

## Key Stages of a Residential Sale Transaction

*Once we are instructed on the sale of your property, we will provide you with:*

- ✓ **Client Care Letter** – a preliminary letter, which confirms your instructions, sets out the procedure involved and indicates who will be dealing with your case.
- ✓ **Statement of Anticipated Costs** – a statement which sets out all expenses (including our fees) which you are likely to incur during the transaction and any payments required at the outset of the transaction on account of costs and disbursements.
- ✓ **Terms of Business** – our standard terms of business which, together with our Client Care Letter, form the basis upon which our services will be provided to you.
- ✓ **Due Diligence Request** – details of the preliminary documentation required from you in order to confirm your identity. We will also undertake online verification of identity. This is necessary so as to enable us to comply with relevant rules and regulations.
- ✓ **Property Information Forms** – a number of standard forms providing information relating to the property. The ‘Property Information Form’, ‘Fittings and Contents Form’, and if the property is a leasehold (usually a flat but can apply to some houses), ‘Leasehold Information Form’ will need to be completed by you and returned to us as soon as possible.

*Upon receipt of the signed documents listed above, we will proceed with the following:*

- ✓ **Landlord’s Information Pack** – if the property is leasehold, then we will approach your landlord and ask them to provide us with a ‘Landlord’s Information Pack’. This will outline various details relating the property and the block of which the flat forms part and the landlord’s requirements in relation to the sale of the flat by you. It will also provide information in relation to service charge liability and other payments due to the landlord under the lease.
- ✓ **Preparing Sales Pack** – we will prepare and submit a ‘Sales Pack’ to buyer’s solicitor. This will include: Property Information Forms, Landlord’s Information Pack (if applicable), title documents, a *draft* Contract, a *draft* Transfer and other supporting documents. Ideally, the Sales Pack should include all these documents with sufficient detail so as to enable the transaction to proceed quickly. If there is any delay in obtaining the Landlord’s Information Pack, or other documents, then we will usually send out what we can as early as possible and then follow up later with any remaining documents.
- ✓ **Buyer’s Enquiries** – we will consider and wherever possible (with your help) reply to any reasonable and relevant additional enquiries raised by the buyer’s solicitor in respect of the property, the sales pack or their searches.
- ✓ **Contract and Transfer** – we will negotiate and agree the ‘Contract’ and ‘Transfer’ with the buyer’s solicitor and we will arrange for you to sign the same prior to exchange.

- ✓ **Mortgage Redemption Statement** - if applicable, we will contact any lender that holds a charge over your property and request a 'Redemption Statement'. This will outline how much is required to pay off your loan and release the charge on the property on the anticipated date for completion of the sale.
- ✓ **Other charges** – if applicable, we will make enquiries regarding any other charges, notices or restrictions which are registered on the title of the property and make arrangements for all to be released on or before completion of the sale.
- ✓ **Exchange** - once the buyer's investigations are completed and you agree to proceed, we will 'exchange' contracts, the buyer will pay the required deposit, which is usually 10% of the purchase price, and we will fix a date for completion. This secures the sale and neither party can change its mind or go back and re-negotiate any aspect of the deal. We would stress that despite the fact that you have accepted the buyer's offer, your sale is not secure until you actually exchange contracts, but once you have exchanged you are obliged to complete the transaction. Furthermore you must complete on the day and time fixed for completion. If you delay completion or fail to complete altogether you will incur penalties.
- ✓ **Completion Account/ Completion Statement** – we will prepare and provide to the buyer's solicitor a 'Completion Statement' to confirm how much the buyer needs to pay you in order to complete the purchase. We will also prepare a 'Completion Account' for you, confirming the sum available to you after repayment of any loan secured on the property and the expenses associated with the transaction.
- ✓ **Completion** – Once we have received all relevant funds from the buyer's solicitor, we will complete the sale and advise you to release the keys of the property to the buyer. We will use the proceeds of sale to pay off any loan on the property and then transfer the net balance to you after deducting all costs and expenses.
- ✓ **Post Completion** – once the transaction as completed, we will send all necessary deeds and documents to the buyer.
- ✓ **Timescales** – a transaction which proceeds without undue complications is generally thought to take around four weeks to exchange of contracts and four weeks thereafter to completion, however, these timescales are by no means fixed. In respect of timescales for a freehold sale, much depends on whether there is a chain transaction above or below, when we receive the enquiries from the buyer's solicitors and if applicable, the buyer has obtained their mortgage offer. In respect of timescales for a leasehold sale, the same applies as above but also includes being in receipt of the management pack from the Landlord. We will of course advise you as we go along, when you are in a position to exchange and complete.

**Please note** that the above procedure is intended to outline a standard sale of residential property which proceeds without complications. The procedure may vary depending on the type of property, the way in which the sale is structured and any unexpected issues that may arise.