



## Conveyancing Guide

Call 0118 957 5337  
[www.Hewetts.co.uk](http://www.Hewetts.co.uk)

My name is Debbie Sumitra.

I am a conveyancing solicitor at Hewetts.

**It's my job to make sure that we service our conveyancing clients in the right way.**

Which is I why I like to make sure that every client gets the right information about what we do for our clients, whether you are a first time buyer, or a seasoned property investor.

Over the years I have helped people buy and sell millions of pounds of property. And many people have come back to me and my team time and time again. Why? Because we are seriously good at what we do. We are not cheap. But then again, what's a few hundred pounds when you are dealing with hundreds of thousands!

**One of the main things I do get asked is about the stages of conveyancing.**

What happens when someone instructs a solicitor? At what point does buying or selling become legally binding? What are searches for and why do they take time?

With property being the biggest investment decision that you'll probably make, it seems sensible to choose a solicitor that will take time to explain how it all works.

Whether you've found your dream home, have your mortgage approved in principle or are a cash buyer, it's never too early to appoint your Conveyancing team.

But before you do, maybe you'd like to know the why, what and when of Conveyancing, the legal process of transferring ownership of a property in England and Wales.

I'll try my best to explain how it all works, and of course, if you want to ask questions or get us on board, please do get in touch.

**So Why Is Moving Home Stressful? It's because it isn't always simple.**

There are several stages to Conveyancing and they have a large number of elements to each where the unexpected can arise. But if I break them down for you, at least you can see why due care and attention is our mantra!

### **STAGE 1 – Pre-Exchange Stage**

The initial stage, from when the offer is accepted, up to Exchange of Contracts is the first stage.

This is the no commitment stage.

Because before the contracts are exchanged either buyer or seller can change their minds.

All the legal fees and surveys up to this point may have been paid for by you, but if things don't go ahead, you haven't got any right to claim the costs back.

But the good news is that if there is any reason you don't want to go ahead with the purchase or sale, then you won't be taken to court or end up paying out for breach of contract.

## **STAGE 2 – Completion Stage**

The next stage, from Exchange of Contracts to the day of moving in, is called Completion.

When contracts have been exchanged it means the price is fixed, and the completion date is fixed.

Both buyer and seller are then legally committed.

If either party wants to pull out there will be a financial consequences. Or if you wish to change the terms without agreement then expensive legal action might be the outcome. Not something you want to get involved in.

### **These 2 Distinct Stages Are Designed For You To Have Time To Think.**

Sometimes it's good not to rush things. After all, you may find out things about the property that make you change your mind about buying. Or things about the buyer that means you don't want to sell.

You can pull out without consequences before the exchange of contracts which is why this pre-exchange period is so very important and must not be rushed.

Some reasons you might not want to go ahead could be;

1. A property that is subsiding or is damp.
2. A new road that may be planned to run right alongside your proposed purchase.
3. A planning application that's been turned down meaning you're unlikely to get permission too.

There are also some things that a really great conveyancing team will discover that lesser call-centre style conveyancing probably won't.

For example, imagine issues where a property's balcony was not included in the freehold of the property! Can you imagine? Naturally, these things can get sorted - but only if you find out before you exchange contracts!

If the search or the survey highlights things you don't like then it's ok just to tell the Estate Agents you don't want to go ahead. No problem. Or you can renegotiate.

## **Good Things Come To Those That Wait.**

Many people ask us if the Conveyancing process is always “long and difficult.”

Our answer is, “it doesn’t have to be.”

Firstly, if you are in a real hurry it may be possible for us to put extra staff on to your job. But it would be wrong of us to say that fast Conveyancing is good Conveyancing.

After all, don’t you want to know if your chosen property is in good condition? Or if the previous owner owes money and the house you bought gets sold?

Of course, we advise against risk when it comes to a major purchase.

The straightforward reason for most delays in Conveyancing is the chain and getting all the information. This is because most people have to sell a house before they can buy.

And there are a number of reasons why this chain can have a weak link.

Sometimes a person loses their job and can’t go ahead with a purchase.

