

## INFORMATION FOR CLIENTS ON SELLING A PROPERTY

### 1. Introduction

1.1 This is intended as a general guide only but it does contain points of advice which are relevant to your sale. If you are in any doubt about any specific issue please ask your Lawyer for further advice.

1.2 If you are buying another property but have not yet advised us please do so as soon as you can and let us know whether the two transactions need to be tied in together.

1.3 Our job is to ensure that your interests are protected and that the agreements that you make are in your favour so far as can be achieved.

### 2. Initial Steps

2.1 There is additional information we will need from you to start the sale process. We will not be able to start work on your behalf until we have received the additional information together with any funds requested to cover initial expenditure if you do not wish to use the debit card facility.

2.2 **Do not** enter into any written agreement with your Buyer or anyone seeking to represent the Buyer without first having discussed the matter with us. You could be putting yourself into the position of being bound by a contract that may be contrary to your interests.

2.3 When we receive your completed questionnaires we will:-  
a) obtain the deeds to your property.  
b) have sufficient information to complete a property information form which is to be sent to your buyer.

2.4 We will ask you to supply a fixtures and fittings list of items to remain, to be removed and to be sold by separate negotiation.

2.5 If an estate agent is involved in the sale of the property you will have received a copy of the agents details. Please check the details very carefully to ensure that they are accurate and represent the agreed terms of sale. If there are any discrepancies please let us know straight away.

2.6 We will ask for your general instructions on the proposed time scale for moving. Please note that this time scale will be subject to the requirements of your buyer. A final date for moving can only be agreed when you and your buyer are ready to proceed.

### 3. Money for a related purchase transaction

#### 3.1 Mortgage advance

3.1.1 In managing the collection of the purchase money we will be involved directly with your lender and you do not need to concern yourselves over that aspect.

#### 3.1.2 Money from your own resources

3.1.2.1 Where you are providing money for the deposit and possibly the balance of the purchase money on completion we will need to see copies of your bank statement to show the money has been in your possession for a period before being used. We have no wish to pry but the need for such evidence is required on two fronts. Firstly your lender will require us to confirm the balance is coming from your own resources. And secondly the Anti Money Laundering laws

again require us to check. Please therefore gather all this information well in advance so that there is no delay later on.

#### 3.1.3 Money borrowed from others

3.1.3.1 If you are borrowing money from others e.g. parents, to help with the purchase we will need to do two things.

3.1.3.2 Firstly we will need to establish whether the payment is a loan or a gift and thus whether the lender is expecting any interest in the property. Such a position may require obtaining the consent of your mortgage lender.

3.1.3.3 Secondly we will need to ask for the similar evidence of where the money has been held.

3.1.4 These checks are needed even though you may have gone through similar procedures with your bank. Your understanding and patience on these matters is therefore asked for. Thank you.

### 4. Legal Work Prior to Contracting to Sell

4.1 When we have received the title deeds to your property we can produce a contract for sale, property information form and fixtures and fittings list. These, together with a supporting package of documents dealing with title, planning, guarantees or similar applicable to your property are sent to your buyers lawyers for approval.

4.2 We may be asked further questions concerning your property once the buyer has received the results of survey or the buyers lawyer has received the searches and instructions for the buyers mortgage. We will advise you and reply as soon as we are able.

4.3 The aim is to get to the stage where the contract for sale is approved by the buyers lawyers as soon as possible.

4.4 The buyer is entitled to place reliance upon the information we supply on your behalf. You must make full disclosure to your buyer of all relevant facts about the property and its history. This will avoid any misrepresentation to the buyer however innocent or unintended.

### 5. Reporting to you up to Exchange of Contracts

5.1 As you will appreciate there are a large number of matters which need to be investigated to ensure that your interests are fully protected. We will keep you advised of progress on a regular basis either by letter or by telephone call.

5.2 Should you have any queries on any matter at any point please contact your lawyer as soon as possible.

5.3 If your instructions change at any stage we will ask you to confirm those instructions in writing so that we can all be clear on what further steps are to be taken.

### 6. Our Responsibility to your Lender

6.1 We will obtain estimates of the amount required to redeem any mortgage on the property so that we can be sure that there will be adequate funds available to allow the sale to proceed.

