



# Frequently Asked Questions

## Purchases

### How long will it take once a purchase has been agreed?

No two transactions are the same, it is possible for some transactions with no chain to be completed within 4 weeks, however straight forward transactions typically take approximately 8 weeks depending on the length of the chain and the need to secure mortgage finance. Leasehold and shared ownership transactions can take considerably longer.

Please bear in mind if you require mortgage assistance some lenders do require up to 10 working days notice for drawing down monies. We cannot request your mortgage advance until we have received satisfactory replies to all searches and enquiries. This should also therefore be taken into the equation on time scales.

### Should I have a Survey done?

Yes, we would strongly recommend clients to have a survey done whatever the age or decorative state of the property. If anything is found to be wrong with the property after exchange of contracts the seller is not liable and the buyer will have to pay for any necessary repairs and this could prove very costly. You should not rely upon a mortgage valuation report alone because it does not consider the condition of the property in detail and offers only limited protection. It is your responsibility to satisfy yourself of the state and condition of the property.

It is often possible, for an extra fee, to arrange for the mortgage valuer to carry out a more detailed inspection called a Home Survey and Valuation Report or even a full Building Survey. You should ask your lender about this at the time of your application or you could instruct an independent surveyor. Please note it is not the responsibility of your conveyancer to enquire or comment on the state of the property during the transaction.

### Is a deposit necessary?

When contracts are exchanged, a deposit is paid to the seller's conveyancer. 10% of the purchase price is the usual deposit payable on exchange. If you cannot pay a full 10% deposit you should let us know as early as possible in the transaction as a smaller deposit must be negotiated.

When your purchase is dependent on a sale, we will endeavour to use your buyer's deposit on your related purchase. You may need to provide us with any shortfall due on your deposit where the property you are buying costs more than the property you are selling. If the buyer fails to complete the purchase on time, the seller can keep the deposit as part compensation (although this is more complex where a chain is involved).

### What is cleared funds?

We must have cleared funds in order to exchange and complete your transaction. This means that if you intend paying your deposit/balance by cheque we will require this 10 working days prior to exchange/completion in order that this can be cleared through our bank. A BACS payment (which takes approximately 5 days to transfer) or telegraphic transfer payment (same day transfer) direct from your bank account to our own account are also acceptable and must be received by us the day before exchange/completion so that we have cleared funds from you to exchange/complete the following day. Please note the firm only accepts cash up to £500.

### What does 'Exchange' & 'Completion' mean?

Two identical contracts are drawn up, one to be signed by the seller and the other signed by the buyer. When both sides are ready to commit to sell and buy, the two signed contracts are dated and 'exchanged' between the conveyancers. At this point the contract becomes binding which means there is no turning back. At the same time the date for 'completion' is agreed. Completion is the date on which the keys and deeds to the property are handed over in return for the purchase money and the buyer can move in. In some circumstances it is possible to have the same day for exchange and completion but this is normally inadvisable.

### What searches are required?

Please see our separate Guide on Searches.

## Why is a written mortgage offer important?

If you require mortgage assistance to purchase your property, before you can commit to buying that property we need written confirmation that your lender will provide the monies you require. There are many conditions in the mortgage offer that need to be satisfied before funds can be released.

We must stress here that we act in a purchase transaction for both you and your lender and what you may accept with regard to missing deeds/planning papers, etc. your lender may not. We therefore have a duty to advise them if any information is missing and they may well want to refer the matter back to their valuer or underwriter before they are satisfied to lend you the money. This process may take some time to resolve but cannot be bypassed.

Please note: even prior to exchange of contracts you are obliged to notify your mortgage company of ANY change in your financial situation

## What should I do about life cover?

It is not for us to advise on the affordability of your mortgage but we would strongly advise you to seek independent advice from a financial broker in this respect.

## What do I do about building insurance?

A second hand property must be insured by the buyer from exchange of contracts. A brand new property should be insured from completion. Properties should be insured not for the purchase price but for the estimated cost of rebuilding. This is often different from the market value. Very often your lender will state in the mortgage offer the value they expect the buildings insurance to be put on risk for.

## Can I transfer an existing secured loan to my new property?

All secured loans outstanding on a particular property be it a business overdraft, Legal Aid Charge, personal loan, etc. must be paid off out of the sale proceeds unless the lender concerned has agreed to secure the loan on your new property and your new mortgage company has agreed that this loan can become a second charge behind their loan. This can take some time for us to organise and if you want to do this you should contact all lenders concerned for their consents as quickly as possible. We must have written confirmation from all the lenders before we can proceed along these lines

*This information is for general use only and is not case specific. You are recommended to seek legal advice regarding your particular case.*