

Guide to buying a house

» Ten simple steps



Buying a house is one of the largest financial decisions that you will make in your life. This practical guide clearly explains each stage of the legal process when buying a house in England and Wales and provides all the information you need to make the procedure as easy and stress free as possible.

Step One - **Make an Offer**

After finding a suitable property, make an offer and have this accepted by the seller.

Step Two - **Instruct Clarkes**

Instruct Clarkes to act on your behalf and we will contact the Seller's Solicitors to request a Contract for Sale for the property along with relevant documents such as the Home Information Pack (HIP).

The HIP will include:

- » Evidence of ownership of the property
- » A plan of the property
- » A sale statement - A summary of the sale
- » Energy Performance Certificate (EPC) - A measure of the overall efficiency of the home. The higher the rating the more energy efficient the home is and the lower the fuel bills will be.
- » Property Information Questionnaire (PIQ) - Helpful information from the seller which includes details of gas and electricity safety, flood risk information, parking arrangements, previous structural damage and any leasehold details where relevant.
- » Searches - Such as Local Authority, Drainage and Water searches

Step Three - **Sale Documents Checked**

Clarkes will check through the draft Contract of Sale, HIP and any other supporting documents received. Should any further information be required we will make these additional enquiries.

Step Four - **Searches**

Any remaining searches not included in the HIP will be requested which may include a Coal Mining Search or Environmental Search, depending on the property and its location. If any of the searches contained in the HIP are out of date we will arrange for new ones to be conducted.

Step Five - **Reports**

We will keep you updated as the sale proceeds and send you copies of relevant documents and reports for review. This will include a plan of the property for you to check the boundaries.

Step Six - **Survey and Mortgage**

If you are buying the property with a mortgage, a satisfactory mortgage offer needs to be in place before contracts can be exchanged and the sale finalised.

To obtain a mortgage your lender will instruct a valuer to inspect the property and produce a valuation report to establish its market value. It is not advisable to rely on this valuation report alone because the condition of the property is not considered in any great detail.

For an additional fee it is possible to arrange for a more detailed inspection called a "Home Buyers Survey and Valuation Report" or even a "Full Structural Survey" if the property is very old. The additional surveys will identify the true condition of the property and show if any repairs are needed. With this information it is often possible to negotiate with the seller on the repairs or even obtain a reduced sale price for the property.

These surveys can be very cost effective because if anything is found to be wrong with the property after the exchange of contracts the seller is not liable and any necessary repairs will be at your expense.

Once we have received the mortgage offer from your lender we will contact you and also let you know if there are any special conditions imposed.

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Step Seven - **Exchange of Contracts**

After any outstanding issues with searches, surveys and enquiries have been dealt with and a valid mortgage offer received (where relevant) it should be possible to proceed with the purchase.

The Contract of Sale is then signed by you and any deposit or balance of funds paid over to Clarkes. At the same time the seller will sign an identical part of the contract. A mutually agreeable completion date is then agreed with the seller. Contracts can then be exchanged by the solicitors.

Once contracts have been exchanged the deal is legally binding. You and the seller are fully committed to the transaction and cannot withdraw without facing substantial damages and penalties. It is your responsibility to ensure that Buildings and Contents insurance exists for the property at this time as this is a condition of the mortgage offer and also under the terms of the Contract.

Exchange of Contracts can be a lengthy and often frustrating process depending on the number of parties in the chain. The process can only move forward as quickly as the slowest person in the chain.

Step Eight - **Before Completion**

The completion date is normally a week or two after Exchange of Contracts. This time is needed to obtain all funds for completion.

A Transfer Deed is prepared by us and sent to the Sellers Solicitors for approval. Once approved the Transfer Deed must be signed by both parties.

We will also carry out Land Registry searches just before completion to ensure that there are no second mortgages or other similar charges on the property.

Step Nine - **Completion**

On the date of completion Clarkes will transfer the balance of the purchase price to the sellers solicitor by bank transfer who will then usually authorise the release of keys to the property.

After completion we should receive the Transfer Deed for the property and all relevant title deeds and documents.

Step Ten - **After Completion**

We will pay Stamp Duty Land Tax on your behalf to the Inland Revenue and register the transfer of ownership of the property with the Land Registry. Registration usually takes between four to eight weeks.

For expert help and advice contact our experienced team of Conveyancing Specialists on 01952 291666.