6.2 Please list all loans secured against the property of which you are aware. It is important to establish at an early stage

- whether there are any further charges, second mortgages or local authorities improvement grants, that may be secured upon the property.
- 6.3 If we are instructed by your lender to repay a mortgage to you, then we are also acting for your lender independently of you. Your lender is also our client and as explained in their terms and conditions you are responsible for their costs.
- 6.4 All secured lending must be repaid upon completion of your sale.
- 7. Signing your Contract**
- 7.1 Once we have received the contract approved from your buyers lawyer we will provide a full report of the transaction to date and ask you to sign the contract in readiness for exchange of contracts.
- 7.2 Signing a contract does not bind you to sell. It is only when all parties are ready that exchange of contracts can take place.
- 8. Exchange of Contracts**
- 8.1 Once you are happy to proceed and the completion date is agreed we will commence the exchange procedure.
- 8.2 Exchange of Contracts means that you are bound to sell and the buyer is bound to buy. If either party backs out afterwards there can be a claim for damages one against the other for losses arising. Such loss could include:-  
(a) interest for late completion,  
(b) damages to compensate the buyer and any other parties suffering loss involved in the chain of transactions.
- 8.3 Remember **Do not** sign any other document with the buyer nor agree any variation to terms without contacting us first. You could put yourself in the position of entering into a contract without realising it.
- 8.4 **It is vital that you are satisfied that you can meet the completion date before you instruct us to exchange Contracts. Our advice is for you NOT to agree a completion timescale of less than 10 working days between exchange of contracts and completion due to risks and penalty clauses in contracts which could incur significant additional costs to you.**
- 8.5 Our fees estimate is based upon a minimum period of 10 working days between exchange and completion. If there is a requirement to proceed more quickly to completion than that period it will entail additional work on your file, particularly by way of chasing all third parties to comply with pre completion requirements and dealing with the risk issues referred to in clause 8.4 above. Accordingly we will need to charge an additional fee of £100 plus VAT if you instruct us to exchange for a completion in under 10 working days or £200 plus VAT if the period is 5 working days or less.
- 9. Between Exchange and Completion**
- 9.1 Completion is usually 2 to 4 weeks from exchange of Contracts.
- 9.2 Our fees estimate is based upon a minimum period of 10 working days between exchange and completion. If there is a requirement to proceed more quickly to completion than that period it will entail additional work on your file, particularly by way of chasing all third parties to comply with pre completion requirements. Accordingly we will need to charge an additional fee of £100 plus VAT if you instruct us to exchange for a completion in under 10 working days or £200 plus VAT if the period is 5 working days or less.
- 9.3 We will obtain exact redemption statements for all secured mortgages that must be paid off on completion.
- 9.4 We will obtain details of any Estate Agents account.
- 9.5 We will obtain details of any other matters that are to be dealt with at completion; e.g. clearance of local authority grants.
- 9.6 We will advise you of all of these and obtain your confirmation that they are agreed.
- 9.7 Where appropriate we will send you a detailed statement or all monies required, which will include our charges and all outgoings for the sale and any mortgage redemption and additional work that you may have instructed us to do. This amount required to complete must be paid to us at least 5 working days before completion to allow for clearance of cheques.
- 9.8 The Transfer will be signed by you in readiness for completion.
- 10. Practical Points on Completion**
- 10.1 Do not forget to tell the Gas, Electricity and Telecommunications suppliers of your move.
- 10.2 Do not forget to cancel your standing orders for the property.
- 10.3 Do not forget to move! You agree to sell with **vacant possession**.
- 10.4 Insurance risk on the building should be retained until actual completion. You agree to transfer the property on completion in the same physical condition as at the date contracts are exchanged.
- 10.5 The risk for contents insurance stays with you. If this was part of your general policy of insurance arranged by the lender then you need to look at contents insurance quickly.
- 11. Completion Day**
- 11.1 We will receive the sale proceeds, pay off any mortgages and any other expenses you instruct us to pay. We will provide undertakings to the buyers lawyers to send your lenders formal release of mortgage and will send them the title deeds and the transfer you have signed.
- 11.2 We will account to you for any balance of monies due after payment of our costs on the sale and send you a full financial statement.
- 11.3 We will deal with any reassignment of your life policies, as instructed, so that they are free of the claims of your lender and the benefits revert to you.
- 12. Conclusion**
- 12.1 We will do all in our power to comply with your reasonable requirements and timescale. Should there be any points you wish to discuss as matters proceed please contact us. We will be pleased to help.