

Residential Property

Overview

Conveyancing can be a daunting process, no matter what the transaction. Here at Slater & Gordon Lawyers we pride ourselves on making your transaction run as smoothly and as stress free as possible. Whether you are a first time buyer or an established property developer, we can help.

Our friendly conveyancing team are here to answer any questions that you may have. Unlike some firms, we do not believe in a 'team' approach but believe that the personal service we offer is better for you. You should be able to speak to your solicitor each time you contact us so that any questions you have can be answered straight away.



Specific areas of work

We deal with all aspects of residential Freehold and Leasehold conveyancing, including re-mortgaging, transfers of equity and equity release schemes.

We do hope that you choose us to act for you in your transaction.

Service-related Benefits

Other benefits that depend on a qualifying period of service are to be treated in the same way as pay scales (see above).

So for example, if your employer gives employees with four years service an extra days annual leave per year as say compared with employees with three years service, this will be automatically permitted. However, if employees with seven years service get an extra days annual leave per year when compared say with employees with six years service.

Sale information

Once the property has been marketed and a firm offer received from a buyer, we will be able to commence the legal work involved in selling your property.

On the 'completion date' you receive the money and sign over the property. The buyers are entitled to move into possession of the property they have bought free of you, your family, any claims on the property and any of the property's contents at all, (apart from those they have agreed to buy, which must, of course, remain there).

The date, the price and the terms on which the property is taken are formally agreed and become binding from the date on which your solicitor 'exchanges contracts' with the buyer's solicitor. On this date a deposit is paid to us by the buyer. If the buyer fails to complete the purchase you will probably be entitled to retain the deposit (and the property). If you fail to complete, the buyer will recover his deposit and you may face a substantial claim for compensation also.

It is clear then that exchange will only take place when you are confident that you can vacate the property and the buyer is confident he wants to buy the property that you are offering to him and he will be able to pay the price.

After exchange you have an obligation to ensure that so far as is reasonable the condition of the property remains the same. You should not cancel your insurance cover until completion.

Most sales of properties proceed smoothly, but you can see the risks involved and the possibility that the buyer will not be able to proceed and will therefore withdraw before exchange of contracts. For this reason you may decide you want to keep advertising the property until exchange of contracts in the hope of securing an alternative buyer if the present buyer pulls out.

[Continue overleaf >](#)

Purchase information

The day on which you pay the money and move into the property is called 'the completion date'. To enable you to make the financial arrangements and arrange for moving at some time before completion, a deal is struck whereby the price and date and the machinery of completion are agreed. This is done formally by document and is called 'exchange of contracts'. Until that date either party is free to withdraw from the transaction with impunity. And please note:

- The seller is obliged only to take reasonable care of the property
- You have to pay part of the purchase price to the sellers solicitors. This 'deposit' will probably be forfeited if you fail for whatever reason to complete. It is therefore vital that before we exchange you are confident that you will complete.

Before you give us instructions to exchange there are a number of questions you will need to have considered.

- Is the property the one you want, is it in adequate condition and are you paying the right price for it?
- You buy the property in the state in which it is seen. You are not able to complain if it later turns out to have all sorts of problems whatever the seller has said. The survey for the mortgage lender is of no real protection. Your own survey may assist in negotiations over the price.
- If the property is a leasehold flat you will need to consider the condition of the common parts and the structure of the building as you may be contributing to any re-instatement necessary through the service charge.
- Do you need a mortgage and if so of what sort?

We are not experts in advising you as to the mortgage market but we can help to point you to people who can offer advice.

- Do you have the financial ability to complete the purchase?
- Are the legal rights and obligations relating to the property and the terms on which you are buying it acceptable? When we have the necessary papers and information from the sellers solicitor, we will discuss this aspect.
- Does the Local Authority have plans or charges on the property or objections to developments which have taken place etc?

We will arrange a search of the Local Authority Register. This is not conclusive but it may warn you of major difficulties. It only relates to the property you are buying and not the whole of the general area.

Once positive replies to any enquiries have been obtained we will then be in a position to exchange, provided you are able to send us the monies to fund the deposit payable on exchange.

Other matters

The time of buying a house is probably the time to re-consider your Will and Inheritance Tax issues generally. Please advise if we can be of assistance.

If, should you eventually sell the property, it has risen in value, you may have to pay Capital Gains Tax on the difference between what you receive for the property and what the property cost to acquire, improve and sell, after allowing for inflation. If the house is your main residence then no Capital Gains tax is chargeable at all, but you should bear in mind that you are only entitled to have one main residence.

Co-purchasing

If you are buying the property with another party, you need to decide what your respective rights in the property are.

You must hold the property as either 'joint tenants' or as 'tenants in common'. If you hold the property as joint tenants, upon the first of you to die the property automatically passes to the other regardless of your wishes or any Will. If you hold the property as tenants in common then it will be dealt with in accordance with your Will or according to the rules of intestacy if you have no Will.

If you intend your respective shares to pass to the other regardless then it is probably marginally easier if you have a joint tenancy. If you realise that you will at some point be involved in the minimisation of inheritance tax problems, then a tenancy in common is preferable. It is easy to change a joint tenancy into a tenancy in common, more difficult to do it the other way round.

However unlikely it may now seem, you should consider whether you want to provide for who will have what share in the property should you ever want to separate and what period of notice each of you would have to give the other to, for instance, have the house sold.

We are able to draw up a separate document for you setting out your respective rights if this is something that you would like and if you want to protect yourself against the possibility of argument in the future.

Whilst a document may assist all co purchasers, it is particularly important for co-purchasers who are not married, where the costs of answering the questions of ownership and entitlement can cost thousands of pounds even in straightforward matters.

Please feel free to discuss your own position and concerns. Contact your nearest office on:

T: 0800 916 9083
E: enquiries@slatergordon.co.uk
W: www.slatergordon.co.uk

Slater & Gordon is one of the UK's leading and largest legal practices with offices throughout England, Wales and Scotland.

Slater & Gordon (UK) LLP is authorised and regulated by the Solicitors Regulation Authority. The information in this factsheet was correct at the time of going to press August 2013.