

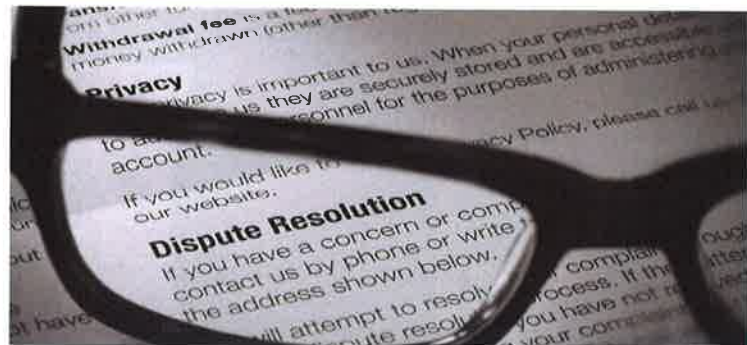


**GRAY HOOPER HOLT LLP**  
SOLICITORS



**Conveyancing Guide**

**Personal  
Injury**



**Tax Planning**



**Wills  
& Probate**



**Fare Evasion**



**Conveyancing**



**Family  
Matters**







## GRAY HOOPER HOLT LLP

SOLICITORS

### Conveyancing Guide

This booklet provides a guide to the general course that your transaction should take. You can refer to this booklet throughout the process and we will refer to it in our reports so you can see what stage the transaction has reached.

There are occasions where additional legal work may be required that is not foreseeable at the start of the transaction, for example it may be necessary to rectify a problem within the wording of a Lease, or we may have to put in place indemnity insurance to cover a lack of rights benefitting a property or where breaches of covenant have occurred. Where additional work is necessary that falls outside the scope of a normal conveyancing transaction, the work menu annexed to this booklet will apply. We do work to a fixed fee wherever possible, and it is important to us that you complete the transaction satisfied with our service and confident that our billing has been open and fair and as explained to and agreed by you.

## SELLING:-

### Stage 1: The initial paperwork

The first part of the transaction involves establishing communication between all parties and gathering information about the property you are selling.

The estate agent, (if there is one), will issue their 'memorandum of sale' to the seller, buyer and their respective legal representatives. The memorandum of sale sets out the details of the parties to the transaction, the agreed purchase price and any other pre-contract arrangements made between buyer and seller.

At the same time, we send to you our Client Care pack. This contains:-

- a. Our Client Questionnaire
- b. Our Client Care letter
- c. This booklet, unless you have already received it in advance
- d. Our Terms of Business
- e. Property Information Form
- f. Fittings and Contents Form
- g. Leasehold Information Form (if the property is Leasehold)



Items e, f and g are standard forms that are completed by you to provide the buyer with background information on the property. They also form part of the contract. Your buyer is entitled to rely upon any information that is supplied so it is important that the forms are completed accurately and as completely as possible, and that you make a full disclosure of any relevant facts about your property.

In order to move on to the next steps we need from you:-

- i. Evidence of your identity and monies on account (this will be referred to in our initial letter).
- ii. The completed Client Questionnaire
- iii. The completed Property Information Form
- iv. The completed Fittings and Contents Form
- v. The completed Leasehold Information Form (if the property is leasehold)
- vi. Any papers that are relevant, such as copy planning permissions and guarantees for the property\*

\*We can sometimes obtain copies of guarantees and other documents from relevant authorities. This additional service is referred to in the work menu.



## Stage 2: The Contract Pack

Once we have received the completed initial paperwork, we will be in a position to take the matter forward. We then:-

- a. Write to your lender (if applicable) requesting an initial statement of how much you have to pay to clear the mortgage.
- b. Write to your landlord/managing agent (if applicable) to request their Management Information Pack.\* This can take a standard form or the landlord or agent may provide their own form of management pack, but it should still provide key information such as service charge accounts and the insurance schedule.
- c. Order copies of your Title Deeds from the Land Registry\*\*.
- d. Prepare the Contract on your behalf and submit it to the buyer's Solicitors with supporting papers.

