



Purchase handbook

Your purchase
questions answered


Countrywide
integrated solutions local expertise

Your purchase questions answered

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Important advice

Read this – before you commit to buying your property

Remember we will only tell you about things which might affect your decision to buy the property.

You buy the property as seen, with all its hidden defects and faults. •

A valuation report carried out for your lender is not a survey. •
You must not rely on it to tell you about faults in the property.

Guarantees for works carried out to the property are often not enforceable. •
You must check for yourself whether a guarantee can be transferred, or if the company which did the work still exists.

We advise you not to treat any suggested completion date as fixed, even if all parties have agreed to it, until exchange has taken place. No one can guarantee you will move on your “hoped for” completion day. The shorter the time between exchange and completion the more likely it is you will suffer inconvenience and wasted costs.

Do not confirm the completion day with your removal company until contracts have been exchanged. •

You must have buildings insurance cover from exchange of contracts. •

Once contracts have been exchanged there is no turning back. •

On exchange of contracts the completion day is fixed. •

Anti-money laundering procedures

New Government Regulations mean you must prove who you are before we can deal with your conveyancing.

Why?

The UK is a major international financial and legal centre, with a strong reputation for honesty and integrity. Unfortunately that is why financial and professional businesses like banks and conveyancing service providers are attractive to money launderers – criminals who sometimes try to hide stolen money by turning it into legitimate income. The government has introduced measures:

- To make it more difficult for criminals to make and keep money from their crimes
- To confiscate the proceeds of crime

For this reason there are compulsory checks which conveyancers have to make of their clients. Being asked for identification does not mean you are under suspicion. The new identification requirements apply to all clients instructing lawyers to deal with conveyancing transactions.

How this affects you

We will carry out an initial electronic identity check. This is a quick and simple check but we do need to be able to speak to you over the telephone to complete it. If we require anything else we will contact you and explain anything further which we need to prove who you are.

Timescales

How long will it take to complete the buying of my property?

The truthful answer is we don't know

If you do not need a mortgage to buy your property, you are not selling and there is no chain then it is possible for the transaction to move faster.

On the other hand, delays can happen due to incomplete information, late arrangement of a mortgage, complications in the legal title, long chains of sellers and buyers who are unable to agree on the completion day, people saying one thing and doing something else or just changing their minds.

We will only speak to other lawyers or agents in the chain

Many customers are surprised to know that we do not speak directly to the other parties to a sale or a purchase when they have their own lawyers. This is to ensure full compliance with our rules of professional conduct. Estate Agents are not bound by the same restrictions and in our experience they are often best placed to keep you informed as to what is happening up and down the chain.

Remember to keep us informed of what you find out

Keep us informed of your wishes and we will keep you updated on progress and anticipated delays. At the start of your purchase, neither Countrywide Conveyancing Services, nor estate agents, or anyone else can guarantee a fixed date for completion. Making firm plans in reliance on "hoped for" dates could potentially lead to your time and money being wasted.

What is an anticipated or suggested completion date?

Any anticipated completion date is a target. We will actively work on your behalf to make the anticipated completion date the actual completion day when you will move into the property.

We will keep you informed when the circumstances of your purchase, or events beyond our control mean that the target date will not be achieved and needs to be moved.

The completion day, when you will actually move into the property, is not fixed until contracts have been exchanged. You can make provisional arrangements with your removal company, keeping them informed of any suggested completion dates but do not confirm your arrangements with them until we have told you that contracts have been exchanged.

What if I want you to speak to someone else on my behalf?

As you are our client, we can only take instructions from you about your transaction, and can only give you the details of the matter. If you would like us to speak to someone else then we will need your signed written authority giving the name of this person. We will still need to speak to you just before exchange of contracts so that we can confirm the details of the transaction to you and so that you can give us authority to exchange contacts.

State and condition

What does the seller have to tell me about the property?

The seller must make an Energy Performance Certificate (EPC) available to you which tells you how energy efficient a home is on a scale of A – G. You should ensure that you see this before exchange of contracts.

Apart from this, the seller is not required to give you any information about the structural condition of the property or if the water, drainage, heating, light or electrical power systems work. You buy the property as seen, with all its hidden defects and faults. After the completion day you will have to pay for all repairs, even if the building work needed doing before completion, so do not rely on any assurances given when speaking to the seller and do not assume that the conveyancing process will uncover such matters.

