

# GENERAL INFORMATION SHEET - CONVEYANCING - PURCHASE

So as to give you an idea of the legal work normally carried out in a typical conveyancing purchase, we have set out below a summary of the main steps involved. See also the sections on Additional Searches and Stamp Duty Land Tax.

## From start of the transaction until Exchange of Contracts

- Taking all appropriate details from you as to any special requirements you may have in relation to the purchase.
- Receiving and considering the draft contract and related documents from the Seller's solicitors.
- Receiving pre-contract information from the Seller's solicitors and raising further enquiries.
- Agreeing the form of contract with the Seller's solicitors.
- Obtaining a search from the Local Authority to check whether there is any planning or any other matters affecting the property itself.
- Carrying out any other relevant searches.
- Receiving instructions from your bank/building society concerning your mortgage and dealing with them.
- Meeting with you or reporting to you to explain the documentation and receiving from you your 10% or other agreed deposit.
- Proceeding to exchange contracts and fixing a completion date with your agreement. When you give your authority to exchange contracts you are agreeing to do so by phone or in person.
- Remember nothing is certain until Contracts have been exchanged. Giving notice on rented accommodation, booking removals, buying furniture, etc prior to notification of exchange is at your own risk.
- Preparing a Deed of Transfer, the Mortgage Deed, the Land Transaction Return and a Completion Statement.
- Making pre-completion searches and finalising legal papers.
- Obtaining the mortgage funds from your bank/building society and any balance to be paid by you.

## Moving Day

- Sending the purchase money to the Seller's solicitors and attending to the legal formalities so as to complete the transaction.

- Notifying any estate agents involved that completion has taken place and (if appropriate) obtaining authority to hand over keys.

## After Completion of the Purchase

- Arranging for the Inland Revenue Land Transaction Return to be approved.
- Dealing with all matters on behalf of your bank/building society to make sure that their interests are properly protected.
- Completing the registration of your purchase at the Land Registry.
- Sending your bank/building society a copy of the deeds and any other documents not required by your bank/building society will usually be sent to you for safekeeping. If you are a cash buyer, your deeds will be sent to you, as the Land Registry keeps an electronic copy.

## Additional Searches

As standard practice, we will carry out a local search (and in mining areas a mining search). Additional searches are possible including:-

**Environmental Search** – The Environment Act 1995 introduced a new contaminated land regime which came into force on the 1<sup>st</sup> April 2000. You may be liable to your local authority for potentially considerable clean-up costs for pollution found on your land if the person causing the pollution cannot be found. For a fee of approximately £49 a report can be obtained on your behalf which can identify past usages of the land within 500 metres of the property and help you decide whether or not you need to seek any further specialist advice. In many cases we will consider that under this legislation a search will be required not only for your benefit but also for your mortgagees.

**Drainage Search** – For a fee of approximately £50 a search can be carried out with the local water supplier to provide information including if the property is connected to a public sewer; if the property is connected to surface water drainage; details of any adoption agreements; a copy of an extract of the statutory sewer map; a copy of the water mains map; if there are public sewers within 30 metres of the building; whether the property is connected to the public water supply; the existence of any Building Over Agreement on or in the immediate vicinity of the property; and charging details on the property.

**Planning Search Plus** – For a fee of approximately £45 a search can be made detailing all planning applications made within the last 5 years inside a 250 metre radius of the property.

If you would like to discuss whether additional searches are appropriate, please contact us.

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## Stamp Duty Land Tax

- If you are purchasing a property you may be liable to pay Stamp Duty Land Tax ("SDLT"), depending on the amount of the purchase price and where the property is situated.
- In any event you will have to sign a Land Tax Return ("LTR"). We will help you complete this but it has to be signed by you. When signing please use black ink as this is a requirement of the Inland Revenue.
- To assist us in completing the LTR we need your National Insurance Number and your telephone number. Please provide these at an early stage. The completed LTR must be delivered to the Inland Revenue within 30 days of the completion of your purchase. You will be liable to a fixed rate penalty (currently £100 or £200 if the form is delivered more than 3 months after completion of your purchase) and in addition the Revenue may charge a tax related penalty of up to the amount of the SDLT payable in the first instance. It is important therefore that you return the signed form to us quickly following receipt.
- It is your responsibility to pay SDLT and to ensure that all the information in the LTR is accurate before you sign it.
- It is important for you to understand that any delay in the submission and/or acceptance of the LTR will lead to delays in the receipt of the appropriate LTR Certificate. This is an essential document to enable your purchase to be registered at HM Land Registry.

## Timescales

- In conveyancing transactions it is always difficult to estimate the timescales involved. Often there may be an associated sale and the transaction may involve a chain.
- We will endeavour to ensure that your transaction is completed in accordance with your timescales but we cannot guarantee to do this. If we discover that your transaction is likely to be delayed beyond your expectations we will write to you and tell you why.