## Stage 3: Enquiries

Once the buyer's solicitor has received the contract pack, they will review the information provided and raise any enquires that they think are necessary. These enquiries may relate to your experience at the property; works carried out during or before your ownership; the actions of your landlord; and anything else they believe may affect their client's ownership of the property and their prospects of re selling the property in the future.

We will respond to as many of these enquiries as we are able from the information at our disposal and may have to refer some of the enquiries to you for a direct response. We may also have to contact third parties in search of information; including the Local or Water Authorities, landlords and their agents and very occasionally other individuals or entities shown to have an interest in your property.

Once we have collated the replies they are sent to your buyers' solicitor. When they are satisfied on all points, then they will report to their client and advise to proceed.

Sometimes more than one set of enquiries are raised by the buyer or buyers send the enquiries in separate letters as they receive their search results and survey report. Don't be surprised if we have to contact you several times with different questions; this is all part of the selling process and is quite normal.

### Costs:

- \* The Landlord has a right to charge a fee for providing management information. We are unable to advise what the fee will be in advance.

\*\*If your property is unregistered we will need the Title Deeds from you or your lender. Unregistered land is becoming increasingly rare, and is much more complex. In the unlikely event that your property is unregistered, there is a fee payable as per our work menu.



## Stage 4: Getting Signed Up

At the time the enquiries are raised the buyer's solicitor should also approve the contract, subject to any special conditions that are agreed in correspondence. We will then send you the agreed documents to sign. Some documents will always be required, and others depend on the transaction.

### Always Required

- Contract

The document that records the agreement by you to sell and the buyer to buy the property on the agreed completion date. One copy is signed by you, the other by the buyer. Once the contracts are exchanged, the transaction is set and neither side may withdraw without suffering financial and sometimes other penalties.

- Transfer

The document that acts as a receipt for the sale monies, and transfers title to the buyer on completion. The format of this document is defined by the Land Registry.



### Depending on circumstances\*:

- Deed of Variation

If the Lease has to be varied at the enquiry stage, for instance to correct errors in its original drafting, you and the landlord will have to sign this document prior to completion.

- Statutory Declaration

If you have exercised a right that is not legally recorded you may have to prove that you have exercised the right for a long time (over 20 years). If you are unable to show uninterrupted use of the right for at least 20 years, the shortfall in time is remedied by the provision of a separate indemnity insurance policy.



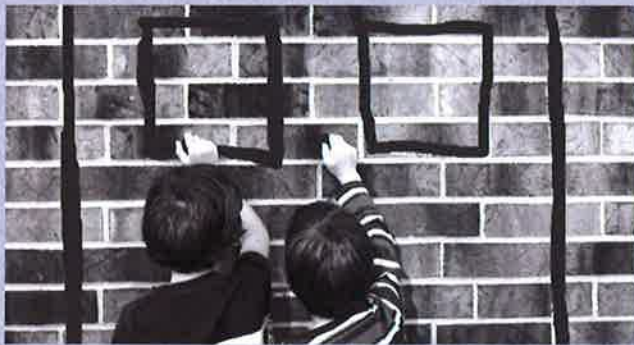
This is not an exhaustive list of the types of document which may be required to effect the sale. In the event of any unusual documents or circumstances, we will provide bespoke advice and prepare the documents on your behalf.

When we have the signed documents from you, and your buyers' solicitor confirms that they have the deposit and their client's sign part of the contract, we proceed to exchange of contracts.

**Costs:**

\*These additional documents are uncommon and are usually linked to work that falls outside the scope of a normal conveyancing transaction. Most of these are used to rectify legal defects.

Please be assured that we will use our extensive experience to find solutions to all legal defects as swiftly as possible and at minimum cost to you.





## Stage 5: Exchange of Contracts

Before exchange can take place all the parties involved, (including the rest of the chain if there is one), need to agree on a completion date. The estate agents involved in the chain usually assist by working with everyone to agree a date that is convenient to all parties.

We will not exchange without your express instructions and will contact you to obtain these before exchanging. Please note unless we have your irrevocable written instructions authorising us to exchange, we require your authority on the day that exchange of contracts occurs, which may result in our taking your authority each morning until exchange is actually achieved. However, we may decide based on your individual circumstances that it is not necessary to refresh your authority to exchange each day, but this will be by mutual agreement between you and us and should your circumstances change, you must notify your conveyancer without delay.

