

Residential Property Information Sheet

Moving house can be stressful enough, without all the legal process and jargon. Here we've outlined for you the basic steps and provided a glossary of the legal speak!

Before Contracts are Exchanged

Sale

- We will shortly ask you to complete a **Property Information Form** and a **Fixtures, Fittings & Contents list**.
- Once we have these completed forms from you and your property deeds we will draft the **Contract** and send this with the relevant papers to the buyer's solicitor.
- We would then expect to receive **additional enquiries** from the buyer's solicitor. We will most likely need to contact you to deal with some of these.
- Once the buyer's solicitors are satisfied with our replies we will ask you to sign your contract.

Purchase

- We will shortly receive a pack of documentation from the seller's solicitors which will contain a draft **contract** and supporting deeds.
- Once received we will review the papers and send you relevant copies so that you can check everything is as it should be. At the same time we will raise any **additional enquiries** we deem appropriate with the seller's solicitor.
- We would expect to receive your mortgage offer and check it for any specific requirements your lender has. We would also like to see your survey in case your surveyor needs us to check anything.
- When we have adequate replies to the additional enquiries from the seller's solicitors, your search results and mortgage offer we will send you a detailed **Report on Contract**.
- Once you have had a chance to consider all of this we usually like to set up a meeting for you to raise any questions you may have and arrange for you to sign the various documents.

Exchange

Sale

- We will liaise with the buyers solicitor and negotiate an **exchange of contracts**. At this stage your buyer will pay a deposit (usually 10%) and a completion date is agreed.
- We will obtain a redemption statement from your mortgage company and send you a completion statement so you can see the net sale proceeds coming your way.

Purchase

- We will liaise with the seller's solicitors and negotiate an **exchange of contract**. At this stage your deposit is payable to the seller's solicitor and a completion date is agreed. If you have a related sale then the deposit received on your sale transaction is usually used in whole or in part as the deposit on your purchase.
- We will not be able to raise any more enquiries after this stage so you must ensure you are fully satisfied before proceeding. We will explain all of this in detail to you at this stage.

Completion

Sale

- We will receive the sale money from the buyer's solicitor and once we have this we will notify you. Your mortgage will be redeemed and the sale proceeds sent to you. The buyer will expect access to the property from about lunchtime.

Purchase

- We will send the sellers solicitors the purchase money on the morning of completion. Once the seller's solicitors receive the funds the keys will be available for collection from the estate agents, usually about lunchtime.



The most common legal terminology simplified for you:

Glossary													
Additional Enquiries	Questions the buyer's solicitor asks when they have reviewed the seller's preliminary papers. Besides dealing with technical matters about ownership of the property and its history, they also address more practical matters such as services and Council Tax.												
Completion	In practical terms, the day everyone moves. In legal terms the day ownership of the property is transferred from the seller to the buyer.												
Contract	Unlike everyday agreements, arrangements to buy or sell land are only binding if they are in writing. The contract, prepared by the seller, sets out the terms on which the property is to be sold. The full terms of the contract are lengthy so as to cater for all eventualities. Most technical terms are universally accepted by solicitors but the contract will also fix key matters such as the price and the completion date.												
Exchange of contracts	Strictly, an agreement about land must be signed by both parties. The exception is where identical copies of the contract are signed by each party and then physically exchanged. Solicitors work to a specified code to agree by telephone 'exchange' has taken place and then actually exchange the contracts by post. It is important to remember nothing is binding until exchange has been agreed between solicitors even though you will have signed the contract before that happens.												
Fixtures, Fittings & Contents	Sellers must confirm exactly what is or is not included in the sale price. The amazing antics of people in the past (or excess cynicism from lawyers) means the normal list a seller must complete suggests they might like to take the central heating system or the loft insulation!												
Land Registry & registered	Since 1925, the process of proving ownership of land has been simplified through the gradual implementation of state guaranteed ownership which is administered by the Land Registry. Once a property has been registered (by proof of ownership being produced) the Land Registry certifies ownership and it is no longer necessary to go through bundles of old deeds. Instead, ownership is established by reference to Land Registry records, copies of which are issued to enable proof to be held by owners and lenders.												
Local Search	A set of enquiries sent to the local council covering matters such as liability for road charges and road construction plans as well as other matters which could affect the value of the property.												
Office Copy Entries	Official copies of the Land Registry records which are the only legal proof of ownership of registered property. To sell land, a seller must produce these to the buyer's solicitors.												
Property Information Form	A series of questions about the property being sold intended to supply the buyer with considerable information about the property.												
Report on Contract	A detailed and comprehensive report we prepare about the property you are intending to buy. Hopefully it is not too technical but it is intended to explain all the information we have managed to obtain about the property and other relevant matters e.g. your mortgage.												
Stamp Duty	<p>A tax you must pay based on the price of your new home. The current rates are as follows:</p> <table border="1"> <thead> <tr> <th>Property Purchase Price</th> <th>SDLT rate</th> </tr> </thead> <tbody> <tr> <td>Up to £125,000</td> <td>Zero</td> </tr> <tr> <td>The next £125,000 (the portion from £125,001 - £250,000)</td> <td>2%</td> </tr> <tr> <td>The next £675,000 (the portion from £250,001 - £925,000)</td> <td>5%</td> </tr> <tr> <td>The next £575,000 (the portion from £925,001 - £1.5 million)</td> <td>10%</td> </tr> <tr> <td>The remaining amount (the portion above £1.5 million)</td> <td>12%</td> </tr> </tbody> </table>	Property Purchase Price	SDLT rate	Up to £125,000	Zero	The next £125,000 (the portion from £125,001 - £250,000)	2%	The next £675,000 (the portion from £250,001 - £925,000)	5%	The next £575,000 (the portion from £925,001 - £1.5 million)	10%	The remaining amount (the portion above £1.5 million)	12%
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Transfer	The legal document which has to be supplied to the Land Registry so that the record of ownership may be changed to show you as the owner. Unlike the old deeds many of which were beautiful documents, transfers are creatures of modern technology which do not need to be preserved. As a result, they are both unimposing and unattractive but are still crucial as without them, ownership cannot be changed.												

For more information please visit www.duttongregory.co.uk or call the office on one of the numbers below:

Winchester
01962 844333

Southampton
023 8022 1344

Poole
01202 466669

Bournemouth
01202 315005