

## SELLER'S GUIDE

Selling your home can be a stressful and frustrating experience but it need not be as there is much you can do to make the process as smooth as possible and ensure you get the best price from a buyer that can meet your requirements. Set out below are some suggestions from our experience gained from assisting thousands of clients to sell their homes.

This guide is complemented by our Buyers Guide that is available at [www.chancellors.co.uk/pdf/buyersguide.pdf](http://www.chancellors.co.uk/pdf/buyersguide.pdf)

### Presentation

Most buyers:

- Like a blank canvas and have difficulty in seeing the wood for the trees. An opportunity to tidy up and de-clutter
- Like a show home standard of presentation. Remove excess furniture and have a spring clean
- Make buying decisions no further into the property than the hall. Make sure your home has kerb appeal and the first impressions when you open the front door are good ones

Ask a friend or one of our team to inspect your home and get their honest comments of how it looks from a buyer's perspective

### Agency Terms

We are instructed by you on the agency basis selected. The agency terms have the following meanings:

**Sole Selling Rights** means you will be liable to pay remuneration to us, in addition to any other costs or charges agreed, in each of the following circumstances if unconditional contracts for sale of the Property are exchanged in the period during which we have sole selling rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself or after the expiry of the period during which we have sole selling rights but to a purchaser who was introduced to you during that period or with whom we had negotiations about the property during that period.

If a party we have introduced enters into a contract with you for any other property you control or have interest in, Sole Selling Rights contract will apply unless otherwise agreed in writing by both parties.

**Joint Sole Agency** means you will be liable to pay remuneration, in addition to any other cost or charges, if, unconditional contracts for the sale of the Property are exchanged with a purchaser introduced by us or by the Joint Agent during the period of our Joint Sole Agency or with whom we had negotiations about the Property during that period; or with a purchaser introduced by another agent during that period. The fee will be shared with the Joint Agent on the basis set out in the Joint Sole Agency agreement and you will be liable to pay us the proportion due to us.

**Multiple Agency** means you will be liable to pay remuneration to us, in addition to any other cost or charges agreed, if, unconditional contracts for the sale of the Property are exchanged with a purchaser introduced by us during the period of our Agency or with whom we had negotiations about the Property during that period.

**Auction** means you wish to consider advertising the property via Auction, you agree that any auction agreement will take priority over our agreement, however if you agree a transaction outside of the auction contract or the agreement ceases or fails you will revert to the terms of the original agreement with Chancellors. Chancellors will advertise the property on behalf of the auction partner, your details will be passed to the Auction Facilitator First for Auctions who will send you an auction sale agreement confirming the guide price and reserve price as set out in this agreement or this will be agreed with you by First for Auctions.

If a party, we have introduced enters into a contract with you for any other property you control or have an interest in this contract will apply unless agreed otherwise in writing by both parties.

## **Material Information**

We will ask you to complete a Fact Find that will provide us with Material Information that buyers will need to be able to make an Informed Decision about making your property their next home. In making a full disclosure you will help the transaction proceed at the required pace and help prevent the buyer being surprised later in the process that can lead to disappointments all round. We will agree with you when is the appropriate time to make the information available, with the full information being made available no later than when a potential buyer is identified, and we confirm the offer details of a prospective sale.

## **Cancellation Costs**

If you sign your contract with us off-premises and we convey the contract to our offices, and you wish to cancel your contract within the 14 day cooling off period you will be charged for the activities up to the date of cancellation. Costs are available to view at [www.chancellors.co.uk/pdf/cancellationcosts.pdf](http://www.chancellors.co.uk/pdf/cancellationcosts.pdf)

## **Getting legally prepared to sell**

Once a buyer has been found it is important that your solicitor can present all the documentation to the buyer's solicitors quickly for review. To ensure your solicitor can do this they need to have good notice of your intention to sell. We strongly recommend that they are instructed when we are asked to market the property. This is especially true if your property has not been sold for many years and the title to it is not registered at the Land Registry or if you have a leasehold property where management enquiries may take some time or bring out complex information.

We have a panel of solicitors who we have worked with for many years and with who we have agreed service standards. We know they are proactive and we work well together to get our clients transactions smoothly through to completion. We will be pleased to introduce you to them.