Exchange of contracts can sometimes be delayed due to changing circumstances between the different parties in the chain, funds failing to clear to a solicitor's account as quickly as expected and for many other reasons. This can be a stressful time for all concerned and we will always endeavour to keep you fully informed of the circumstances.

The completion date is usually set several days ahead to allow sufficient time for everyone to make arrangements for completion. This is typically two weeks. Depending on the circumstances, we can sometimes agree to complete in a shorter time, but this may result in an additional charge.





If the chain is small and the parties aren't too concerned about completion dates, you can authorise us to exchange with a completion date within a certain range: e.g. in the last week of May, or within four weeks. Please do consider that unless you are confident that the property will be in a saleable condition during the whole of the range of dates, this approach can create inconvenient circumstances for you and in most cases a fixed date is considered preferable.

Once contracts are exchanged you are legally bound to sell and your buyer is legally bound to buy. Should either party attempt to withdraw from the transaction after exchange of contracts, the other will be entitled to claim compensation for losses arising. These losses can be extensive, especially since they can 'cascade' from one end of a transaction chain all the way to the offending party. It is absolutely imperative that you do not authorise us to exchange contracts unless you are completely confident that:-

- The sale price of the property is sufficient to repay any and all mortgages, loans and all other money secured against the property.
- The remainder of the sale price of the property is sufficient to repay any other costs and expenditures you have incurred during the course of the sale, including but not limited to estate agent's commission, legal fees and disbursements.
- That if you have an onward purchase, the remaining proceeds of the sale, any mortgage funding and your other resources are sufficient to complete that purchase.





## Stage 6: Between Exchange and completion

This is where things begin to get exciting. Use this checklist to help you:-

- Find a removal company and pay any deposit required by them.
- Put important items and documents in a plain, sturdy box for safe keeping e.g. passports, driving licences, wills, insurance papers, jewellery and cash.
- Prepare a kit containing everything you need to get you through the day unscathed.
- Start your packing so you have everything ready to go on the completion date.
- Gather your keys to windows and doors and put them in one place for your buyer.
- Defrost the fridge and freezer – ensure they are completely dry before moving.
- Give the post office your new address and arrange mail redirection service.
- Contact DVLA to change the address of your driving licence.
- Contact utility companies to arrange for accounts to be moved/shut down.
- Notify the Local Authority of your change of address.
- Consider leaving a set of keys with the estate agent so that you don't have to be in attendance to give the keys to the buyers yourself.



We will request a final redemption statement from your lender and the estate agents, then prepare and send to you a completion statement detailing the balance of funds payable to you after completion.

If you are selling a leasehold or 'managed freehold' property and you have been paying ground rent, service or insurance charges, we will obtain the latest account statements from your freeholder or managing agent and calculate the pro-rata 'apportionment' of those charges, calculated to the day of completion, to ensure that you are not out of pocket.



## Stage 7: Completion

On the day of completion you have until 1.00pm to vacate the property, this being the usual completion time under the contract for sale. If you are buying as well this should be the time you will be able to gain access to that property.

The actual completion time does however depend on how fast the transfers of money are made between the banks. The longer the chain, the greater the chance that the time you gain access to your property will be later in the day. If there is a long chain you should be prepared to get into the property quite late in the afternoon.

Unless we anticipate a delay in completion, we will contact you when the buyers' funds clear to our client account. In the event of a delay, we will endeavour to keep you informed, so that you can plan your day and manage your removals.

Until we contact you to confirm that the money has been received and that the sale has completed, do not give your keys to the buyers. If you have left a set of keys with the estate agent for completion, we will telephone them at the appropriate time to authorise them to release the keys to the buyer.



If completion is delayed during the day and your buyer asks to leave any of their belongings at your property, please speak to us immediately and do not agree anything until you have done so.

Once the sale has formally completed, we will pay off any mortgages and other expenses. We also give an undertaking to the buyers' solicitor to send any confirmation that we receive from your lender of the removal of any mortgage entries from the Land Register. Finally, we send the signed transfer, title deeds and any other original certificates and warranties to the buyers' solicitor, in accordance with everything that was agreed during the course of the transaction and with the terms of the contract.



