

## Conveyancing Process for Purchasing a Property

### The main stages of a purchase transaction.

1. The purchaser will often telephone for a quotation for the legal fees and disbursements likely to be incurred in connection with the purchase once an offer has been accepted on the property by the seller. There are cases where the client is referred by either an estate agent, mortgage broker or existing client. This is one of the reasons why it is important to provide a good service to your clients as in those cases it is likely you will be referred for further work. Word of mouth is an excellent source of business when a client has been satisfied with the service. A quotation is often able to be provided over the telephone as it is normally possible for a fixed fee to be offered to the client. The quotation is then usually followed up in writing, more commonly via email nowadays.
2. In the event the client wishes to proceed then I arrange for a client care letter to be sent to the client to confirm instructions. The letter confirms the costs and disbursements such as Stamp Duty Land Tax, Land Registry fee and search fees. The letter contains the terms and conditions of business which the client is asked to sign and return. The terms and conditions set out the basis upon which I am instructed and provides details of the firm to include opening hours, persons handling the transaction, complaints procedure, professional indemnity insurance details along with other information.

I also enclose a client questionnaire which requests contact details for the client, details of any required mortgage and the source of the purchasers funds to include whether or not the purchaser is reliant upon funds being provided by a third party in addition to any mortgage, whether or not there is a dependent transaction such as a sale or re-mortgage, whether the buyer has a Help to Buy ISA which needs to be drawn down in readiness for completion and details of the property, price and whether or not any additional monies are being paid for fittings and contents. I also ensure I verify the purchasers' identification or the purchaser must attend at an alternative solicitors' office for the identification to be verified and supply certified copies to me.

If gifted monies are being provided then I notify the lender of the gift and obtain from the person making the gift a declaration of gift and solvency along with identification documents and details of the source of funds. In addition, a bankruptcy search is carried out against the name of the person making the gift and the lender is notified.

3. I inform the client that they should provide the estate agent with my details in order that the memorandum of sale and property particulars can issued to me and all other parties. Once the memorandum of sale is received I confirm instructions to both the estate agent and the conveyancer representing the seller. The confirmation of instruction letter confirms the position of myself who would be handling the matter and that of my supervisor. The letter also requests draft contract papers from the sellers' conveyancer.
4. Once I am in receipt of draft contract papers I proceed to raise enquiries with the seller's conveyancer, based on the papers supplied and put in hand the searches. I usually put in hand a local authority search, drainage and water search and environmental search. This does of course depend on the area in which the property is situated as there are occasions where additional searches are required.

5. If my client is obtaining a mortgage then I await the mortgage offer which must be received prior to exchange of contracts. I check with my client as to when the survey is being carried out.
6. The sellers' conveyancer should respond to the enquiries I raised and upon receipt of responses I check that these are satisfactory and that no further information is required. In the event the property is leasehold I check the content of the Leasehold Information Pack supplied by the managing agent/freeholder and raise any further queries which I deem necessary.
7. I proceed to check the search results once received and report to the client on each individual search result.
8. Once the mortgage offer is received I report to the client on the content of the mortgage offer and send the Mortgage Deed to the client for execution and return. It is important to check there are no conditions contained within the mortgage offer which must be satisfied prior to completion.
9. Once I am in receipt of satisfactory search results, replies to enquiries and the mortgage offer I report to the client with the contract for signing in readiness for exchange. The buyer then considers this report and raises any questions on anything which is unclear. When the buyer is happy to proceed arrangements are made for the deposit to be paid and the contract to be signed and returned in readiness for exchange of contracts. In the event the buyer has a related sale then the deposit monies coming up the chain are utilised towards the purchase. I always check the expected deposit amount coming up the chain in order that I may advise my client accordingly and the sellers solicitors on the related purchase transaction.
10. Once the seller and buyer agree a completion date the contracts are exchanged meaning both parties are legally committed to the transaction. The buyer is advised to insure the property from the point of exchange of contracts unless the property is leasehold and already insured by the landlord. In these cases, the buyer would still be responsible for home contents insurance.
11. I then proceed to draft the Transfer Deed and supply the same, in duplicate, to the seller's conveyancer along with Requisitions on Title. The seller's conveyancer should approve the Transfer Deed and respond to Requisitions on Title providing the necessary undertaking to hand over an executed Transfer Deed on completion and redeem any registered charges from the sale proceeds on completion.
12. If the buyer is obtaining a mortgage I complete the Certificate of Title and submit the same to the lender to request funds. Most lenders require five working days' notice to draw down funds so it is important the buyers conveyancer allows sufficient time between exchange of contracts and completion in order for funds to be requested.
13. I put in hand my pre-completion searches to include a bankruptcy search against the full names of my clients and an OS1 search over the title to the property in order to provide me with priority over the title and to confirm there have been no changes to the title since it was originally submitted by the seller's conveyancer with the draft contract package. The search is slightly different in relation to unregistered land.

14. I then proceed to draft my firms invoice and financial statement and this is supplied to the client advising the client of the balance to complete and requesting that balance monies are transferred to the firm in good time for completion.
15. I ensure that in readiness for completion I am in receipt of the executed Transfer Deed, which should be in an approved form, the Mortgage Deed and signed Stamp Duty Land Tax form by the buyer. I also ensure I am in receipt of satisfactory replies to Requisitions on Title from the seller's conveyancer.
16. If the client has a Help to Buy ISA I ensure that the buyer has signed and returned the First Time Buyer Declaration Form and provided the same to me along with the closing statement in order that the bonus can be requested in time for completion.
17. If the buyer was proceeding with the assistance of Help to Buy and a second charge was to be secured in favour of Homes and Communities Agency then I would have, prior to exchange, obtained the Authority to Proceed from Help to Buy and then submitted the relevant Form 1 to obtain Authority to Exchange after which Help to Buy is notified of exchange and the Form 2 is prepared and submitted along with the Certificate of Title in order to obtain funds in time for completion.
18. On completion, I arrange for the purchase monies to be sent to the seller's conveyancer and upon receipt of the funds the seller's conveyancer telephones the estate agents to release the keys which can then be collected by the buyer. If there are no estate agents then the client will usually make their own arrangements for the handing over of keys once their respective conveyancers have confirmed completion has taken place. I notify my client that the keys can be collected.
19. I then proceed to submit the Stamp Duty Land Tax Return to H M Revenue & Customs online and arrange for payment of the Stamp Duty. The online facility provides you with an SDLT5 certificate almost immediately. This confirms that the return has been submitted and received by H M Revenue & Customs.
20. In the event the property is leasehold then the Notice of Transfer and Charge (if applicable) is submitted to the Landlord/ Managing Agents for receipt and return.
21. The seller's conveyancer will send the executed Transfer Deed to the buyer's conveyancer on completion and the buyers conveyancer will then send this along with a completed AP1 and supporting documentation to Land Registry to complete the registration of the purchase. The supporting documentation includes the SDLT5, Mortgage Deed, compliance certificate (if applicable) and discharge document in relation to any mortgage which has been redeemed (if available). If the application is in relation to an unregistered property then it is a FR1 which is submitted to Land Registry for a first registration as opposed to an AP1.
22. The buyers conveyancer receives a copy of the completed registration from Land Registry and checked to ensure that the clients interest and their mortgage is registered at Land Registry and that the sellers' names have been removed along with any charges in their favour. If applicable a copy is sent to the lender. The balance documents are then sent to the clients for safekeeping.
23. Once the registration formalities have been completed it is necessary to check that the client ledger is clear before making arrangements to close and store the file.