## **Leasehold, commonhold or managed freehold properties**

In addition to becoming legally prepared, we recommend that where the property is leasehold, commonhold or a managed freehold property, that you should contact your lease administrator, commonhold association, or freehold manager to obtain material information required by potential buyers. Such material information may include but is not limited to:

- number of years remaining on the lease;
- amount of ground rent payable;
- rent payable in the case of shared ownership;
- service charges and maintenance where applicable;
- approximate value of reserve fund;
- Details of any event-related fees and charges payable
- Details of any unusual restrictions or covenants affecting the use and enjoyment of the property

With the information set out above obtained in advance, this will assist in the conveyancing process and help progress the transaction to a swift completion."

## **What is your property worth?**

What a buyer who wants your home is willing pay. What is special about it that should be emphasised to attract that special buyer who will pay above the average price? Make sure your target market is reached by agreeing with us your property's unique selling points so that its target market can be accessed.

Just like all the others in the road? Not to worry, you can make it the best presented home which should attract a premium from discerning buyers.

We will provide you with comparison information on properties that have sold which will help you decide on a suitable asking price given the timeframes in which you need to sell.

### **Marketing your property**

If permitted in accordance with the requirements of Town & Country Planning Regulations we will arrange for a For Sale board to be erected. You agree to work with us to ensure the widest distribution of information about the Property's availability using our marketing material, including, as appropriate, social media. For the avoidance of doubt, your involvement in these activities will not change our entitlement to our fees and charges.

From time to time we will use pictures of properties in general sales campaigns, by signing this agreement you give your consent for any outside pictures of your property to be used in such campaigns.

### **Sub Agency**

If we consider it to be in your best interest, we will instruct a sub agent to assist in the marketing of your property. No additional cost will be incurred by you and we will arrange and co-ordinate all viewings and negotiations on the property.

### **Viewings**

We believe that as your agent we should show buyers around as we can ask for feedback from them that they are often too polite to offer to you. Overcoming objections is what our staff are trained to do. Equally knowing why buyers do not favour a property enables us to adjust the marketing to secure a buyer from subsequent viewings.

It is good for buyers to pass on the drive. If someone else is interested this often prompts an offer that is that little bit better or comes a little bit quicker than it would have been if the meeting had not taken place! We will specifically arrange viewings in clusters where possible to try to achieve this.

**It is important to bear in mind that you will be allowing prospective buyers into your home. It is sad to report that a very small percentage of them will not share the values we and you have as to honesty. You should therefore ensure that your insurance is up to date and that valuables, including cash and cards, plus items of particular sentimental value are safely stored away.**

### **Offers**

Leave these to us. We will ensure that we ask the right questions, so you can have our best advice as to whether the offer will meet your requirements. Sometimes how much is not the deciding factor. Often the circumstances of the buyer are more important to sellers.

### **Accepting an offer**

This is always done Subject to Contract so either party can withdraw before Exchange of contracts at no penalty. This is standard legal practice across the UK, but can attract criticism if either party subsequently decide not to proceed with the agreed transaction, so to cement the sale an early exchange of contracts will ensure your buyer cannot change their mind, it will be important for you to instruct your solicitor to try to achieve this for you and we will assist where we can.

It is our policy unless agreed or instructed otherwise to continue to market properties until unconditional contracts are exchanged. Our Notification of Sale document will confirm this for each transaction.

## Transparency of Referral Fees

The National Trading Standards Estate Agency Team have published its Guidance on Transparency of Fees Involving Property Sales in February 2019.

Pursuant to the guidance estate agencies are required to provide their clients and customers with information relating to the price of its services and any additional services provided under a referral agreement or arrangement for which they are paid a fee. In order to discharge this obligation, we have set out the services available to our clients and the average of those services in our Referral Facts Guide.

This referral facts guide provides information on the services provided through 3<sup>rd</sup> parties that both Chancellors refer to, and average referral fees we receive for doing so. The businesses we refer to are specialists in their field and their performance is consistently monitored to ensure they support our client and customers with their property needs to the standard we expect as a business.

See our **Referral Facts Guide** for further information.

## Instructing your solicitors

Only you can do this and this needs to be done at the very latest as soon as you have accepted an offer.

In order for them to start work on your case, they will need to receive;

- Identification from you to satisfy the current money laundering regulations
- Signed Terms of Business
- A completed fixtures and fittings list
- Planning permission and building regulation sign offs for any extensions or alterations you have made
- Guarantees, warranties and certificates for works completed (double glazing, boiler servicing etc)
- Block manager and freeholder information and contact details if your property is leasehold
- Authority from you to provide the buyers solicitor with answers to their enquiries and payment for them to undertake the standard searches against any proposed purchase you are planning.