## **BUYING:-**

### **Stage 1: The initial paperwork**

The first part of the transaction is establishing communication between all parties, and gathering information about the property you are buying.

The estate agent, (if there is one), will issue their 'memorandum of sale' to the seller, buyer and their legal representatives. The memorandum of sale sets out the details of the parties to the transaction, the agreed purchase price and any other pre-contract arrangements made between the buyer and seller.

At the same time, we send to you our Client Care pack. This contains:-

- a. Our Client Questionnaire
- b. Our Client Care Letter
- c. This booklet, unless you have already received it in advance
- d. Our Terms of Business
- e. Joint Ownership Questionnaire



In order to move on to the next steps we need from you:-

- i. Evidence of your Identity and monies on account (this will be referred to in our initial letter)
- ii. Proof of the source of funds for the transaction
- iii. The completed Client Questionnaire
- iv. The Completed Joint Ownership Questionnaire

Many people buy houses in joint names and, as such, need to be aware of an important decision to be made in relation to joint ownership. If the questionnaire is not returned we will assume a Tenancy in Common. Please read the Joint Ownership Questionnaire carefully and if you have any queries or concerns, contact us to discuss your circumstances in more detail.



## Stage 2: Initial Title Check

We write to the sellers' solicitors on your behalf to request the contract paperwork. When this is received we will conduct an initial 'title check' to confirm:-

- The identity of the seller matches the contract and the title deeds and if not, that the seller has the legal right to sell the property
- That there are no onerous or unusual covenants affecting the property
- That the property has sufficient rights, (rights of way, rights of drainage, etc)
- That there has not been an unexplained increase in value
- Whether there has been a breach of covenant or restriction relating to the property, or if it has been modified without the correct consents and permissions
- If the property that you are buying is leasehold we require that the sellers' solicitor sends a number of additional enquiries to the freeholder and/or their managing agent.

These are standard enquiries to which we expect to receive complete and satisfactory replies.

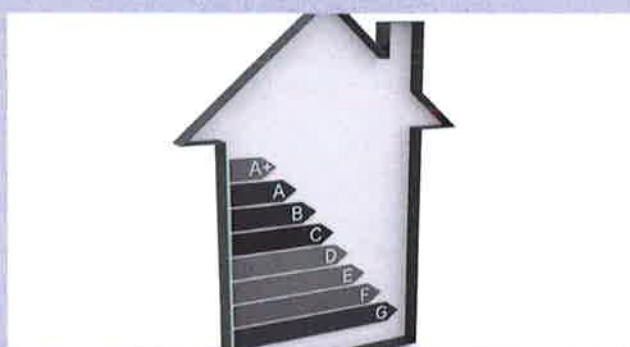




## Stage 3: Searches & Enquires

If we are happy with the initial title check, we will then order searches on your behalf. The three that are always required where you are getting a mortgage are:-

- a. **Local Search:** This provides planning history for the property and discloses if there is anything known to or planned by the Local Authority or others which might affect the value or saleability of the property (e.g. a road scheme or compulsory purchase order).
- b. **Drainage Search:** This discloses the route of the main drains and sewers to establish whether any run under the property. It also informs us about water quality and flow, and whether the water is supplied on a metered basis.
- c. **Environmental Search:** This checks a 500m radius for contaminated land, polluting activities, ground instability, radon and other hazards.



Other searches are available and may be required depending on the location of your property. These might include flood risk reports or mining searches.

We recommend that all clients instruct us to take out Buyer Protect Insurance, an insurance policy that protects against adverse search results, the seller withdrawing and an adverse valuation/survey. This must be ordered at the same time as the searches.

We raise any enquiries that we deem necessary. We may raise these in two sets, one before the search results are all back, and one based on the search results, depending the complexity of the title.



We raise enquiries in the event any of the items listed in our initial title check are incomplete or present a problem. We also raise enquiries if the search results reveal any items which require further investigation. When investigating title, we seek assurance that the property benefits from all necessary rights and carries no onerous obligations or covenants. We consider the level of service charges and seek to ensure that there are no historical entries in the title deeds, financial or otherwise, which could cause you unnecessary or excessive expenditure or hamper your enjoyment of the property, or even affect the property's re-sale prospects.