The seller will fill in a Sellers Property Information Form. This is a standard list of questions which asks for information the seller would know from living in the property. Check none of the answers are different from what you expected. Let us know if you have any concerns about any of the answers.

If you are buying a repossessed property or a property in which the seller has never lived, you will need to take extra care to satisfy yourself because very little information will be forthcoming.

Do I need a survey?

Yes, if you want to reduce the risk of unexpected repair bills after the completion day.

If you buy the property without having a survey carried out, you buy the property as seen with all its hidden defects and faults. The lender's valuation report is not a survey. It must not be relied upon to tell you about defects and faults to the property.

You should choose the type of survey to be carried out on the property to suit your needs. You can have a home

buyers report or a full survey. Ask your surveyor about cost and what types of investigation your survey will cover. We recommend Countrywide Surveyors who can carry out a home buyers report or a full survey for you.

What about contaminated land?

A local authority can now, at the cost of homeowners, clean up land which is so contaminated as to cause death, disease or serious injury to health.

A property built on contaminated land may have a reduced re-sale value or be more difficult to sell and may affect your health.

We will carry out an environmental search against the property. The search looks for previous uses of the property which may have caused the land to become contaminated. A copy of the search result will be sent to you.

Is the property at risk from flooding?

The risk to some properties from flooding seems to be increasing. The environmental search will provide some information about flood risk.

If you have concerns about flooding, ask your surveyor and the Environment Agency. You can contact the Environment Agency by telephoning 0845 988 1188, or on the internet at www.environment-agency.gov.uk

If, following your enquiries, you believe that the property is at risk from flooding, tell us and inform your buildings insurer.

What will the seller leave behind in the property?

We will send you a list, completed by the seller, of what is included, excluded, or for sale separately. Tell us if this is different from what you expected because it will form part of the contract.

Ownership

What am I allowed to do as owner of my property?

We will tell you about any rights which you as owner can exercise over neighbouring properties.

We will also tell you about any rights which neighbouring owners enjoy over your property.

We will tell you about any restrictions which can limit what you can and cannot do as owner of the property.

If I am buying a newly built property – what do I need to consider?

We will send a copy of the plan provided by the seller showing the area of land which they are agreeing to sell to you. We will not have seen the property. We rely on you to check the plan carefully and to tell us if it is incorrect or does not match what you have seen on the ground.

If by exchange of contracts, building work on your new property is not finished, then the completion day will not be a fixed date. Instead the completion day will be on a date notified by the builder, after the work is finished. This means moving arrangements may have to be made at very short notice.

You should enquire direct at the site office for information about: property specifications, landscaping, the progress of building work, negotiations about extras, the route of services to the property and arrangements for connection, and the final pre-completion inspection of the property.

You must inspect the property before the completion day. Tell the builder in writing about any work which is unsatisfactory or not finished off. You will not be able to delay completion if there is any minor outstanding work.

If I am buying a leasehold property – what do I need to consider?

If you are buying a leasehold property you will have a landlord. You may have to pay an annual ground rent and a service charge.

We will tell you how many years the lease has to run. The lease tells you of any rights which you can exercise over neighbouring properties, and the rights which your neighbours enjoy over your property. It tells you about any restrictions on what you can and cannot do, and what you are responsible for.

We will tell you about those parts of the lease which are important but you should read the lease for yourself before exchange of contracts. Tell us if there is anything in the lease which you do not understand.

If you are buying a flat, you may have to make an advance payment to cover ground rent and service charge on the completion day. There may be costs associated with serving notice on the landlord of the change of ownership.

What if I am buying a newly built leasehold property?

If you are buying a newly built leasehold property we will send you the lease to sign in place of the transfer.

The lease confirms the details in the contract. It describes what is being sold to you, and at what price. The lease tells you of any rights which you can exercise over neighbouring properties, and the rights which your neighbours enjoy over your property.

It tells you about any restrictions on what you can and cannot do and what you are responsible for.

What is the local authority search?

The local authority search tells you what the local council knows about the property you wish to buy.

What will the local authority search tell me?

The local authority search can reveal information which would affect your decision to buy the property at the agreed price, or at all.

The local authority search does not tell you about the council's future plans for development on neighbouring properties. You must make your own enquires of the local council about this.

The local authority search will reveal if the local council are taking enforcement action because of a failure to comply with building regulations or planning control.