## Putting the parties in touch

We will send a "Notification of Sale" to you, your solicitor, the buyer and their solicitor informing them that a sale has been agreed. It is important that you check our Notification of Sale document to ensure it meets your expectations.

The Notification of Sale will confirm as to whether the property is to be marketed until contracts are exchanged.

## Green Deal

Under Green Deal Regulations, there is a statutory requirement to notify a prospective purchaser of the presence of an existing Green Deal charge, as they will be taking on responsibility for payments under the agreement. If that purchaser or tenant can prove that they had not been notified of the charge, they can refuse to pay.

The EPC document provides information on any existing Green Deal Plan attached to the property. Agents must provide a copy of that EPC, and there is a duty to make specific reference to the Green Deal Plan, and obtain formal confirmation from the applicant that they have been informed of it. This must be done prior to any expenditure of time or money by a prospective purchaser/tenant, i.e. even before a viewing is arranged.

It should also be borne in mind that energy improvement measures may have been carried out on the property outside the scope of a Green Deal scheme, and it is important to differentiate between those that are subject to the Green Deal charge and those that have been financed by other means, and where their treatment could be subject to further negotiation within the sales transaction, e.g. where the vendor has purchased solar PV panels and the purchaser may wish to negotiate their removal as a condition of sale. Solar PV installations installed under a roof space lease scheme are subject to different considerations, as these will require specific lender consent at the time of installation, to ensure that the lease is compliant with CML/BSA minimum terms, and there may also be strict prohibitions or onerous early redemption charges attached to any early termination of the lease agreement.

**It is therefore important that you should disclose the existence of a Green Deal or any other Energy Reduction Measures that you will expect the buyer to take over responsibility for from completion date.**

Warranties and guarantees are a fundamental part of the consumer protection process for the Green Deal and, depending upon the number of measures installed, there could be warranties of various types and length.

**It is important that these documents are produced to your solicitor at the earliest opportunity.**

#### **Lifetime Legal – Anti-Money Laundering & Legal Services**

As part of our Anti-Money Laundering process Lifetime Legal will carry out our legally required anti-money laundering checks to confirm your identity. They provide this service as standard for all our sellers and buyers. We appreciate that not all clients are able to attend our offices to confirm their identity and so by these checks being carried out by Lifetime Legal over the phone this dispenses with the need for you to attend our offices.

You will be referred to Lifetime Legal who will ask you to provide key information, complete biometric tests and supplement this with additional documentary evidence where your circumstances require it. You will also be required to pay them £80 plus VAT (£96 inc VAT) per seller group or company that is involved in the sale for the undertaking of these checks and the recording of this information on our behalf and in order to satisfy our regulatory obligations as proactively enforced by HMRC.

Lifetime legal will explain the process to you in full, and will also explain the complementary benefits that come with our AML arrangements. These include complementary Lifetime Legal membership for 3 months, and where you use Chancellors Conveyancing services we have also arranged for this cost to include the AML cost your solicitor would normally charge you for their regulated required checks.

As part of this process, Lifetime Legal will require various pieces of information to confirm your identity. As a standard, they will require: -

1. Passport number;
2. Driving Licence number; and
3. National Insurance number.

There may be occasion where additional information is required in order to complete these checks and if this is the case Lifetime Legal will confirm what additional documents are required in order to complete the process.

Where a person is selling or buying the property on behalf of another, for example by way of a Power of Attorney, Lifetime Legal will need to check the identity of the legal owner and the person who is named as the attorney.

Additionally, Lifetime Legal can offer a unique conveyancing package to our clients and customers where this would prove useful in supporting their property transaction. They will instruct your conveyancer at the earliest possible point in the sale or purchase process, so putting you in the best position to reduce the time it takes to move.

Lifetime Legal also offers a variety of supplemental services to our clients and customers. These services include legal advice relating to Family Matters, Employment, Probate and Estate Administration, Dispute Resolution and Criminal Offences, to name just a few.

You can take advantage of the benefits set out above by discussing these services at the same time as completing your identity checks and then subsequently completing an application for a Lifetime Legal membership. For further information please visit - <http://www.lifetimelegal.co.uk/>

If the Conveyancing and supplemental legal services offered by Lifetime legal are not of value to you and you chose not to take them up, then they will complete your identity verification and confirm back to us that you are making your own arrangements for legal services.

