

A *smooth* move

avoiding annoying delays



Independent research once showed moving house to be one of the most stressful experiences - more stressful than losing a job. Although a good solicitor cannot guarantee that your removal men will arrive on time, they can help to make the conveyancing process as painless as possible. In the first of a series of articles Ruth Edwards and Jonathan Picken the residential conveyancing partners at Westminster law firm, William Sturges & Co. explain how to avoid some of the pitfalls when selling a property.

If you instruct a solicitor to act for you on a sale they are responsible for preparing the contract. To do this they will need the Title Deeds. If title is registered and the title number known it is simple to obtain official copies of the title registers from the Land Registry, however the original Deeds package will still be required as it usually contains other relevant documents. If a lender holds the Deeds the name and address of the lenders, your mortgage account number and the full names of the borrowers will need to be given to your solicitor. To speed up the process an experienced solicitor will always try to anticipate the buyer's information needs, but the buyer's solicitor may make additional enquiries and these may take a little time to answer.

For freehold property, information is more straightforward to prepare, but leasehold properties are more complicated. The buyer will want up-to-date information on: ground rent; service charges; insurance; and full details of the freeholders and any management company that might exist. Different managing agents approach these matters in different ways and the time taken and the costs involved varies greatly. At William Sturges we always advise leaseholders to retain copies of management accounts and service charge demands for at least three years. There is a standard requirement when acting on the sale of a leasehold property to produce a receipt for the last payment of ground rent. The technical reason for this is that if the receipt is "clean", it can be assumed that there are no breaches of covenant which the landlord is presently enforcing. In practice we usually find no receipt is asked for or given and so we strongly advise all clients to obtain and to keep a receipt for all payments made to the managing agents.

Having prepared the contract documents, supplied the pre-contract information and replied to any further enquiries we will ask you to sign an approved copy of the sale contract and await exchange of contracts. At exchange a deposit is payable and this is usually 10% of the

purchase price, but can be less if the seller agrees. Once exchange takes place both parties are committed to the contract and a buyer can lose their deposit if they pull out before completion without good reason.

A protocol is used for the exchange of contracts to eliminate the risk of a person being left with two homes or no home. Your solicitor will check the draft transfer and arrange for a signed copy to be supplied. If you have a mortgage they will get a redemption figure from the lender and on receipt of the transfer obtain your signature on the document in readiness for completion.

The purchase money is usually sent by telegraphic transfer. It is very rare for a completion not to take place on the contracted date. Once the purchase money is received your solicitor will pay off any outstanding mortgage and then forward the balance to your bank account. The title deeds and all other relevant documents are sent to the buyer's solicitor.

Standard disbursements

- Local searches are in the region of £120 to £250
- Land Registration fees range from £40 to £700
- Stamp duty is a percentage of value: £60,001 - £250,000, 1%; £250,000 - £500,000, 3%; and over £500,000, 4%
- Bank charges are in the region of £25
- Leasehold properties often require a payment to register the new owner and any mortgage with the freeholder, costs depend upon the terms of the lease.

These are the minimum disbursements, but in some cases there are others.