Even where the local council are not taking enforcement action, and planning consent and building regulation approval were obtained, you must still check, by instructing a surveyor, that any building works carried out to the property are structurally sound.

Will you carry out any other searches on my property?

We will carry out the environmental search and a drainage search.

We may carry out other searches, but only on properties in certain locations and where necessary e.g. coal mining. We will only tell you about things revealed in these other searches which might affect your decision to buy the property.

When do I need to arrange buildings insurance cover?

You must make provisional arrangements for buildings insurance well before exchange of contracts. Your financial adviser can help you with this. If you are buying a leasehold property we will tell you if the landlord arranges the buildings insurance.

Do I need to arrange life insurance cover?

We recommend you discuss life insurance cover with your financial adviser well before exchange of contracts.

What information does Countrywide Conveyancing Services need from me about my buildings insurance?

Name and address of company
Policy number/quotation reference
Amount insured
Number of flats covered by the policy (if a flat)

Ownership *continued***Where are my keys?**

On the completion day the seller may give you the keys directly or they may be left at the estate agents. Ask your seller what they intend to do with the keys. Keys will not be released to you until the seller's lawyer has received all the purchase money from us.

When will I receive my title deeds?

After the completion day we will register you as owner of the property at the Land Registry. This will take several weeks to complete.

The Land Registry no longer issue title deeds as such but only a copy of the Register. If you took out a mortgage, this copy will be sent to your lender. If you bought the property without a mortgage, we will send this copy to you. We may also send you the following papers: NHBC documents, planning consent, building regulation approval, pre-registration documents. Keep them in a safe place.

They will be needed when you sell your property in the future.



Paperwork

Why did I need to sign a Terms of Engagement?

When you sign the Terms of Engagement, you agree to our terms and conditions. You give us authority to make certain binding promises to other parties in the chain. The promises are necessary to make the conveyancing process work and once made cannot be broken.

When you sign the Terms of Engagement, you agree to us disclosing information to third parties within the Council for Licensed Conveyancers Rules and under the Data Protection Act 1998.

Countrywide Property Lawyers Ltd is a registered Data Controller under the Data Protection Act 1998.

Why does an 'adult occupier form' have to be signed?

If you are buying with a mortgage, your lender will want to be certain that all non-owner occupiers in the property have agreed to leave if you fail to pay the mortgage and the property is re-possessed.

What is the contract?

The contract, also called the agreement, describes what is being sold to you and at what price. It also contains many standard terms to regulate the position should any dispute arise between you and the seller. Tell us if any of the details are incorrect.

What is the effect of signing the contract?

You will be asked to sign the contract in readiness for exchange of contracts. Signing the contract does not mean that exchange of contracts will happen or that you have bought the property. Please leave the contract undated.

What is the transfer?

The transfer confirms the details in the contract. It describes what is being sold to you and at what price.

What is the effect of signing the transfer?

You will be asked to sign the transfer in readiness for the completion day. Signing the transfer before exchange of contracts does not mean that exchange of contracts will happen, or that you have bought the property.

Is there a special way of signing the transfer?

Yes. You are the transferee and the seller is the transferor. The transfer has to be signed in a particular way. You need to sign the transfer in front of a witness. The witness should not be a member of your family. A neighbour or work colleague would be an ideal witness.

After you have signed the transfer, your witness should then sign, and also write in their name and address. Please leave the document undated.

What is the mortgage deed?

The mortgage deed is your written agreement with your lender.

What is the effect of signing the mortgage deed?

You will be asked to sign the mortgage deed in readiness for the completion day. Signing the mortgage deed before the completion day does not mean that you have taken out the mortgage.

Is there a special way of signing the mortgage deed?

Yes. The mortgage deed has to be signed in a similar way to the transfer. See the instructions in "Is there a special way of signing the transfer?" below.

You need to sign the mortgage deed in front of a witness. Your witness may need to state their occupation. Please leave the document undated.

We cannot complete without a signed mortgage deed and it will be at your risk if you instruct us to exchange without it.

What is the lease?

If you are buying a newly built leasehold property we will send you the lease to sign in place of the transfer.

What is the effect of signing the lease?

You will be asked to sign the lease in readiness for the completion day. Signing the lease before the exchange of contracts does not mean that the exchange of contracts will happen or that you have bought the property.

Is there a special way of signing the lease?