## Money Laundering

The introduction of the 4th Money Laundering directive on 26th June 2017 makes it a requirement for Estate Agents to obtain ID for the purchasers in a sales transaction with which we are involved as well as the vendors.

Therefore, it is a requirement that all parties to the transaction provide us with ID documentation in order for us to satisfy our legal requirements for Money Laundering. Therefore, ID must be provided to us at the earliest possible point of the transaction.

As a result of the Money Laundering Directive, we are required to be able to demonstrate that we have adequately verified your identity when taking instructions to market your property. If adequate ID has not been fully provided at any point during the term of this contract, we reserve the right to cease marketing, but you will remain bound by the terms of the Agency agreement documented here.

In order for Lifetime Legal to provide the services set out above, it is necessary for us to share with them certain information which we hold about you. We share your data in this way because we have a legal obligation to ensure that we have verified your identity, and we have a contractual relationship with Lifetime Legal to provide these services.

For further information in this regard please visit:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/628696/Estate\\_Agency\\_Businesses\\_Guidance\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/628696/Estate_Agency_Businesses_Guidance_.pdf)

## Future Marketing, Viewings and Offers

At common law, all agents are required to inform their clients of all offers to buy which are received before a legally binding contract has been exchanged. A property remains for sale and open to offers until exchange of contracts – unless the seller agrees (or has previously agreed) that the marketing should cease and the property be withdrawn from sale. Agents are under a duty to continue passing on offers until they have instructions in writing from the seller to the contrary.

This instruction will often depend upon the position of the prospective purchaser to proceed with the transaction, and the level of their offer relative to the client's price expectations. For clarity set out below are a range of options that our clients will consider.

1. The property will remain on the market until:
  - a. Contracts are exchanged
  - b. A dependant transaction can proceed unconditionally
  - c. A mortgage has been arranged in principle
  - d. Receipt of an acceptable valuation/survey
  - e. The above for all parties in the chain
2. Where a property is to remain on the market under the instructions of our clients they will also have considered;
  - a. Viewings will be facilitated for all those wishing to view, regardless of their position, as all offers welcomed.
  - b. Viewings will be facilitated for those wishing to view and where they;
    - i. Are in a better position to proceed so provide an improved offer vs the current interested party
    - ii. Are judged to be able to make an offer above the current offer price
    - iii. Better meet the clients' expectations as to profile so provide an improved offer vs the current interested party
3. Where the property is to have a status that it is in some way SSTC/Offer agreed they will have considered that;
  - a. They wish to suspend viewings for a period of time to allow for the progressions of the existing offer but actively want to receive information on potential purchasers able to make an improved offer during that period.

4. In either of the above circumstances, they can of course consider that;
  - a. They wish to be notified of all interest in their property but without viewings taking place until it is established that the potential interest would be an improvement on the current interest, at which point they will confirm a change in the viewing instruction
  - b. They wish for a record to be kept on the file of any interested parties contact details.

### **The Conveyancing Process**

The below pages contain a Conveyancing Calendar that will help you follow the progress of your transaction.

Some points to remember:

Once we have put the transaction in the hands of the solicitors they have custody and control of the transaction and we have a watching brief. It is therefore important that your solicitor checks all the information we will have provided in Good Faith and on which you will have based your decision to accept an offer.

Circumstances for us all do change over time, so you need regular updates from your solicitor to ensure matters are progressing in accordance with your requirements.

### **Fees**

Our Terms of Business is an event-driven contract i.e. when an event as stated in the contract occurs our fee becomes payable. The right to the fees therefore cannot ever have any connection with any service-related matter. These must be dealt with via our complaints procedure.

Please be advised that where fees are outstanding, for whatever reason, 28 days after the due date we reserve the right, with or without notice, to take legal action to recover any sums properly due along with interest from the due date on the outstanding balance as well as any costs associated with our claim.

