



147 High Road
Loughton Essex
IG10 4LY
DX 7900 Loughton
www.attwaters.co.uk

Useful information for a Buyer

Over many years of dealing with property purchases below are a few of the questions we have found clients ask on a regular basis. This information sheet is aimed at helping answer these questions for you however if you have any other points you wish to talk through we us we are happy to discuss these with you either on the phone or via email.

Will I need to attend your offices during the purchase?

Whilst we enjoy meeting our clients we appreciate that many people do not have time to attend our offices. As such, we can deal with all matters via post, e-mail and telephone calls. If you would like to attend our offices to discuss any points there is no additional charge for one-to-one meetings and we are happy to do this, you will not need to attend the offices unless you wish to.

How long does a typical property transaction take?

Unfortunately this is a question that no one can answer. A standard freehold sale usually takes between 4-8 weeks from us issuing the contract papers. Leasehold sales can take a week or so longer. However, please note this is a very general timescale and every transaction is individual, some are quicker and some are slower. We can assure you that our team at Attwaters will be doing everything they can to make the transaction complete as soon as possible.

How much deposit will I have to pay and when?

10% of the property purchase price is the standard deposit requirement. Sometimes a seller may accept less than 10%; however, the contract for sale will require that the balance of a 10% deposit is paid if you do not complete the purchase of the property on the completion date.

We will require these funds as cleared in our bank account prior to exchange of contracts. Prior to receiving these funds we must receive a copy of your bank statement confirming the location of these monies in a UK bank account. When returning the signed paperwork kindly also forward a copy of your bank statement. We can then release our bank details to you for the transfer of the deposit monies.

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If you are also selling a property it is usual to use the deposit that is received on your sale as the deposit on your purchase, and to request that the seller accepts this even if it is less than 10%.

What if I change my mind and no longer want to buy?

You can withdraw from the purchase of the property at any time before exchange of contracts. You will lose any money spent on surveys and searches. After exchange of contracts both parties are legally obligated to complete the sale/purchase.

If you are unable or unwilling to complete your purchase you will be liable to the seller for payments of interest in accordance with the contract for the delay, you will also forfeit your deposit and may also be liable to a claim from the seller for any financial losses they may have suffered as a result of your failure to complete the contract.

Please also note that if you paid less than 10% deposit at exchange you are liable to pay the seller the difference between the deposit paid and 10% of the purchase price. It is therefore essential that you ensure you are able to proceed to completion of your purchase before instructing us to proceed to exchange of contracts.

Should I have a survey?

In short, YES! Purchasing a property is the largest investment most people will undertake in their lives and a survey is essential to be aware of any defects in the property. The law is "Let the buyer beware". You must satisfy yourself by inspection and survey that the property you are buying is sound. Your survey has to be done prior to exchange of contracts, as once contracts are exchanged you are legally bound to complete the purchase of the property even if you later discover physical defects in the property, and you will not be entitled to compensation.

The most basic survey is the mortgage valuation, which is carried out on the instruction of the lender, and comprises a brief inspection of the property and an assessment to check that the property is of sufficient value to protect the mortgage company's interest. This does not check the structure of the property. It is quite often possible to 'upgrade' the valuation survey to a home buyers survey which will involve the surveyor inspecting the structure of the property. We advise that a home buyers survey is the minimum a client should have to investigate the property.



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How do you receive our mortgage monies?

We always request this, directly from your lender, for the release of the mortgage funds for the day prior to completion to ensure the money is in our account for the morning of completion. We submit our request to the lender prior to exchange to ensure that the lender will release funds to us for completion.

When do I pay you the balance of money to complete my purchase?

We will forward you a draft completion statement at exchange of contracts. We will require all monies from you in our account the day prior to completion. Most clients use a bank transfer to our bank account to pay these monies however we can accept a cheque. Please note, that a personal cheque takes 10 working days to clear into our account and we cannot use these monies until the cheque has cleared.

What happens on completion day?

On the day of completion we transfer your purchase monies to the sellers solicitors bank account using a same day transfer. The seller's solicitors will not release the keys to you until they have received the money. Most sales complete between 12 and 2 however this is completely dependent on the banking system.

Do I have to pay stamp duty and Land Registry fees?

Stamp duty is payable on all purchases where the purchase price is more than £125,000.00. The scale for stamp duty is:-

£125,000.00 - £250,000.00	1%
£250,001.00 - £500,000.00	3%
£500,001.00 - £1,000,000.00	4%
£1,000,000.00 and over	5%



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If you are a first time buyer, your purchase price is below £250,000.00 and you purchase prior to March 2012 you will not have to pay stamp duty at this level.

Land Registry fees must also be paid on a purchase: the scale for fees is

- £50.00 for a price up to £50,000.00,
- £80.00 where the price is between £50,001.00 and £80,000.00,
- £130.00 where the price is between £80,001.00 and £100,000.00,
- £200.00 where the price is between £100,001.00 and £200,000.00,
- £280.00 where the price is between £200,001.00 and £500,000.00,
- £550.00 where the price is between £500,001.00 and £1,000,000.00,
- and if the price is over £1,000,001.00 the fee payable will be £920.00.

Why do your fees differ for leasehold and freehold properties?

There is always more work involved in leasehold conveyancing. There is more paperwork involved in the purchase: for example, the lease and leasehold information (including up to date service charge, ground rent and buildings insurance details) obtained from the freeholder or managing agents. There are strict criteria that the lease must meet in order to be acceptable to a mortgage company. If it does not meet these requirements, the lease must be amended, which can involve additional expense for the seller.

How do I apply for a mortgage?

Your mortgage brokers will apply for this on your behalf. We can recommend a mortgage broker if you do not have one. If you need a mortgage to purchase the property, contracts should not be exchanged until an acceptable written offer of mortgage has been received; verbal confirmation from the mortgage company is not enough.

What happens after completion?

Once we have completed on your purchase we will pay the stamp duty on your behalf and register the property into your name(s). Once this has been done we will inform you and your mortgage company that the registration is complete.



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Please note the original certificate will be retained by the Land Registry but we will forward a copy of the same to you for your records. Please also note that the registration can take some months to complete and you will be unable to sell or remortgage the property until registration has been completed.

Can you store my deeds for me?

Now that property is registered, there are often no original deeds anymore. However should original deeds be supplied by the sellers we are always happy to store these for clients in our central deeds storage unit.

Following completion should I amend my will?

Yes, you will normally need to amend your will following the sale of your property. We can arrange for one of our probate solicitors to arrange an appointment with you to discuss any changes you may require. Also, we offer a 10% discount to clients who complete a will with us following the completion of a property transaction.

We will strive to help make your next house move a happy one.