Yes. The lease must be signed in the same way as a transfer or mortgage deed. See instructions in "Is there a special way of signing the transfer?" below.

How to sign your transfer, mortgage or lease

Signed as deed by

Your name will appear here

in the presence of:

You sign your name in the box

Signature of witness

Your witness signs their name here

Name (in BLOCK CAPITALS)

Your witness writes their name here

Address

Your witness writes their address here

Money

How much money do you need from me to complete my purchase?

You can contact us at any time after your mortgage offer has been issued for an estimated figure of how much money we will need from you to complete the purchase of your property. This estimated figure will become more accurate as your purchase gets nearer to the completion day.

We will try to let you know the exact amount we need from you at least one week before the completion day. But very often, due to the shortness of the time between exchange and completion, we can only tell you the precise amount of money needed at very short notice.

The money which you need to send to us must be cleared, and so be able to be used in time for the completion day. The best way of providing us with cleared funds is to send the money by direct bank transfer. Your bank may charge you for sending the money to us.

Please do not send us any money via a third party. This will inevitably cause a delay, may be rejected and will incur additional anti money laundering charges.

If you have not let us have the amount of cleared funds asked for, in time for the completion day, you will not be able to move into your property on the completion day.

Lenders need up to seven days notice of the completion date. Any less notice runs the risk the money may not be available on the completion day.

We ask your lender to send the money to arrive the day before the completion day. This reduces the risk of the money arriving late or not at all on the completion day. Lenders will charge you interest from the day the money is sent to us.

Is a deposit really necessary?

When contracts are exchanged, a 10% deposit is due to the seller as part payment on the property, although the seller will frequently accept less. If you fail to complete the purchase the seller can keep any deposit paid and you then have to pay any balance, so that the seller receives the full 10% as compensation.

If you are selling and buying properties, the deposit we receive on your sale may be accepted as sufficient to cover the deposit on your purchase. If you do accept less than 10% on your own sale and the matter falls through after exchange you will have a claim against your buyer for the balance up to 10%. But if the buyer does not have the additional money, disappears or is of little financial worth you may never recover the balance, this does not affect your own seller's right against you for any balance owed to them.

Why is a written mortgage offer so important?

Before exchange of contracts we need written confirmation that your lender will provide the money you require and upon what terms. We need time before exchange to report to you in writing on the terms of the offer.

What do I need to check in my mortgage offer?

You need to understand the terms of your mortgage offer. Tell us if you do not.

Check the amount you are borrowing, and will have to repay, are correct. Remember, the amount we will receive from your lender will be less any deductions specified in your mortgage offer.

When you take out a mortgage you agree with the lender to make regular monthly mortgage payments and to keep the property both in good condition and insured. If you fail to keep your agreement with the lender they can sell your property to pay off the mortgage loan. Make sure you understand the penalties that could apply if you decide to pay off your mortgage early.

If the lender sells your property for less than the mortgage loan, you still have to pay the unpaid debt.

We will tell you about any special conditions that will need to be satisfied before exchange of contracts.

I am having a flexible mortgage – what does this mean?

In addition to the mortgage to buy your property, you are also taking out a consumer credit loan. A flexible mortgage takes longer to process and will delay exchange of contracts and completion.

The law insists upon a strict timetable for consumer credit loans, which gives you the opportunity to change your mind. We cannot amend or ignore this timetable.

Tell us if there is anything in your flexible mortgage which you do not understand.

Can I transfer my existing mortgage to my new property?

No. You will need to make a new mortgage application, even if you are staying with the same lender.

Can I transfer existing loans to my new property?

All loans on a property (such as a business overdraft facility, Legal Aid charge, or personal loan) must be paid off out of the sale proceeds, unless the lender concerned agrees to transfer the loan to your new property.

This may take some time for the lender to organise and if you want to do this you should contact the lender for consent as quickly as possible. If the lender gives their approval, they will send written instructions to us. This will involve additional legal fees.

How will I receive any balance money?

If there is any money left over after legal costs and all other purchase expenses have been paid, we will only pay it to all named buyers either to a named joint account, or by separate payments.

The payments will be by a direct bank transfer for which we will make a charge. We will not make payments to third parties on your behalf except to third party solicitors.

Why is my first mortgage payment higher than expected?

This happens when the time between the completion day and your first payment is more than one month.

If you have concerns about the amount of your payment, check with your lender.

Exchange

What does exchange of contracts mean?

