

haart

Guide to buying a house

So, your offer has been accepted. Now, you need to work through the legal steps to secure ownership of your new home. The haart guide to buying a house will explain your legal requirements and how the law is different depending on which part of the UK you are living in



England & Wales

- The property can be advertised as 'For Sale', 'Under Offer' or 'Sold Subject to Contract'.
- Sold Subject to Contract means that the vendor has accepted an offer but the sale has not been finalised. Properties, which are Sold Subject to Contract, are usually pending surveys or completion of paperwork.
- At this point you are not committed to the sale. If for any reason you decide not to go through with the purchase you can pull out without penalty. But the seller is also not committed to the sale. If another buyer comes in with a higher bid and the seller accepts then you have been gazumped.
- You need to pass on details of the property to your surveyor, solicitor and mortgage provider. Keep in regular contact with all three to ensure your file stays at the top of the pile and they deal with it swiftly.
- Some agents may try to get you to pay a small deposit to show that you are serious about the purchase. However, consult your solicitor before parting with any money or signing anything.
- If the survey highlights issues or problems that you think should be reflected in a reduced price, now is the time to renegotiate.
- Your solicitor will begin the conveyancing. This includes organising searches with the local authority and dealing with the results, receiving mortgage offers, and preparing the contract.

Scotland

- Once your offer has been accepted it is legally binding and you will have usually have arranged surveys and solicitors before making an offer on the property.

Exchanging contracts

- Contracts are exchanged once the solicitor has carried out all necessary searches and there is agreement to the contract terms.
- Once each party has signed the contracts and they have been exchanged, they are binding. You cannot pull out without penalty once you have exchanged contracts.
- The contracts will include a completion date, which is the date that the property becomes yours.
- At exchange of contracts any deposit needed has to be paid.
- Arrangements for building insurance must be made so that the property is insured from that day. Usually, the present insurer will cover this new property free of increased premium until the completion date.

Final steps to completing

- The seller's solicitor finds out how much the seller owes on their current mortgage.
- The seller's solicitor approves the transfer deed. This formally transfers ownership of the property to you once the seller signs it.
- Your mortgage company will send the balance of the purchase fund to the seller's solicitor.
- The seller's solicitor will send the transfer deed to your solicitor.
- The seller's solicitor will take his fee and expenses out of the funds the seller has received.
- The seller's solicitor will clear the balance of the seller's mortgage. For example, if the seller still owed £40,000 on his mortgage, this would pay that off from the funds sent by you.
- The seller's solicitor will send the remainder of the money to the seller.
- You will arrange to collect the keys to your new home, normally from the sellers estate agent. Once you've done that, the home is yours.