Or less drastically, holidays get in the way of things. And the more people there are in the chain the more it gets delayed.

## **BEWARE OF “CHEAP CONVEYANCING” ON Google.**

I know it's terribly tempting to try and save money on legal fees when you are moving home. But a short term saving can really set you back a huge amount if things go wrong. Time and time again I have had to pick up the pieces from “call-centre” style conveyancing factories.

There's simply no way you can do everything that is required for £299. It doesn't matter how much automation or outsourcing there is, I would say that you won't get a good service that protects your interests for such a low fee.

## **Why do we quote a range of Professional Fees?**

In one word, transparency. The reason we provide a range is because at the outset we never really know what will happen during your transaction. Some conveyancing matters can become incredibly complex and detailed. We allow for this with our initial quote.

It's only when the solicitor receives the full contract pack and fully reviews the title of the property, that the estimate be customised further.

Our clients respect our approach and it generates many excellent recommendations and referrals.

We also quote inclusive of VAT. Many firms don't but as you have to pay it, it makes sense to show it!

**So please if you are comparing quotes, make sure you are comparing like for like.**

Solicitors don't actually account for most of the fees that are paid when selling a house. The majority of the money is Government taxes such as Stamp Duty and other official fees such as searches.

### **Local Experience - Customised Service**

We are extremely thorough and give all clients the proper attention to detail with their conveyancing. We've been around since 1893 and have built up a reputation in the area over the last 125 years that is second to none.

Whist Conveyancing is about protecting the interests of the client, it is also about working with other partners to help the process go smoothly. We deal with estate agents, banks, local authorities and other legal firms on a daily basis.

### **What about Surveys and Mortgages?**

Surveys and Mortgages are not something that solicitors arrange. But I thought it useful to outline some things we recommend.

Whether you buy a second hand car or a second hand house it makes sense to have a professional look at it for you.

So we recommend that you get a full survey done on the property you want to buy. And it may not be a good idea to rely on the seller's survey, (it's not written for you). And even a survey that is done by your mortgage company isn't really enough. It's a valuation to make sure what you are borrowing is the right amount and that the property is worth it.

There's really no substitute for a full structural survey. It may cost a few hundred pounds. But it could reveal things which may cost a few thousand or even tens of thousands of pounds to put right.

(It also reveals a lot more than the owner will tell you, or even know, about the property.)

When you get the survey report take time to read through it. It will be a thorough document

highlighting all sorts of things. Its ultimate objective is to tell you whether the price you are paying is reasonable for the condition of the property you are buying.

### **What can you do with the survey results?**

*Get a lower price* – if the survey shows there's a lot of work to be done on the property you can ask for a price reduction. Ask the agent.

*Stop yourself from making a mistake* – if the survey comes back and the mortgage company won't lend because of the poor state of the property then you could pay cash but bear in mind that it could be hard to resell the property in the future.

### **What About Mortgages? What Does A Solicitor Do?**

Solicitors aren't able to give advice on which mortgage company you should choose. That's what a financial adviser is for. (Many of whom refer to one company only...so check their independence to get you the best deal if you are using one).

We can tell you that to buy a house you will have to have a written mortgage offer. A "loan in principle" is not enough. (Although we do quite a few cash-buyer purchases too).

### **To get a written mortgage offer the lender will want certain information.**

This normally includes;

- A survey by their own surveyor to check the house is worth the price you are paying.
- Written confirmation of your income to see if you can afford the repayments.
- And to check that you are not in debt, which would prevent you from keeping up with mortgage payments.

To do all this can often take a couple of weeks or more.

And if you think it's dragging on then please contact the lender or whoever is arranging your mortgage. Solicitors generally don't have contact with the lender until the written offer is issued.

When you get the written offer you might have to sign one copy and return it to the

mortgage company. Make sure the mortgage offer is enough to buy the house, along with any other money you may have to make up the difference.

And a mistake we do see from time to time is that people forget other costs such as Stamp Duty, estate agent fees, removal expenses and legal fees.