### **Service Complaints**

If you have any concerns as to the service, you have received please bring them to the attention of the directors at the earliest opportunity. Please email [directors@chancellors.co.uk](mailto:directors@chancellors.co.uk). If after our Complaints Procedure has been completed you are not satisfied with our response you may refer your concerns to The Property Redress for review. The Property Redress website [www.theprs.co.uk](http://www.theprs.co.uk)

### **Agreed expenses and withdrawn charges**

If you have agreed to reimburse us for costs or expenses incurred on your behalf by completing an "Advertising & Agreed Expenses form", you agree that these will become payable on demand and no later than the end date of our appointment no matter how this is ended. Where it states on page 1 of this Agreement that a withdrawn charge applies, in the event that you instruct us to suspend or withdraw from marketing your property whether orally or in writing for 14 days or more (save where such instruction is in the context of a bona fide agreed offer), you shall pay to us a disbursement of the amount specified on page 1 as the withdrawn charge plus any agreed expenses which have been incurred by us.

### **Credit / Debit Cards Payment**

All payments to us if made by credit / debit card will attract the handling charge levied by the card organization and will be payable by you. We DO NOT accept American Express.

### **Value Added Tax ("VAT")**

VAT will be added to our charges at the prevailing rate of VAT at the VAT point date. For the sale of a residential property, the VAT point date is the date of exchange of contracts for the sale of the property. Where any charges in this Agreement are stated as being inclusive of VAT the inclusive amount is that at the time the Agreement is produced. If the VAT rate changes before the invoice is raised, the inclusive amount will change accordingly.

It is expressly agreed that should the VAT payable on our fees and charges change for any reason whatsoever, you will pay the new rate in line with the government's announcement as to date and amount regardless of whether we have informed you of the change of rate or the change date.

### **Prospective buyers**

You accept, once a contract for sale has been exchanged, we may without consulting you, accept an instruction from the buyer to re market for sale or let the Property or any properties developed on the site.

**THE CONSUMER CONTRACTS (INFORMATION, CANCELLATION AND ADDITIONAL CHARGES) REGULATIONS 2013**

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 only apply to these Terms and Conditions (this contract) when signed off-premises (not in the business of the trader) by a Consumer in the presence of a CGEAL employee. Where these regulations apply you have fourteen days to cancel this contract. If you wish to cancel this contract you **MUST DO SO IN WRITING** by delivering or sending, including by email, a Cancellation Notice to the named person at the address below. If you send the Cancellation Notice by post then we recommend that you send it by recorded delivery. Cancellation will be deemed to have been served as soon as it is posted, therefore we may require proof of posting to be provided. If the Cancellation Notice is emailed, the cancellation will be deemed to have occurred on the date of the email. If you make a personal visit to hand deliver a notice or letter the cancellation will be deemed to be the date of delivery.

Immediate commencement of services and marketing within 14 day cancellation period

We will, unless notified in writing begin immediately to provide services and marketing without delay.

If you cancel within the fourteen days that The Chancellors Group of Estate Agents Ltd (CGEAL) will charge an Administration Charge for work done by CGEAL and third party supplier costs incurred by CGEAL prior to cancellation.

This admin charge only applies should you cancel within the first fourteen days and is not charged should you give notice in accordance with this contract after the fourteen days has elapsed.

If you decide to cancel this contract within fourteen days, agree to pay the full cost of the service, agency fee, commission, and any other charges detailed in this contract, if it has been provided as per this contract prior to the date of cancellation or at any point thereafter with my/our agreement.

### **Your Information and Services**

We will use the information we collect to carry out this agreement and for statistical, administration and marketing purposes. We will disclose the information to our service providers and agents for these purposes.

### **Services to your potential buyers**

We will offer a full range of services to your potential buyers, including, without limitation, estate and lettings agency, financial services, conveyancing, removals, broadband & TV, property management, new homes sales and survey services from which we may get commission or fees. We will use the information we collect from you to carry out this agreement and for statistical, administration and marketing purposes.

### **Buyers Guide**


This is available at [www.chancellors.co.uk/pdf/buyersguide.pdf](http://www.chancellors.co.uk/pdf/buyersguide.pdf). It provides details of what buyers are recommended and can be expected to do to ensure your property meets their expectations to become their next home or investment. We hope this information will also assist you in any onward purchase.

### **Finally...**

Our staff have years of experience in property sales and are well trained to assist you in what may well be a once in a life time transaction. Please do contact them concerning any matter that you would like advice on.

Please note that the information in this section and the following sections is intended solely for illustrative purposes and is not to be construed or interpreted as legal advice. Should require advice in connection to the legal aspects set out below then we advise that you seek your own independent legal advice.