At this stage we will also ask any questions that you have of the seller. Please make sure you let us have any questions you want the seller to address.

We do not generally receive a copy of your survey unless you send it to us. As your legal advisors rather than your surveyors, we would not generally offer commentary on the contents of the survey, but if you wish for us to raise enquiries with the seller on your behalf, please send us the survey with the relevant entries highlighted.



## Stage 4: Reporting

Once we have concluded enquiries, we will send you a full report on the property. In some circumstances, for instance when only minor enquiries remain outstanding or we are aware of particular milestones which need to be reached by a certain date, we will send you our report before all enquiries are received with separate or additional reports to follow. The full set of reports address the following aspects of the property:-

- a. The Property Information Forms provided by the seller.
- b. Our investigations of the title, including copies of all relevant title deeds.
- c. The search results.
- d. The enquiries and replies.
- e. If you are taking out a mortgage we will receive a copy of the offer and report to you on the conditions with which your lenders oblige you to comply.

This ensures that you have all the information that you need about the property. At this stage, if there is anything you are still unsure of, this is the time to ask.



### Costs:

\* Our work menu refers to items that are not part of the standard conveyancing transaction but which you may require. For example, if the Lease you are purchasing has less than 80 years remaining it would be advisable to negotiate a Deed of Variation to the Lease. Likewise if the property is comprised of several titles or you are buying a share of the freehold in a leasehold property, additional work is involved. We operate on a fixed fee basis to ensure that costs remain as low as possible.



## Stage 5: Getting signed up

At the time of reporting to you we will also send to you documents to sign in readiness for exchange. We will require you to sign:

- **Contract** The document that binds the transaction in readiness for the completion date. One copy is signed by you, the other by the buyer. Once the contracts are exchanged, the transaction is set and neither side may withdraw without suffering financial and sometimes other penalties.
- **Transfer** The document that acts as a receipt for the sale monies, and transfers title to the buyer on completion. The format of this document is defined by the Land Registry.

Depending on circumstances\*:

- **Deed of Covenant** If the Lease requires that you enter into a covenant with the landlord, this needs to be signed by you prior to completion.
- **Mortgage Deed** If you are getting a mortgage, you will sign this to confirm that you will abide by the terms and conditions of the mortgage.
- **Deed of Variation** If the Lease has to be varied at the enquiry stage, for instance to correct errors in its original drafting, you and the landlord will have to sign this document prior to completion.

This is not an exhaustive list of the types of document which may be required to effect the sale. In the event of any unusual documents or circumstances, we will provide bespoke advice and prepare the documents on your behalf.

### Costs:

\*These additional documents are uncommon and are usually linked to work that falls outside the scope of a normal conveyancing matter. Most of these are used to rectify legal defects and will not come up very often.

Please be assured that we will utilise our extensive experience to find solutions to all legal defects as swiftly as possible and at a minimum of cost to you.

Once we have the signed documents from you, and your seller's solicitors confirm that they have their signed part of the contract, we can move on to stage 6.



## Stage 6: Exchange of Contracts

Before exchange can take place all the parties involved, (including the rest of the chain if there is one), need to agree on a completion date. The estate agents involved in the chain usually assist by working with everyone to agree a date convenient to all parties.

In order to exchange we require your express authority to do so, so will speak to you either on the phone or via e-mail to take your final authority to exchange contracts. Please note that except in extenuating circumstances, we require your authority on the day that exchange of contracts occurs, which may result in our taking your authority each morning until exchange is actually achieved. However, your conveyancer may decide based on your individual circumstances that it is not necessary to refresh your authority to exchange each day, but this will be by mutual agreement between you and your conveyancer and should your circumstances change, you must notify your conveyancer without delay.



Exchange of contracts can sometimes be delayed due to miscommunication between the different parties in the chain, funds failing to clear to a solicitor's account as quickly as expected and for a myriad of other reasons. This can be a stressful time for all concerned and we will always endeavour to keep you fully informed of the circumstances.

