



# PM PROPERTY LAWYERS

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A quick guide to

**BUYING**

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**PROPERTY**



## If you haven't done it before – or even if you have – the process of buying a property can be baffling and frustrating.

It may seem as if it's taking a long time, but that's because we take your home purchase very seriously. Without doing the proper checks and investigations at the start, big problems can loom further down the line; and the earlier they're discovered the easier it is to resolve them.

So here's a quick guide to what we do to make sure it all goes right.

1. **First, we send you a Client Care Pack.** This tells you what we will and what we won't be doing for you and also includes some really important forms for you to complete. These are:
  - **Proof of identity** – strict rules around money laundering mean that we need to have proof of your identity right at the start. Until we have this, we can't start to process your purchase. After all, if someone was trying to impersonate you, you wouldn't want them to get away with it, would you? You'll need to post the original certified copy of your ID back to us as we can't accept it by email.
  - **Buyer questionnaire** – so we have all the essential details of you, your property, your mortgage and other relevant information. Once we have this, we won't need to keep asking you! You can email this back to us as long as it has your signature on.
  - **Stamp Duty Land Tax** – even if the property you're buying doesn't qualify for SDLT you still need to complete the declaration so please don't ignore this.
  - **Source of funds form** – that's the money laundering rules again. If you're using funds other than a mortgage to buy your property we have to make sure that the source of the funds is legitimate. You'd be surprised how often criminals try to launder money through property. So please bear with us if the questions we ask seem excessive. Once we have this form from you we can advise you if we'll need any additional information.
  - **Evidence of funds** – if your deposit is more than £5,000, to start with we need to see an up-to-date bank statement or similar to show that the funds are in place. If we need any further information, we'll let you know.



We'll also ask you for an initial deposit and the cost of search fees – we need to have this so we can start work on your purchase.

The sooner you can send everything back to us the faster we can get going.

2. **Your estate agent sends us a Memorandum of Sale** – in plain English that just means the details of who's selling the property, who's buying it, the price, the seller's solicitors and any other information we need to know. We then contact the seller's solicitors and ask them for a Contract Pack.
3. **Once we have received the Contract Pack, we ask for searches to be done.** Your mortgage lender (if you have one) will require us to carry out searches on your property. This is so that anything that might affect it in future is brought to light now. For example, there could be big implications if the property is on a flood plain. These are the searches that we normally carry out:
  - **Local authority search:** A search for any local information that could affect the property or its immediate environment, for example, planning permissions, building regulation consents, listed buildings, planned road schemes etc.
  - **Drainage and water search:** A search to see if the drainage systems for the property are adopted.
  - **Environmental search:** Most mortgage lenders require us to carry out an environmental search. This will establish whether the property has any environmental issues you need to be aware of, for example, if it has been built on contaminated land or on a flood plain. The environmental search is included as part of the standard search pack.
  - **Other specialist searches if appropriate:** For example, a search of the Coal Authority for any mining that could affect the property.

We'll let you know the results and if you need to take action on anything the searches have found.

4. **Meanwhile...** While all this is going on, you or your lender will be booking a survey on the property (if you decide to have one). This is different to the searches that we carry out and is to satisfy yourself that you are happy with the condition of the property. You'll also need to make sure that your mortgage lender knows that we are handling your purchase so they can send



us a solicitor's version of your mortgage offer. Once we have this, we review it and ask you to sign and return the appropriate forms.

- 5. Next we start checking Legal Title.** This is where we get down to the nitty gritty of the property. We carry out in depth checks on covenants, rights, restrictions etc. For example, who actually owns the property, if there's a right of way over the land or even if there's a restriction on hanging washing outside. New build properties in particular can have quite strict rules and it's important you know about them from the start. We'll also look at the extent of the property so it's clear what you will actually own. We send you a comprehensive report detailing all our findings so you have the opportunity to ask any questions you want. We also send you a copy of the enquiries we have made with the seller's solicitors following our review.
- 6. We agree on exchange and completion dates.** Once all our enquiries are done and all the documentation is in place, we'll talk to you about dates for exchange of contracts. This is when you are legally bound to buy the property and the seller is legally bound to sell it to you. The contract will include a completion date that cannot be altered. Sometimes exchange and completion can be done on the same day but this will depend on your individual circumstances and whether a chain is involved.

We also carry out two additional searches as part of the completion process:

- **Bankruptcy search:** A search for any past or existing bankruptcies that could affect the security of your mortgage lender.
  - **HMLR final search:** A final search at the Land Registry just before completion to make sure there have been no changes.
- 7. And finally, you complete on your purchase!** You can complete when all the funds have been transferred to the right accounts. You legally own the property and you can pick up the keys and move in at last!

Generally, a freehold purchase takes 10 - 12 weeks to complete from when we receive the contract pack and a leasehold purchase takes 12 - 14 weeks. Some purchases aren't as straightforward as others and when something out of the ordinary turns up it can take longer to clarify matters. We know how frustrating it is when there's a delay and we try hard to keep these to a minimum. If it seems that there's nothing happening, just get in touch and we'll gladly explain what's going on.