# CONVEYANCING CALENDAR

TIMESCALE	SALE	PURCHASE	BUYER'S MORTGAGE
	<p>Acceptance offer</p> <ul style="list-style-type: none"> <li>Price from buyer</li> </ul> <p>Seller to</p> <ul style="list-style-type: none"> <li>Appoint solicitors</li> <li>Hand over deeds or give lender's details</li> <li>Complete forms</li> <li>List items included in sale and return to solicitors</li> </ul> <p>Seller's solicitors to</p> <ul style="list-style-type: none"> <li>Apply for/retrieve deeds</li> <li>Prepare contract bundle</li> <li>Send contract bundle to buyer's solicitors</li> <li>Deal with enquiries raised by buyer's solicitors</li> </ul> <p>Seller's solicitors to:</p> <ul style="list-style-type: none"> <li>Receive approved contract from buyer</li> <li>Send the same contract to seller</li> </ul> <p>Seller to:</p> <ul style="list-style-type: none"> <li>Sign and return contract to solicitors</li> <li>Agree with buyer and other parties in chain on completion date</li> </ul> <p><b>EXCHANGE CONTRACTS</b></p> <p>Seller's solicitors to:</p> <ul style="list-style-type: none"> <li>Collate figures</li> <li>Prepare completion statement</li> <li>Send completed document (transfer) to seller for signature</li> </ul> <p>Seller to:</p> <ul style="list-style-type: none"> <li>Sign and return transfer to solicitors</li> <li>Make arrangements to move</li> </ul> <p><b>COMPLETION</b></p> <p>Seller to:</p> <ul style="list-style-type: none"> <li>Hand keys to selling agent</li> <li>Read meters</li> </ul>	<p>Offer accepted by seller</p> <p>Buyer to:</p> <ul style="list-style-type: none"> <li>Appoint solicitors</li> <li>Apply for mortgage</li> <li>Pay solicitors' search fees</li> <li>Arrange for independent survey (optional)</li> </ul> <p>Buyer's solicitors to:</p> <ul style="list-style-type: none"> <li>Receive contract bundle</li> <li>Apply for searches</li> <li>Investigate title</li> <li>Raise enquiries (if any) to seller's solicitors</li> </ul> <p>Buyer's solicitors to:</p> <ul style="list-style-type: none"> <li>Receive and check mortgage offer</li> <li>Receive and check search results</li> <li>Approve and return contract to seller's solicitors</li> <li>Prepare reports and send contract to buyer</li> </ul> <p>Buyer to:</p> <ul style="list-style-type: none"> <li>Sign contract and mortgage deed</li> <li>Hand over deposit to solicitors</li> <li>Agree on completion date with seller and other parties in chain (if any)</li> </ul> <p><b>EXCHANGE CONTRACTS</b></p> <p>Buyer's solicitor to:</p> <ul style="list-style-type: none"> <li>Pass on deposit to seller's solicitors</li> <li>Apply for funds from lender</li> <li>Prepare pre-completion work</li> <li>Prepare completion statement</li> </ul> <p>Buyer to:</p> <ul style="list-style-type: none"> <li>Make arrangements to move</li> <li>Place building insurance on risk</li> <li>Arrange to pay balance of funds to solicitors</li> </ul> <p><b>COMPLETION</b></p> <p>Buyer to:</p> <ul style="list-style-type: none"> <li>Collect keys from seller's agents</li> <li>Read meters</li> <li>Sign transfer and return to solicitor</li> </ul>	<p>Mortgage application</p> <ul style="list-style-type: none"> <li>Complete and submit forms and documents</li> <li>Pay survey fees (if required) usually 2 weeks</li> </ul> <p>Mortgage survey: Usually 1 week – 10 days</p> <p>Mortgage offer (hard pack) issued</p> <p>Mortgage report on title received from solicitors</p> <p>Min. 5 working days notice</p> <p>Mortgage funds released</p>

## **SELLING A RESIDENTIAL PROPERTY**

This guide has been prepared to explain the legal process involved in selling a property.

**AUTHORITY TO OBTAIN TITLE DEEDS AND TITLE DEEDS APPLIED FOR** - When your legal representative sends a client a quote they enclose a form that asks for their mortgage account number and details of their mortgage lender. When they have received this back they are able to apply to the mortgage lender for the deeds to their property. If client does not have a mortgage they will request that the client deliver the deeds to them.