Make sure you have enough money to pay for these things. We can always help you calculate Stamp Duty so feel free to call us.

The mortgage offers themselves vary between lenders. Often there are deductions in the amount the mortgage company hands over to us.

For example, they may take off a month's interest or have a high loan to value fee they have already deducted. So the full amount of the loan may never reach the solicitors. Be aware of this.

When your mortgage company issues the offer, they will send details to the solicitor who is handling the Conveyancing. Normally this would be us as it makes sense not to pay two sets of solicitors to handle the buyer's Conveyancing.

But sometimes mortgage companies insist on using their own solicitors and that means you have extra costs to pay.

This also slows the process down as there are now the buyer's solicitors, the seller's solicitors and the mortgage company's solicitors involved in a chain.

**How to help Hewetts Solicitors help you.**



See the logo above? That's just to let you know we are one of the top firms for conveyancing according to the Law Society...Now let's go into a bit of detail so you can

see how you can help your Conveyancing solicitor get started on the right foot...

### **Getting your home ready for sale...**

You will need an Energy Performance Certificate, otherwise known as an EPC when you market your property. This certificate gives an energy rating for your home.

The EPC provides a rating of the home's energy efficiency by rating the performance of the building itself in areas such as heating and lighting.

There are many independent energy assessors who can prepare an EPC. And we can recommend reliable providers, if you would like us to.

### **Supplying us with the Deeds to your property.**

We need the Deeds to your property or an official Land Registry copy to start the Conveyancing process.

The Deeds might be with your mortgage company or you may have them yourself or they may be with another solicitor. You will probably have to write to them to give permission for the Deeds to be sent to us.

### **Supplying us with your mortgage details.**

If you have a mortgage then we need the mortgage providers name and address, and your account number (this is important) as soon as possible.

### **Paperwork we need for the buyer's solicitor.**

The buyer's solicitors will need a lot of information about the property.

We've got forms for you to fill in to make this easier. But please read the forms carefully because they are part of the legal paperwork that forms the sale.

If you don't know any of the answers then just write "don't know" on the form.

What does the buyer's solicitor do with this paperwork?

The buyer's solicitor will check over the paperwork and probably come back with some relevant questions. You might have to help us answer them.

This could be to do with fixtures and fittings, for example, what is going to stay in the property and what is going to be removed.

Things which are fixed to the property are generally considered to be fixtures and expected to remain in place. If there's any doubt it is better to specify certain "fixtures" you will be taking with you. Because if you don't and the buyer objects to something you have removed it could mean you are in breach of the Conveyancing contract.

If your property is leasehold then we'll also need copies of things like ground rent payments, service charges, and building insurance. If you haven't got them we can get

them from the freeholder or managing agents but this might take some time.

### **What happens when we have all the paperwork?**

We send all the paperwork to the buyer's solicitors along with two copies of the draft contract.

The buyer's solicitors will go through this contract and make any amendments they think should be made. They then send one copy back to us to approve their amendments.

But whilst all the above may take time...there are other things we'll be doing too.

Searches - such as land, water, planning etc are vitally important and can't be rushed.

We'll tell you what we need from you to get these started. This means an up-front payment as we have to pay up-front for certain information we get from councils and water companies...

So let's look in more detail about these searches and what they involve.

### **What do we do with Councils?**

The Local Authority search which will show planning matters which the owner should know about.

These include;

- tree preservation orders
- compulsory purchase orders
- listed building orders
- smoke control order, meaning you must burn smokeless fuel only
- whether the road outside is private or publicly maintained
- information about the drains and who is responsible for them
- road schemes or proposals that affect the property
- planning applications and results made in respect of the property.

This search doesn't cover the neighbourhood. For example, if the property is next to an allotment you should ask us to check directly with the council about whether they have had or likely to get an application to build houses on it that spoil your view.

You can always do this yourself with the local planning department. Inspecting plans of the area is a good idea and you can usually do this online.

Here are the other searches that we will usually do on your behalf;

An environmental search - to check for things like contaminated land, risk from flooding, natural subsidence, radon gas, waste treatment plants etc.