The completion date is usually set several days ahead to allow sufficient time for everyone to make arrangements for completion. This is usually two weeks. Depending on the circumstances, we can sometimes agree to complete in a shorter time, but this may result in an additional charge.



If the chain is small and parties aren't too concerned about completion dates, you can authorise us to exchange with the completion date within a certain range: e.g. in the last week of May, or within four weeks. Please do consider that unless you are confident that the property will be in a saleable condition during the whole of the range of dates, this approach can create inconvenient circumstances for you and in most cases a fixed date is considered preferable.

From the point at which contracts are exchanged you are legally bound to buy and the seller is legally bound to sell. Should either party attempt to withdraw from the transaction after exchange of contracts, the other will be entitled to claim compensation for losses arising. These losses can be extensive, especially since they can 'cascade' from one end of a transaction chain all the way to the offending party.



It is absolutely imperative that you do not authorise us to exchange contracts unless you are completely confident that:-

- Your mortgage offer remains valid at the time of exchange and at least until the agreed date of completion.
- You have sufficient funds at your disposal in addition to any mortgage advance you are receiving, to complete the purchase and pay for all fees costs and disbursements



## Stage 7: Between Exchange and completion

At this stage we will be corresponding with the seller to establish the final balance payable on completion, taking into account:-

- The purchase price.
- Any extra items you have agreed to buy.
- Any allowances for works given to you.
- Leasehold apportionments (the seller is responsible for the service charges up to the day of completion, but may have paid for a longer period for which you will need to reimburse them).

We will then prepare and send to you a completion statement detailing the funds due from you to complete.

We contact your mortgage company and request the loan funds to be sent to us in time for completion.



Here is a checklist of things you should consider:-

- Find a removal company and pay any deposit required by them.
- Put important items and documents in a plain, sturdy box for safe keeping e.g. passports, driving licences, wills, insurance papers, jewellery and cash.
- Prepare a kit containing everything you need to get you through the day unscathed.
- Give the post office your new address and arrange mail redirection service if you are selling a property as well.
- Contact DVLA to change the address of your driving licence.
- Contact utility companies to ensure that the services to the property are not interrupted.
- Notify the Local Authority of your change of address.