From the moment of exchange of contracts, you have bought the property.

Exchange of contracts is carried out on the telephone. The contract to buy and sell the property is binding from the moment telephone exchange happens.

On exchange your deposit will be sent to the seller's lawyer.

There is no turning back once contracts have been exchanged. Neither you nor the seller can change your mind about buying or selling the property without having to pay compensation.

Therefore we will not exchange contracts unless you agree that we can do this.

We will speak to you on the day of exchange to obtain this agreement. If you are buying with another person we will speak to only one of you to obtain this confirmation unless there are particular circumstances where we believe it would be in your best interests to speak to both parties.

On exchange of contracts the completion day is fixed.

We will contact you once contracts have been exchanged. This is the time to confirm the completion day with your removal company.

When can I give notice to quit to my landlord?

If you are in rented accommodation, you will have to give notice to your landlord. Do not give notice to end your tenancy before contracts have been exchanged, as this could make you homeless.

What is the completion day?

On this day we complete your purchase by sending the money to the seller's lawyers. You can move into the property and the seller must move out. Ask the seller what time they intend to move out of the property.

Completion

Why can't the completion day be at a weekend?

Even though we work at weekends, the completion day must be between Monday and Friday. The banks will not transfer money at weekends.

Where possible, pick a completion day to allow at least one week between exchange of contracts and completion. This will give you more time to finalise moving arrangements. It will also help us carry out all the tasks that can only be done after exchange of contracts, but must be finished before the completion day.

What if the seller fails to move out?

Tell us immediately you know that the seller does not intend to move out of the property on the completion day.

We will question the seller's lawyer to find out if the completion day is simply delayed or if the seller is refusing ever to complete the sale of the property to you.

You can claim compensation from the seller if completion is delayed or does not happen at all. We will advise you about which expenses you are entitled to claim.

What will happen if my completion is delayed?

If completion is delayed because your money was not cleared, you will be responsible for any wasted costs or compensation claimed by the seller and their lawyers.

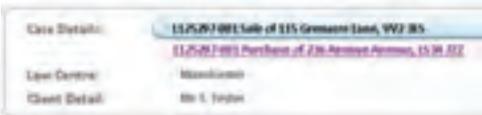
If you fail to buy your property on the completion day, you will have to pay substantial compensation. The seller can keep the deposit, and recover additional compensation by taking you to court. As we are not litigation lawyers we cannot handle this claim for you but we can recommend solicitors who do this type of work.

Tracking your purchase

It is important to us that you are kept informed of progress on your transaction. Just one of the ways to do this is for you to visit our website whenever it suits you. Simply go to www.cwpl.com and login using your case number and password to keep up-to-date with progress (if you do not already have your password, give us your email address and we will send it to you). Here are some details of what you can expect to see and how to use the case updates page.

Case Details

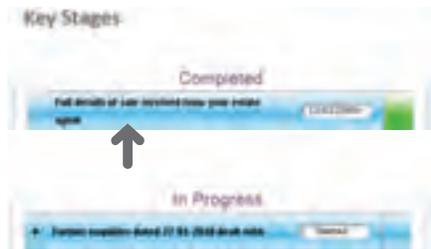
Your details will be shown together with the address of the property: If you are buying and selling through us, simply click on the link to the address of the property that you wish to see. If we have to show these separately we will provide you with a case number and password for each.



Key Stage

Below this, you will find each of the key stages that we will be working through. They will appear under the 'In Progress' heading to start with and, as we deal with each stage they will be dated, shown green and moved across to the 'Completed' side.

Use your mouse to click on any of the key stages and an explanation will be given in the Key Stage Information box at the top of the page.



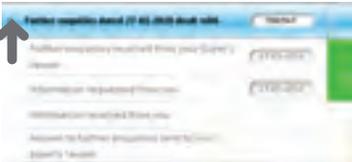
Key Stage Information

We have provided an information box to give you details on each of the key stages. The Key Stage Information box is just underneath your case details.



Extra Detail

We understand that some customers may want to see more detail than others. If you do, you can simply use your mouse to click on any of the + signs to reveal more stages and more information. So, for example, if you click on the + sign of this key stage, it will open to reveal further steps that are involved in that key stage (you can also click on any of these and read more details on them in the Key Stage Information box at the top of the page). If dated, this indicates that this step of that key stage is complete.