Anything we report back and that concerns you should talk to a surveyor about

A mining search - this usually takes place if the area is one where there are mines and will discover whether there are any subsidence issues associated with them.



## **What happens if we find something that we think is a serious problem?**

The first thing we do is we let you know straight away. And if we find a problem such as the fact that the title of a property is not registered we'll tell you if we have to charge additional Conveyancing fees. (Let me explain why)...

Before 1925 all land in England and Wales was unregistered. If this is the case with your property, the only way to check the seller owns the land and can sell it to you is to look at the most recent, 15 year's worth, of Deeds.

This may give us the information we need but many times we have to go back a lot further than this which turns it into a time-consuming detective process.

Don't worry, we do find out whether the seller has the right to sell eventually. It's just that it may cost a bit more...although we will always ask for your approval on this before going ahead.

Since 1990 I am glad to say that all unregistered properties have been registered when they have been sold, which makes life a lot less complicated.

This whole searching process means we have to pay out fees to get the information, so please don't be surprised we ask for money!

In fact fees for searches and the Government's Stamp Duty Land Tax take up most of the money you pay out for conveyancing...

## **What other documentation from the seller's solicitors do we look at?**

The seller's solicitors will send us their Conveyancing forms and this will have information on the following;

- Who has responsibility for the boundaries
- Any neighbour disputes
- If any alterations have been carried out (particularly if they might need planning or building regulations or other consent)
- Which fixtures and fittings will be left or removed

If there's anything that concerns you please ask about it.

And a good tip is to do some research on the internet with the local newspaper website to see if there are any issues that might affect you buying the property, especially if you don't know the neighbourhood that well.

## **When we've done all the checking we'll arrange for you to come in and signed the contract and other documents that you have to sign.**

There are some more subjects no-one has taken the time to tell you about...until now. Hopefully, by the time you have read the next few pages you'll have most of your answers and be ready to instruct us!

## **The Rules of Coveyancing**

Ok, I promised to let you have some straight answers to questions I get regularly...well here they are...

### **What happens if I don't want to buy or the owner doesn't want to sell anymore?**

People do change their minds. There's not a lot you can do about it if it affects you negatively.

On the other hand, if you want to change your mind it's a good thing you can as long as you do it before exchange of contracts.

And we recommend that you invest your time finding another buyer or looking for another home if this happens.

### **I'm buying a property jointly with someone else. What should I do to protect myself?**

When you buy with someone else, for example your spouse or unmarried partner, you have to think about what would happen to the home and the money invested in it if one of you were to pass away.

The two ways a property is co-owned are Joint Tenancy or Tenancy in Common.

If you buy as Joint Tenants and one of you passes away, then the property goes to the survivor irrespective of what the Will says.

The survivor could sell the property and keep all the money. And if you were to die at the same time, for example, in a car accident, the law says it's the younger one who died last so the property will go to the younger one's family.

Married couples usually buy as Joint Tenants, which means the survivor can live in the home as long as they want to and there is no Inheritance Tax to pay on the transfer of the home into the survivor's name.

Some people may have a lot of money and for tax reasons it can be better to have the property held as Tenants in Common or just in one name. If you are concerned about this you need more advice so please do let us know or speak to your financial adviser.

### **Why do I have to show proof of identity?**

The reason we ask for proof of identity is because we have to. It's the Government regulations and we must have it because we can't do your Conveyancing without it.

### **Why do I have to pay a deposit?**

Quite simply it's protection for the seller. If your buyer doesn't complete by the date in the contract then you can sue for breach of contract and claim compensation for all your losses and expenses.

But this doesn't help you much if the buyer simply disappears.

You can't sue someone if you can't find them. And in certain circumstances this deposit can be kept by the seller to cover the expenses.

The fairly large deposit (typically 10%) is there to make sure the buyer completes the deal.

Remember; up until exchange of contracts the person who changes their mind does not have to pay anyone else's Conveyancing costs.

### **Can I use the deposit towards buying my own house?**

The short answer is yes. You can use the deposit you receive when selling as your deposit for the property you are buying.

