

PURCHASE INFORMATION GUIDE

You may not be familiar with the conveyancing transaction and we therefore set out below some basic points for your information.

1. The transaction is on a two stage basis namely the contract stage and the completion stage. Prior to exchange of contracts, which actually confirms your purchase of the property, we gather in information to enable us to advise you whether or not the property is suitable for purchase. During this period we obtain a draft contract from the Vendor's solicitors, send our searches to the Local Authority and to the Land Registry (and, if in a mining area, to the Coal Authority) and make enquiries of the vendor's solicitors regarding the title to the property.

Normally we only raise standard local authority search enquiries. We have attached a list of optional enquiries. Please let us know if you feel any of these should be asked in connection with this property. The local authorities charge an additional fee in the region of £8.00 for each additional enquiry.

2. It is also during this period that you should, if necessary, obtain your mortgage offer, a copy of which will be sent to us by your Building Society or Bank when you have accepted the offer. If you need any help in obtaining a mortgage or an endowment policy, please let us know as we shall be happy to assist wherever possible. Our Financial Services Department will be able to advise you as to the Lenders offering the lowest rates of interest and other advantageous terms .

3. When we are satisfied that everything is in order, we advise you to sign the contract and arrange an exchange of contracts with the vendor. This makes the deal binding on both parties and fixes the date for completion of the purchase, namely the date you will obtain possession of the house.

4. Up to exchange of contracts you must thoroughly check out the property to ensure that its fabric is in as good a condition as you would wish to find it. We would strongly recommend that a structural survey is carried out and that the central heating system (if any) and the electrical wiring system be checked out by competent contractors to ensure that they are free from defects. If you fail to check these systems, you may find, when you move into the house, that there are defects costing many hundreds of pounds to repair. Unfortunately, the law is such that unless the vendor has made a definite misrepresentation the purchaser must bear the loss himself.

5. Please note that a Report on Valuation by or on behalf of a building society or bank is not a full structural survey and cannot in general terms be relied upon as a full structural survey and cannot in general terms be relied upon as a full report on the condition of the property, as there may be defects in the property which would not be revealed by such an inspection.

6. If you are buying a new property in the course of construction, then we strongly recommend that you visit the site office and peruse carefully the specifications and materials from which the house will be built. You must be fully satisfied with the proposed development before exchange of contracts as thereafter you will be deemed to have full notice of the specification and materials the builder is to use, whether you have inspected the same or not.

7. In view of the concerns over Year 2000 issues we would recommend that you check with the surveyor or other consultant that all plant and equipment e.g. security devices, heating and telephone systems etc which serve the building are "Year 2000" compliant and that there have been no problems since that date.

8. Please let us know if your intended use of the property will not be as a house so that we can ensure that this will not be a problem, by being in breach of any covenants or other restrictions which might affect the property.

9. Once contracts have been exchanged the insurance risk for the property is generally upon the purchaser. This does not present a problem if you are obtaining a mortgage from a Building Society as they will generally put the property on risk for you under their block policy. However, with some Banks and certainly where a Building Society is not involved, insurance must be arranged by you to commence cover as from the date of exchange of contracts, despite the fact that full completion monies have not at that time been paid over. If you are in any doubt about this arrangement, would you kindly speak to us so that we can guide and assist you. We are member of the Law Society Endorsed Insurance Scheme which can offer competitive premiums and cover. We enclose a leaflet regarding this. Please let us know if you need further information. Contents insurance must also be arranged by you as from the date of completion.

10. If you are obtaining an endowment mortgage the Life Policy with the Life Insurance company must be put on risk as from the date of exchange of contracts. We rely upon you to give us full information with regard to the Insurance policies that you are taking out so that we can ensure that the Policies are on risk at the relevant date. Failure to do so may mean an increase in premium payments at a future date.

11. Once we exchange contracts and confirm a date for completion, we then obtain the monies from your Building Society or Bank, ensure that the deeds are signed by you and make final searches against your property. We also check your credit worthiness for you Bank or Building Society. Assuming that all the searches are clear then, on the due date, the monies are paid over to the vendor's solicitors, usually by telegraphic transfer through the banking system.

12. If you are buying the property jointly this can be done in 3 ways:-

- a. The property can be held by you as "joint tenants". This means that on the death of one joint tenant the premises will automatically become the property of the surviving joint tenant(s);
- b. The property can be held as "tenants in common" in whatever proportions you might stipulate. This means that on the death of one joint holder his or her share will pass to his estate under will or intestacy;
- c. The joint tenants can sign a declaration of transfer stating that they hold the property on behalf of others.

Please let us know if you need further clarification and which option you prefer.

13. We usually advise clients to arrange collection of the keys direct from the vendor or from the Estate Agents, as otherwise it means that keys are passing through this office, which is not always convenient, where the property is some distance away from our offices. We ask you to check before the date of completion that you are able to collect the keys from the vendor or the Agents and, if there are any anticipated difficulties, to contact us immediately. We trust that you will find the property in good condition and that you will be very happy in your new home. We aim to assist in every part of the legal field and should you have any problems or queries regarding any legal matter we shall be only too glad to help or assist.

We shall shortly be writing to you with further details regarding the property but, in the meantime, we should be obliged if you would forward to us your cheque in the sum of £150.00 which covers the cost of the Local Authority Search and British Coal Search required to be made on your behalf at this stage. This ensures that the search is sent out early and avoids delay at a later date. The fee will be brought into account when our bill is rendered upon completion.