Look for key stages that say 'Started'. This indicates that some progress has been made on that particular key stage and so you may want to click the + sign on these to reveal more details.

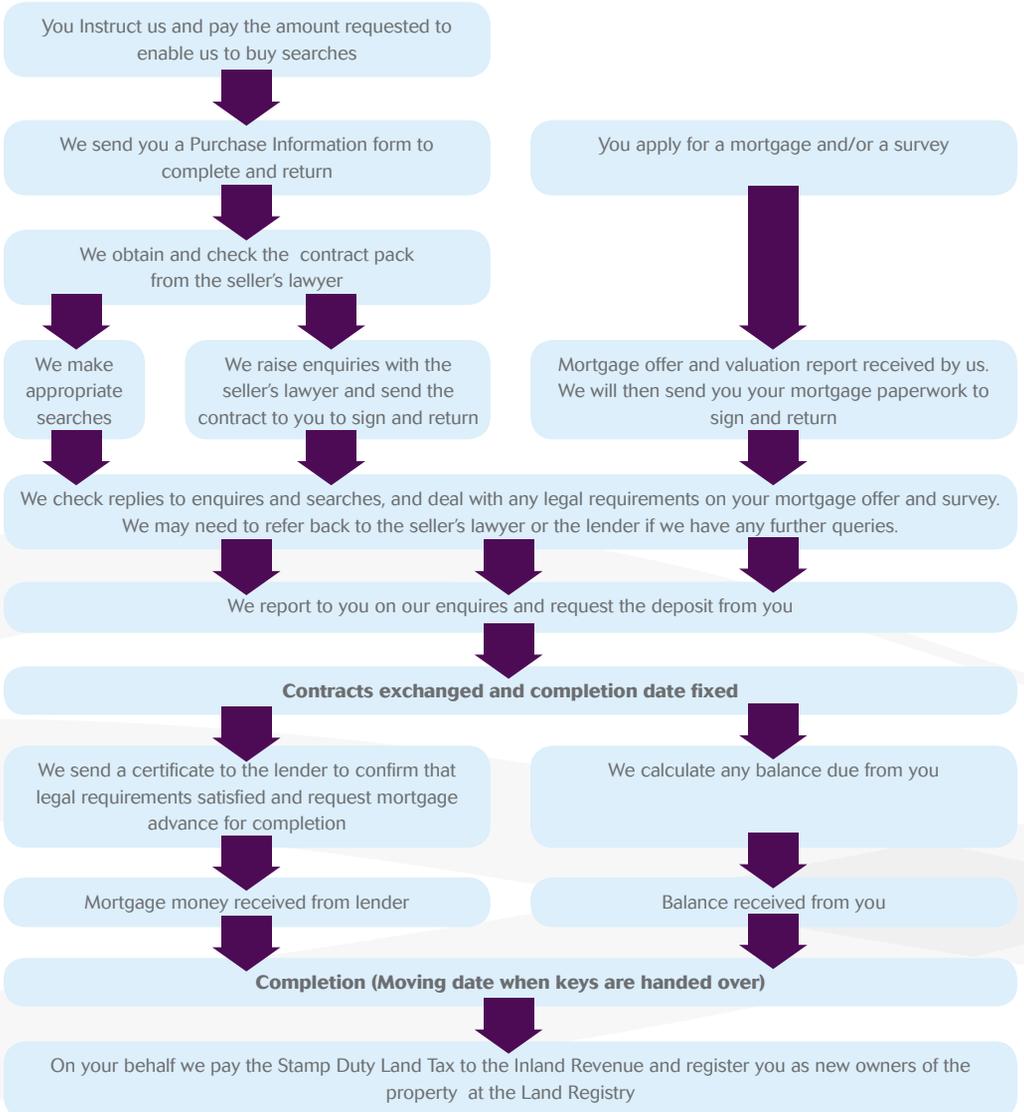


Other Update Methods

You may decide that you just want to keep up-to-date when you want to by using our website. However, you may also choose to have mobile text alerts or email updates from us, sent when a 'major' stage is met (we won't bombard you with texts/emails for every key stage) or you may decide that you would like a combination of all three methods. Simply log on to our website, go to 'My Account' page and you can arrange to have the updates that suit you best.

The purchase conveyancing process

This flowchart gives an overview of the Purchase conveyancing process



Regulated by the Council for Licensed Conveyancers to provide conveyancing services.
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