

“ Plain speaking legal advice ”

## Property FAQs

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#### Do I need a Home Information Pack?

You will not be able to market your home for sale without one. You must be able to show that the HIP and the Energy Performance Certificate have been requested prior to making it known to the public that your home is available for sale. Homes sold without marketing for sale do not require a HIP but will require an EPC from 1<sup>st</sup> October 2008.

#### How long will the transaction take?

As a guideline you should allow eight weeks from start to finish. Most people sell at the same time as buying but sometimes a chain will be broken by someone moving into temporary accommodation or providing purchase monies from other sources. However this is a rare occurrence and you must also bear in mind that a chain will only move as fast as the slowest transaction. We will do all we can to ensure that we deal quickly with your transactions but the arrangements made by others in the chain are outside our control.

#### How much will it cost?

To obtain an estimate of the cost either use the conveyancing calculator on this website or contact us for a personalised quote.

#### Why do you ask for money at the start of a transaction?

The simple reason is economics! At the beginning of a transaction we have to pay for searches and other documents and may also have to pay a fee to your existing mortgage lender. The money we ask you to provide is used to pay for these. Any money left over is put towards our fees and other payments that need to be paid on completion. We will provide you with a statement so that you can see precisely how your money has been used.

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#### Should I have a survey?

The simple answer is yes. In general terms you will take the property as you find it. The seller is under no obligation to reveal defects or problems. To protect yourself against the unexpected you should have the property surveyed.

#### Won't my lender's survey be enough?

No. The lender does not generally carry out a survey they only carry out a valuation of the property. The lenders are concerned only to check that the house is worth enough to justify the loan.

#### What if my survey reveals a problem?

It would be unusual for a survey not to reveal some problem. Once you receive the results of the survey you should obtain estimates for any works recommended by the surveyor. Once the cost of any works required is known you may be able to negotiate a reduction in the price of the property to assist towards the cost of the work.

#### Do I have to answer questions raised by my buyer?

There is no obligation to answer questions. However if you decline to do so it is likely that the other party will draw the conclusion that you have something to hide.

#### Why do you carry out a local search?

The local search may for example reveal that the seller did not obtain planning permission for works at the property or other planning issues. It may also reveal that the Local Authority is owed money. You would “inherit” these problems if they were not resolved during the conveyancing process. A local search is specific to a single property. It will not reveal information about the neighbourhood. Therefore, in addition to a local search, we recommend a search known as “plan search”. This search will reveal planning and other information about the area in which you are buying.

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#### Can I withdraw from the transaction?

As the law stands at present either party can withdraw at any time before exchange of contracts. Once contracts are exchanged both parties are legally bound to complete.

#### If I withdraw before exchange do I have to pay the other persons legal fees?

No but you will have to pay our fees for the work carried out and also pay for searches already carried out and any other payments we have made on your behalf. This will also be the position if the other party withdraws. You can protect yourself against paying our fees in this situation by taking advantage of our “Abortive Costs Protection Scheme”. This costs £75 plus VAT for a single transaction or £120 plus VAT for a pair of linked transactions. This scheme will cover our fees if either you or the other party withdraw before exchange but it does not reimburse you for any searches or other payments we have already made. This scheme is only available if you elect to take it up and pay for it when you instruct us to act for you.

#### What is a covenant?

These are obligations that are imposed when land is sold and the seller wishes to retain some control over what happens to the land being sold. Any obligations imposed at that time will generally remain in place and apply when the land is resold. For example a covenant may impose a requirement to maintain fences or to seek approval before building an extension. We will advise you what covenants affect the land you are buying.

#### What does exchange of contracts mean?

This is the point when the transaction becomes binding on you and the other party. If you fail to complete the transaction on the agreed date you will be in breach of the contract. If this happens you will incur serious financial penalties. We will not exchange contracts without your permission.

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Do I have to pay a deposit on exchange?

Yes. In general the contract will require a 10% deposit on exchange. We will try to negotiate a lower figure if your circumstances dictate. A deposit will be needed even if you are buying with a 100% mortgage. In such cases we may be able to persuade the seller to accept a modest sum but there is no obligation on them to agree.

When will I know the completion date?

The date of completion becomes fixed when contracts are exchanged. Until exchange nothing is binding and any dates you may have discussed with the other party are not conclusive. On that basis you should not make a firm booking of a removal van, incur any other irrecoverable expenses or give notice to move out of a rented property until after exchange of contracts. You should however speak to removal companies and if possible make provisional arrangements prior to instructing us to exchange.

Can I complete at the weekend?

On the day of completion the money to pay for your home is transferred to the other solicitor by our bank. Because the banks do not offer this service at the weekend completions must take place between Monday and Friday.

How do I get my mortgage money from my lender?

We will arrange this for you.

What time can I move in?

There is no guarantee of the time you will be able to move in on the completion date. You should not make plans on the basis of obtaining the keys early in the morning of completion because as a guideline keys are often not available until lunchtime.

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#### What happens about meter readings?

After exchange of contracts you will need to contact the utility providers and arrange for the transfer of services. You should read the meters as soon as you move in. The seller should have notified the utility provider of the reading but you would be advised to do so as well.

#### What happens after completion?

You should advise the Council Tax officer at the local authority and finalise the transfer of utilities. You should also ensure that you have a television licence. Your lender (if you have one) will contact you about mortgage payments. We will arrange for the payment of any Stamp Duty Land Tax and will deal with the Land Registry to register you as the new owner of the property.

#### What happens to my deeds?

It used to be the case that the mortgage lenders stored the deeds until you repaid your loan. Whilst they do still want us to provide them with evidence that their mortgage has been registered they in general do not now want to hold the deeds. This means that arrangements have to be made to ensure the safe keeping of a number of important documents relating to your home. If you have opted for our deed storage service then we will take care of this for you. Remember that the deeds and other documents will be needed when you come to sell the property and after June 2007 they will be needed in the preparation of a Home Information Pack.

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