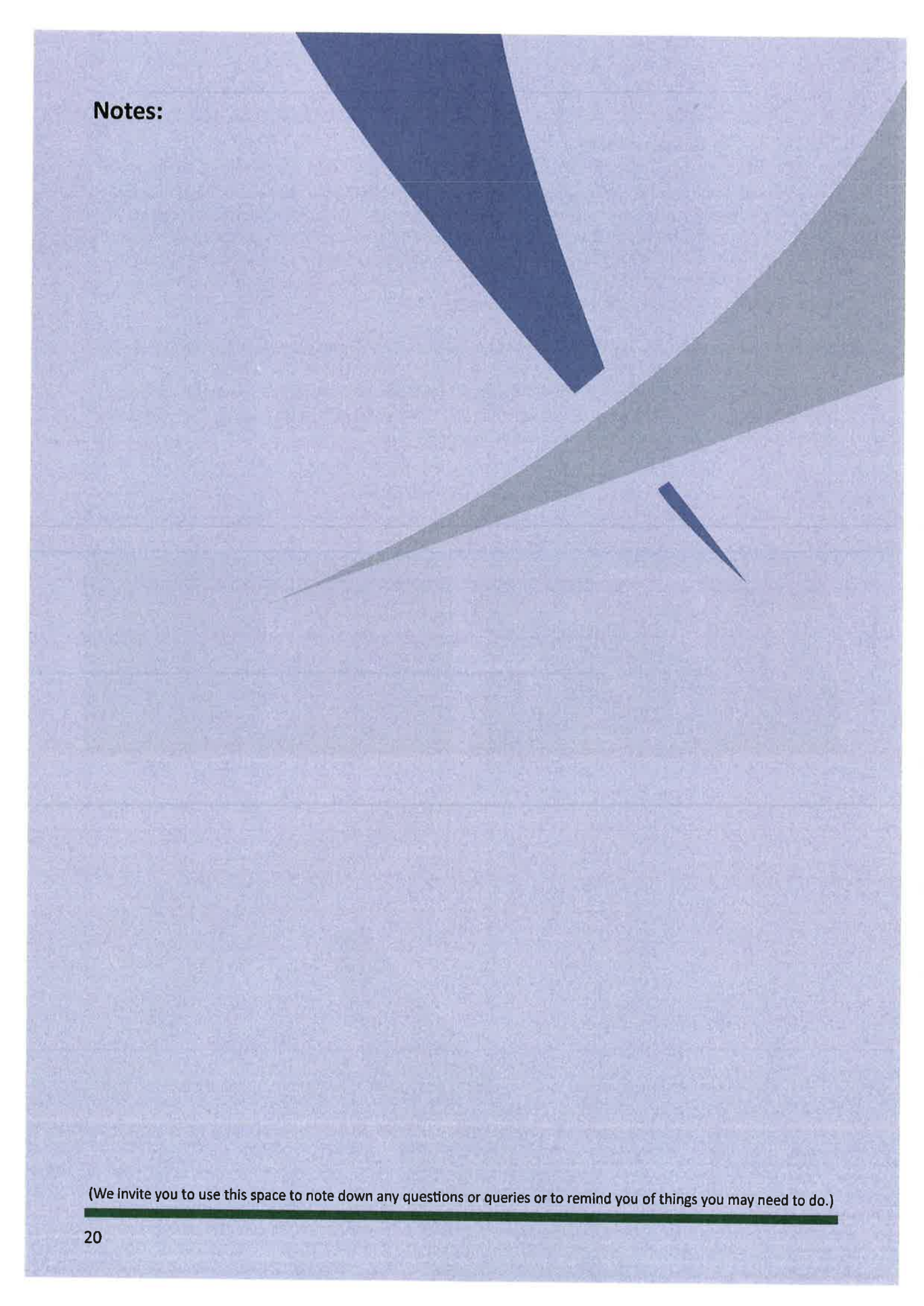
## Stage 8: On Completion

Completion is usually set for 1.00pm on the specified day although in practical terms completion takes place when the seller's solicitors confirm that they have received all the money that is due. If you are in the middle of a chain this can be delayed until later in the afternoon as each firm executes a bank transfer to the next link in the chain. Once the seller's solicitors confirm receipt of the monies the estate agents should release the keys. On the day of completion, we will be monitoring the progress of the transaction and will keep you informed right up until release of keys.

We will then arrange to pay any stamp duty payable to the Inland Revenue, and then submit documents to the Land Registry to have the property registered in your name. This can take several weeks to process with the Land Registry, particularly where we have to obtain additional certificates from the landlord or managing agent. Once registration has occurred we will write to you again with a copy of the completion of registration document for your records and safekeeping.







**Notes:**

(We invite you to use this space to note down any questions or queries or to remind you of things you may need to do.)

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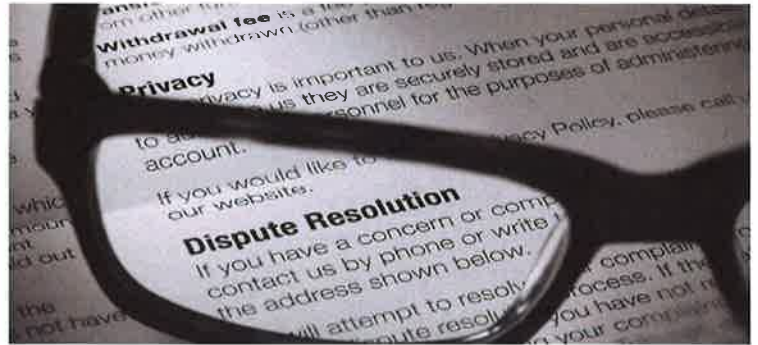




**Dispute  
Resolution**



**Employment**



**Commercial  
Advice**



**Commercial  
Property**



**Conveyancing**



**Start - Up  
Advice**



## GRAY HOOPER HOLT LLP

### Conveyancing Guide

This booklet provides a guide of the general course that your transaction should take. You can refer to this booklet throughout the process and we will refer to it in our reports so you can see what stage the transaction has reached.

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