



facts you need to know if you are buying or selling your home

Buying or selling your home is acknowledged as one of the biggest and, potentially, most stressful projects you ever undertake. At Latimer Hinks we will provide you with all the facts you need to help minimise your stress levels!

Mortgages

Should you require mortgage advice we can recommend reputable contacts with whom we have dealt in the past.

Producing a contract

Normal practice is for the seller's solicitor to prepare and send the contract to the solicitor representing the buyer. If you are buying a property and at the same time selling your home we will receive a contract from the solicitor of the person whose property you are buying, and we will prepare a contract and send it to the solicitor representing those buying your home. The purpose of this contract is to set down exactly what has been agreed between the various parties such as the price and any additional items to be included.

Enquiries before contract

If you are buying a property we will ask certain questions of the seller's solicitor. These questions, such as who owns the boundaries, are important in helping you decide whether or not you wish to go ahead with the purchase. If you are selling you will be asked by your buyer's solicitor to complete a questionnaire providing similar information for the same reasons.

Searches

Prior to exchanging contracts we will ascertain what matters may be registered by the local authority in respect of the property which might affect your decision to buy. We will also investigate the seller's title and report to you on any provisions and stipulations set out in the title deeds which you may wish to know about. Various other searches will also be carried out.

Survey

Before you make any legally binding commitment to purchase it is vitally important that you have the property surveyed.

Deposit

It is usual for you to have to pay 10% of the purchase price when contracts are exchanged.

Exchange of contracts

Contracts are prepared in duplicate, one copy to be signed by the seller, the other by the purchaser. Once both parties have signed their part of the contract the documents literally change hands between the solicitors. The sale and purchase are now binding and it is therefore very difficult to withdraw from the contract without incurring financial loss.

Home Insurance

It is important to insure the property from exchange of contracts.

Completion

In technical terms completion is the stage at which ownership rights are actually transferred from one person to another. However, in practical terms it is the time when the keys are handed over and you can move house!

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A Warning about Fraud

There have recently been some successful attempts to defraud innocent buyers when a fraudster claims the identity of a real property owner. The circumstances in the cases to date have involved a fraudster, by relatively sophisticated fraudulent documentation, duping Estate Agents and Conveyancers firms engaged by them to act for them without realising that the individual concerned is not the real owner of the property. Unfortunately, as yet, there are no systems that have been developed by the Land Registry, Banks, Government or professionals capable of entirely eliminating this risk. We must therefore warn you of the possibility, no matter how slim, that an innocent Buyer can effectively pay for a property and not obtain a good Title, effectively losing the funds.

It is perhaps important to point out the level of risk here. Of approximately one million residential purchase last year, only a very few have been subject to this type of fraud. As your Solicitors, we will look out for any tell-tale signs and will of course discuss these with you if we identify any concerns. However, we need you to be aware of the worst case scenario and to enlist your help to detect any issues which might indicate a problem.

We suggest perhaps that you talk to neighbours before entering into a contract to buy. This is a very simple way of hopefully identifying whether you are dealing with a fraudster impersonating a Seller. It would be important for you to tell us:-

- If the property is empty;
- You have not met the owner;
- You have not been allowed access to the property, either by agents or directly;
- The property is being sold at an undervalue;
- You are being asked to comply with an unreasonably swift timescale;
- You have been told that the Seller is living abroad and that the sale monies will need to be sent abroad;
- You are aware of anything which 'does not quite ring true' or puts you on notice that something might not be quite how it appears to be.
- Finally, it is possible, at a cost, to obtain some form of indemnity insurance that provides cover against this risk and if you would like us to advise you further on that, please let us know.

Contact Details:

If you would like us to help, please contact Martin or Jonathan. Martin is a Director and our Head of Residential Property. Jonathan is a Solicitor and works alongside Martin in the Residential Property department.

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Jonathan Sturgeon	jcs@latimerhinks.co.uk
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(Our address and telephone details are below)