You can't have it deposited in your bank account (unless the buyer agrees to this).

There's a small risk in using the deposit you receive because the seller could become bankrupt after exchange of contracts but before completion. But this is a rarity.

### **Do I have to read the contract before I sign it?**

Conveyancing contracts are long, with more than 100 clauses. You can assume we know what we are doing and have checked all of them. That's our job, (and we are heavily regulated to make sure we are doing our job by the Solicitors Regulation Authority).

If there is anything out of the ordinary we will explain these clauses.

One thing we should point out is that all contracts refer to a rate of interest, (usually 4-5% above Bank Base Rate) which is interest you will be liable for if you do not complete on the due date. This amount is based on the selling price of the property.

### **Do you send me plans of the property?**

Yes we do. As you have seen the property please make sure the plans match up with what you expected. If the plans don't show part of the garden that you saw, then tell us!

### **What's this Restricted Covenant that covers my property?**

There are many properties affected by these covenants. They basically tell you what you can or cannot do with a property. If there's one that affects you we will make sure that we send it to you.

You really need to pay close attention if you are planning any building or other changes to your property as the covenant could prevent you from doing this. However, we are also specialists in advising on how to deal with these covenants.

### **Will you make it clear what I have to pay you for?**

You will get a full financial statement from us showing you; all money received and required, what the money is for, and whether we need money from you in order to complete the purchase.

When it comes to money, solicitors are very heavily regulated – basically you should know your money is safe with us.

We also have to have cleared funds, (so please pay us when we ask you to) and the money must come from your named bank account (not from a third party) because of anti-money laundering regulations. (If we don't know where the money has come from we're in trouble!)

### **When Can I Move In? Is it the Completion Date?**

The Completion Date is when the balance of the money is paid and YES, You Can Finally Move In.

This date is agreed before the exchange of contracts and is written into the contract. There used to be 28 days between exchange and completion but that period has now reduced to something like 14-20 days.

That's because it still takes a lot of time to get your mortgage money.

### **Can I Exchange and Complete On the Same Day?**

It's a good idea in theory but...not always wise in reality. Until the exchange of contracts either the buyer or seller could pull out on the day you are intending to move on. This is pressure that you don't want to put yourself under.

Signing the Contract does not commit you. You are not actually committed until we exchange contracts on your behalf.

### **How Will I Know When Contracts Have Been Exchanged?**

When we exchange contracts we will let you know. It's a complicated procedure that usually takes a few hours to finish off but as soon as it is done, we'll be in touch.

### **What Do I Do About Buildings Insurance?**

If it's your home you are selling you want to keep it insured until completion as it is still your property.

If you are buying get it insured when contracts have been exchanged.

Your mortgage company may arrange insurance if you are buying so do check with them. If you don't have a mortgage then you'll have to arrange it yourself.

### **Are there any other checks between exchange of contract and completion?**

Yes we do have to check if you have ever been made bankrupt and we have to check if anything has changed in terms of the property title at the Land Registry in the last two weeks.

## **What Else Should I Do?**

On a practical note you should;

- Sort out your removals transportation
- Tell the local authority and utility companies you are moving and
- Arrange for the meters to be read on the completion date
- Tell everyone else important of your change of address (bank, doctor, dentist, employer, tax office, DVLA etc.
- Arrange to hand over keys via the estate agents.

## **Will You Pay My Estate Agent on my behalf?**

Usually the Estate Agent will send us your bill and we'll pay them from the money we receive.

## **What Happens About Moving In On Completion Day?**

It's good to aim for a 12 noon departure from your old home. In the contract it usually specifies that you should be out by 12.30pm. This is the time you should be out or can plan to move in.

Money is sent by electronic transfer between banks and obviously if you are selling and buying then we need money in before we can send it out.

Most of the time this is ok to be done by Mid-day but sometimes banks get busy and delays happen.

So plan for a late afternoon move in rather than a specific time.

## **Once I move in have you finished with me?**

We are still working on your behalf even after you have moved in. The stamp duty has to be paid and then the Inland Revenue send us a certificate to show that they have received the money, which may take some time.