**PROPERTY INFORMATION FORM AND CONTENTS SCHEDULE SENT TO CLIENT** - Details forms are sent to the client with the written quotation, by your legal representative, so that questions that are asked by the buyer's solicitors may be answered.

### **PROPERTY INFORMATION FORM AND OTHER FORMS RETURNED**

**TITLE DEEDS RECEIVED** - Once your legal representative has received the deeds they are able to prepare a draft contract. This will be sent to the buyer's solicitors along with the other information that they already have.

**ADDITIONAL ENQUIRIES RECEIVED FROM BUYER'S SOLICITORS** - The buyer's solicitors may require some additional information from your legal representative. It may be that answers that they have already given require more detail or that results of the search have prompted additional questions. At this stage it will often be necessary for them to obtain the information required from outside sources such as the local authority or insurance company.

**ALL ENQUIRIES ANSWERED** - When all the information is available your legal representative will make sure that the buyer's solicitors receive everything that they require.

**DRAFT CONTRACT APPROVED** - When the buyer's solicitors are happy with all the information that they have received they will send back to your legal representative the draft contract approved for the seller to sign.

**APPOINTMENT WITH CLIENT FOR SIGNING** - Your legal representative will arrange for the client to sign their contract as soon as possible. If there is a dependant purchase they will make sure that the two transactions are tied in.

**DEPOSIT RECEIVED** - On exchange of contracts your legal representative will require that the purchaser pays a deposit of between 5% and 10% of the sale price. Although they don't expect that money to be sent to them before exchange they will expect the buyer's solicitors to confirm that they have the funds to send to them.

**PROPOSED COMPLETION DATE** - Completion is the point at which the purchaser pays for the property and it changes hands. The date needs to be agreed before exchange of contracts can take place.

**READY TO EXCHANGE** - When you have signed the contract and (if relevant) the proposed purchase is ready your legal representative will inform the buyer's solicitors that they are ready to exchange contracts.

**CONTRACTS EXCHANGED** - Once contracts have been exchanged the two parties involved are legally committed to buy/sell the property in question. Failure to do so at this stage will result in the party at fault being in breach of contract.

**COMPLETION DATE** - The completion date which is agreed between the parties on exchange of contracts is the date upon which the seller of the property must give vacant possession and the buyer can take up occupation having first paid the balance of the purchase price. Failure to complete will result in the party at fault being in breach of contract.

## **GUIDE TO JOINTLY HELD PROPERTY**

Property held in joint names can be held in one of two ways. These are as follows:

### **Beneficial Joint Tenants**

- This is where the joint owners are all equally entitled to the property.
- When one of the owners dies, that person's interest in the property passes automatically to the surviving owner(s). If, therefore, there are two joint owners and one of them dies, the other becomes solely entitled to the property.
- A Joint Tenant cannot deal with his/her "share" of the property in a Will - it cannot pass to anyone other than the surviving owners.
- Do not be confused by the term "tenant" - this has nothing to do with "tenants" in the ordinary meaning of the word.

### **Beneficial Tenants in Common**

- Under this arrangement the property is held by the joint owners in specific proportions, which may or may not be equal. There might for example, be two owners each owning a half interest in the property, or three owners having a 20%, 40% and 40 % share respectively.
- If one of the joint owners dies that person's interest does NOT pass automatically to the surviving joint owners, but would form part of his/her estate and will pass according to that person's Will or under the rules of intestacy.
- A joint owner could, therefore, make a Will leaving his/her share to the other owner(s) or leaving it to someone else altogether.
- When the property is held in this way, it is essential to have a Declaration of Trust either in the deeds or separately which states the proportions owned by each of the joint owners.

### **Other Factors to Consider**

It is necessary when purchasing a property in joint names to decide whether the property should be owned as Joint Tenants or as Tenants in Common. This decision need not be permanent as it is possible to change from one form of ownership to the other. Please note that severing a joint tenancy (i.e. converting to tenants in common) can be done without the consent of the joint owner(s). One person can instigate it and the other(s) do not have to agree for it to be effective.

If the joint owners are not entitled to equal proportions of the value of the property then they should not hold the property as Joint Tenants, unless they wish to become entitled to equal proportions.

If the joint owners do not wish their interest to pass automatically on their death to the other joint owner(s) they should not hold as Joint Tenants, but as Tenants in Common. There may be personal and/or tax reasons for this.