; you need to check which system applies before exchange of contracts as this may influence your decision on a completion date
- we also attend to the legal formalities of completion which include approval of the sale documentation and formal redemption of any mortgage.

Before completion we will arrange with you to sign the final sale documentation. You will also need to contact the appropriate service authorities to sort out final accounts (e.g. gas and electricity) or water rates or council tax and to arrange to cancel any standing order on the mortgage falling due after completion.

6. On the date for completion you will clear the property and move out and beforehand you will probably need to liaise with the buyer about the exact time you hope to be out and arrangements for handing over the keys. It is important not to hand over the keys or allow the buyer possession until you know we have received the sale price less any deposit already paid.
7. Depending on the terms of the contract, the insurance risk on the house may pass to the buyer when contracts are exchanged. To be on the safe side we recommend you maintain your insurance until completion.

PLEASE NOTE

Septic Tanks: You must either hold a permit or qualify for an exemption in England if your home has a small sewage treatment system (known as a 'treatment plant' or 'package plant')

see link <http://www.environment-agency.gov.uk/homeandleisure/118753.aspx>

Cesspool (cesspit): If your property uses a cesspool to process sewerage from your property, it must be impervious to ingress or egress of liquid, and in which case does not require a permit. Again see above link.

If you have any difficulty in dealing with this process or issue, then please contact us for further advice.

Listed Buildings: if the property is a listed building this imposes substantial burdens on the owner from time to time to keep the property strictly in the state in which it is listed in the Register for the property. Rectifying deviations or lack of repair can be hugely expensive and would fall on the new owner who will usually therefore initiate substantial enquiries about this.

See link <http://www.english-heritage.org.uk/professional/advice/hpg/consentandplanningpermission/> for a comprehensive guide to the issues.

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