Then we'll send the Deeds to the Land Registry to have them written in your name, (a process that may take several weeks). When they come back we send them to your lender, (if there's a mortgage) and require them or to you.

So you see you do get what you pay for!

## **Wow, it's a complicated process, is there anything I can do to help?**

Glad you asked! There are a few things that help us which makes us work better on your behalf.

If you've got a non-urgent question please email or write rather than telephone.

If you phone please do it after 10am and before 4pm. This is because we receive many

documents in the morning and we need to process these before we can give you the answers you need. Later in the day we need time to send documents out.

If you telephone us please be aware that we may have to call you back with information you want because it may not be readily to hand.

If you want to come in and see the person handling your Conveyancing in person please telephone a few days in advance for an appointment so that they can be available.

Feel free to get us on board by emailing or call me personally on 0118 957 5337

Please do leave a message or speak to a colleague as we will get back to you.

### **More Questions Answered...**

These questions were sent to me by email by my team over the last few weeks. I have copied my replies and have placed them here on record for you.

#### **What about proof of identity, don't you need to see it?**

Yes we do but you can send it through the post. We'll let you know what forms of identity are valid as proof.

#### **If I am a cash buyer why does the money have to go through your client account?**

Because when your solicitor has control over the money you are protected. That's why! If we don't control the money then we don't have control of the Conveyancing process and when monies are sent and received.

#### **If someone else says they will pay my legal fees, can you deal with them?**

No, we are retained by you and have to be paid by you. But we can send a copy of the bill to them if you would like.

#### **Can I have a parent overseeing my matter?**

Yes you can. But please send us written confirmation that we can discuss private matters with them. And duplicate documentation for them will mean we have to charge for them.

#### **Is there a charge 'To Repay a Mortgage or Loan or Remove a Charge Even if the mortgage has been paid off?**

Sometimes this does apply because technically although you don't owe the lender there is still discharge paperwork to be registered. And this still generates a lot of work for us and will mean we have to charge for them.

#### **Your quotation seems pretty good considering all this work, are there any hidden extras?**

We've been as open as possible with explaining the work we do. And our quote will contain no hidden extras. We look forward to you using us!

## **When do you stop acting for me?**

Our retainer ends when everything has been completed. We're happy to hear from you any time of course about any other legal work. And if you have minor question about your Conveyancing please get in touch.

If we have to retrieve the file from storage, (we keep your files for six years) then a small charge will apply.

## **Who Regulates You?**

We are regulated by the Solicitors Regulation Authority. If you have a problem with any of our services please let us know so we can put it right. If it's not possible to do this you can contact the Solicitors Regulation Authority, which provides a complaints and redress service. Our Solicitors Regulation Authority No. is 608064

## **Why we think Hewetts have the right to earn your trust and do your Conveyancing...**

Comparing Quotes - Make Sure They Are Like for Like

A quote is made up of two parts...

1 The solicitor's basic fee (i.e. what it costs to do the work).

2 The disbursements (these are things we have to pay other people for on your behalf e.g. Local Authority Searches, Stamp Duty and so on).

The disbursements should be the similar from one Conveyancing quote to the next (they are fixed charges).

A little trick some Conveyancing firms like to employ is to invent disbursements.

If you have a quote and you want us to check it out for you feel free to email or fax it through. We'll give you our opinion for free.

And Finally...

If your estate agent insists on you using "their preferred partners" be aware that you don't have to follow their advice. They may be receiving large commissions which may mean you aren't getting the best advice.

You've got a mind of your own so get independent advice.

We would be delighted to welcome you on board as a client.

We do have a full service here at Hewetts Solicitors so we know that our clients who get their conveyancing done with us, will also be able to get all their other legal work done with us...something we know clients like.

**And finally, what we are not.**

We are not a conveyancing factory. We are not the cheapest. We won't be rushed by other firms of solicitors or estate agents to get things done without having been thorough.

I truly believe that we offer the best value for money in Reading and the Thames Valley and indeed beyond.

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