

Your guide to buying a home



The Law Society

Getting advice

Buying a home is always an exciting prospect, but without the help of a solicitor it can also be a legal minefield. Your solicitor is qualified in all areas of property law and is there to help you avoid potential problems and to protect your interests at every step, from making an offer to getting the keys to the door.

This is a guide to the services you can expect from your solicitor when buying a home.

Finding a solicitor

Ideally you should contact your solicitor as soon as you think about buying a home.

You might want to look for a firm that is a member of the Law Society's Conveyancing Quality Scheme. By choosing a member of this scheme you can be sure that your solicitor meets the high standards set by the Law Society. You can find details about the scheme at www.lawsociety.org.uk/conveyancingquality. Otherwise, if you do not already have a solicitor, seek a recommendation from family or friends or visit our website at www.lawsociety.org.uk/findasolicitor and search under 'Conveyancing residential' to get details of solicitors in your area. Or you can call 0870 606 2555.

Services and costs

Services and charges vary between solicitors. Before you decide who to use, check with a few firms of solicitors to compare the services they are able to provide and their fees. The cheapest estimate may not always be your best option.

Consider what might be helpful to you. For example:

- is the firm local so you can call in to sign and pick up documents to save postal delays?
- what hours is the firm open for appointments?
- is the firm open on Saturdays?
- does the firm have a system so you can find out how your transaction is progressing via the internet or by text messages?

Remember you will also need to pay a variety of other expenses such as stamp duty land tax, Land Registry fees, VAT and search fees.

What your solicitor will need from you

The solicitor you choose will ask you for a variety of details and documents. These could include:

- some personal identification;
- the price of the property;
- a copy of the energy performance certificate (EPC) for the property if there is one;
- any factors that may influence the exact time you want to buy the property (for example: to coincide with school holidays); and
- how you are planning to pay for the property.

They will also need to know whether:

- you have applied for a mortgage;

- you plan to carry out work on the property;
- you are buying with someone else;
- the seller is buying another property; and
- you have a property to sell.

Energy performance certificates

When the house or flat is put on the market the seller (or the estate agent selling it) must have commissioned someone to prepare an EPC if there isn't one currently in force for the property.

The EPC contains a rating for the energy performance of the property, and recommendations for improving it. Your solicitor will be able to give you more advice.

Survey advice

If you are applying for a mortgage, your mortgage lender will need an independent valuation of the property. Usually they will appoint their own surveyor to do this, and you will have to pay for it. Remember that this is a valuation for mortgage purposes and not a survey.

You should consider appointing your own surveyor to carry out a survey or prepare a home buyers report on the property. It is up to you to satisfy yourself that the property is structurally sound before you buy it. If the survey or report reveals that building work is needed, you should tell your solicitor. You may wish to renegotiate the price.

Contacting the seller's solicitor

Once you have chosen a solicitor, your solicitor will contact the seller's solicitor, who will give your solicitor a draft contract and any other items they have asked for. A form listing the fittings and contents which will be included when you buy the property will have been given to your solicitor at this stage. You will need to check this list carefully.

Searches

Your solicitor will make various searches, including enquiries of the local authority. These can help to reveal any planning issues affecting the property, such as road improvements and details of any planning permission granted on the property. These searches will only provide information about the property itself and not generally about any neighbouring properties. Your solicitor may also carry out flooding, mining and contaminated-land searches if necessary. If any of these searches show matters of concern, your solicitor will let you know.

Leasehold properties

If the property is leasehold (particularly common when buying a flat), there will be detailed lease terms and conditions. Your solicitor will need to check these carefully and will also make enquiries with the seller's solicitor or the managing agents of the property about what service charges and management costs you will have to pay.

Your guide to buying a home



The Law Society

Mortgage offer and terms

If you are taking out a mortgage to buy a property you will usually need a satisfactory offer of a mortgage before exchanging contracts. You should be sure that you can meet any conditions in the offer.

You should read the offer letter and mortgage conditions very carefully. Your solicitor will explain them to you.

Signing the contract

Your solicitor will then report back to you on all the investigations he or she has made for you so far. If you are still happy to go ahead, your solicitor will finalise the terms of the contract and explain it to you. You then need to sign the contract and provide the deposit money - usually between 5% and 10% of the purchase price.

Exchanging contracts

This is the crucial moment of the agreement between you and the seller. Your solicitor and the seller's solicitor exchange contracts so that you have the contract the seller has signed and the seller has the contract you have signed. The solicitors will also set the date for completing the sale at this stage. This is then a binding deal which should be completed on the agreed date in the contract.

Final balance

Between exchanging contracts and completion, your solicitor will take the mortgage money from your lender and the rest of the money from you. This will include costs, VAT, Land Registry fees and stamp duty land tax (if any). Your solicitor will carry out final searches and make arrangements with the seller's solicitor for paying off any existing mortgages on the property. Your solicitor will also prepare the transfer deed and send it to the seller's solicitor for signing.

Completion

This is the final stage in the conveyancing process when your solicitor hands over the money to the seller and the keys are released to you. Your solicitor will pay the stamp duty land tax and Land Registry fees on your behalf. Your solicitor will register the interest of your mortgage lender and record you as the new legal owner of the property.

Related legal matters

Buying a property may introduce other related legal matters. For example:

- if husband and wife are buying a home in joint names they should consider how the property will be owned if one of them dies;
- if you are buying a home with someone you are not married to, you may need to enter into a 'deed of trust' to set out what share of the property each person owns;
- if you do not have a will, you should consider making one; and
- if you do have a will, you may need to update it.

In all cases your solicitor can offer you legal advice as part of a complete professional service.

More information

This is one of a series of leaflets covering the most common types of legal services which solicitors provide. Other leaflets in the series are listed below. You can get them from your solicitor or from www.lawsociety.org.uk/commonlegalproblems.

Your guide to renting out your property

Your guide to renting a home

Your guide to making a will

Your guide to getting a divorce

Your guide to problems at work

Your guide to setting up in business

Your guide to making a personal injury claim

Your guide to financial matters for the elderly

Your guide to setting up home with your partner

Your guide to using a solicitor

Your guide to probate

Your guide to claiming asylum

You can get this leaflet in large print, in Braille, on audio tape and on CD. If you need one of these versions, please contact us by e-mail at accessibility@lawsociety.org.uk or phone 0870 606 2555.

You can also get this leaflet in different languages. You can get these by visiting our website, www.lawsociety.org.uk.

Lexcel

Look for Lexcel - the mark of excellence