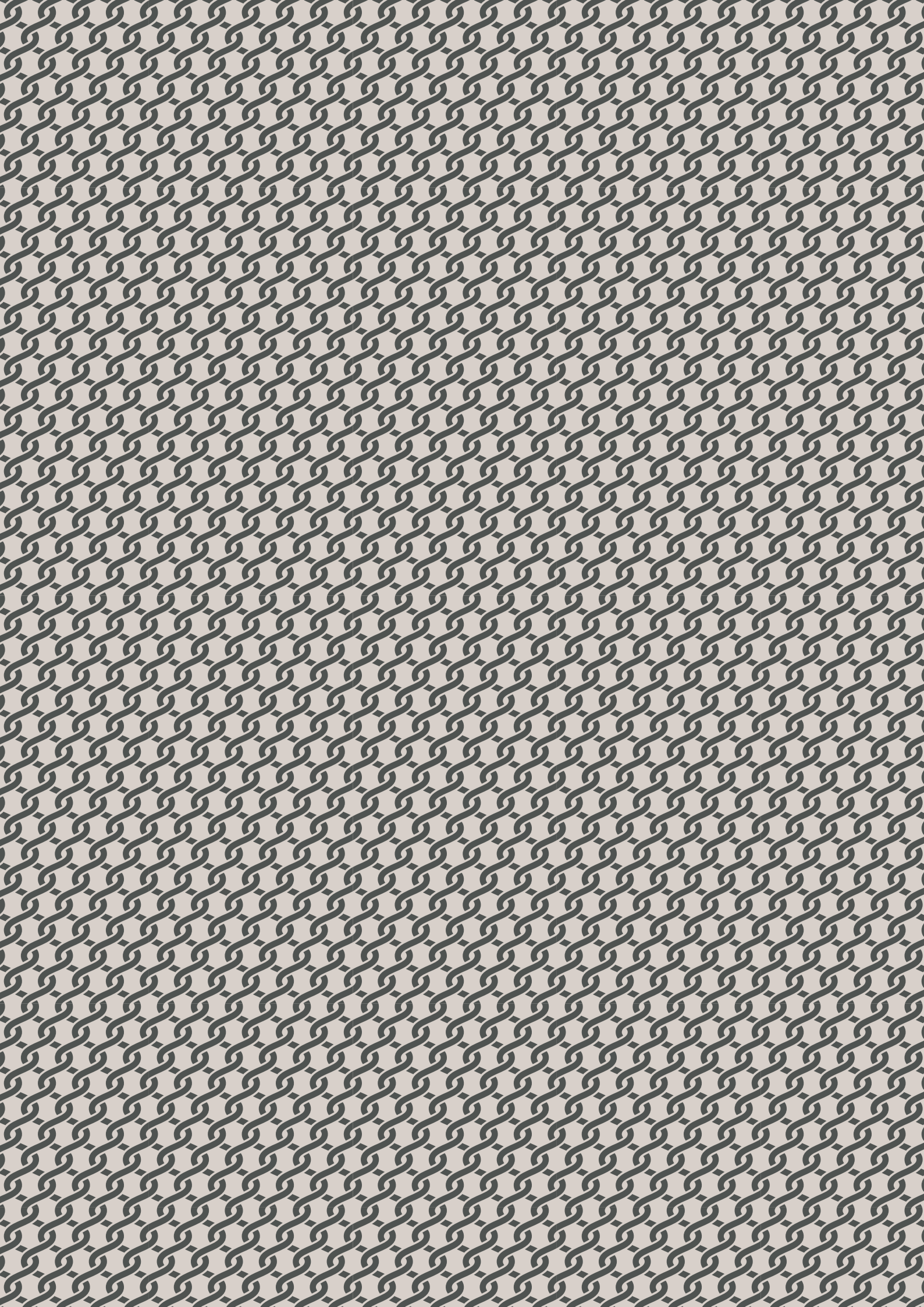




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A GUIDE TO NEWBUILD CONVEYANCING







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WHAT CAN I DO TO HELP?

CONGRATULATIONS ON BUYING YOUR FIRST HOME!

Because you're buying a new build property, your experience will be much more of a whirlwind than usual. Because of the deadlines set, things may seem stressful, and you may be uncertain of what to expect. This guide highlights the key stages of the transaction, illustrating the process in an understandable way.

FIRSTLY, A FEW THINGS THAT YOU CAN DO TO SPEED UP THE PROCESS AND SAVE PRECIOUS TIME.

Speeding up the process

Give yourself a head start and speed up your move by completing the necessary legal documents as soon as we send them to you. In recognition of this and for your peace of mind, our "no sale, no fee" service means that, should anything happen to abort the transaction, you won't incur our legal costs (though this may exclude some negligible expenses).

Signing documents

Throughout the transaction, there will be documents and forms for you to complete and sign. Some of these will need to be signed in the physical presence of a witness. Your witness must be over the age of 18 and unrelated to you or the transaction; a friend or neighbour is ideal. Please return all documents sent to you as quickly as possible, together with any other items requested. This will ensure that everything gets off to a good start and will allow us to attend to things more promptly.

THE CAUSES OF DELAYS

As you are buying a newbuild property, you will avoid many of the dreaded delays that can arise in ordinary transactions, which can have long chains and delays caused by planning permission, as well as the possibility of the other party pulling out of the transaction. Usually, a standard newbuild transaction will take around four-to-five weeks to exchange contracts, meaning that your conveyancer will be pressed for time to ensure that everything is completed in readiness for the given expiry date.

You should consider the following factors that often cause delays:

1. Not letting us know of any Help to Buy products (i.e.: the equity mortgage scheme and ISAs) or gifts.
2. Not sending funds to the solicitor promptly, or having insufficient funds to complete the transaction.
3. Not instructing a solicitor to act on your behalf as soon as you have reserved the property or, ideally, before.
4. Delays due to lenders' requirements.
5. Time taken to complete the mortgage valuation.
6. Related sale transactions, and any associated chains.
7. Incorrect information on the mortgage application forms.
8. Mortgage offer expiring. If you are buying a property that is not estimated to be built for around 3-6 months' time, you should advise your solicitor and mortgage broker as you may need to get a new mortgage offer if yours expires before you are due to complete the transaction.
9. Not signing and returning legal documents in a timely fashion.
10. Parties being on holidays.
11. Local Authority time scales (for searches and affordable housing/shared ownership).

WHAT IS CONVEYANCING?

In this context, conveyancing involves legally transferring home ownership from a seller to a buyer. It starts when an offer has been accepted on a property and finishes when the new owner receives the keys. Many people will buy and sell a property at the same time, so your conveyancer will deal with both sides of the transaction simultaneously.

1 GETTING READY

Estimated time: 1 Week

Being prepared is key to a fast but smooth transaction. It involves completing our initial documents promptly upon receipt; preferably before a plot is reserved, or shortly thereafter. The required forms ask questions about the purchase, and any sale that might be related. Leaving this to the last minute can cause potential delays further along in the transaction.

On any related sale, you will be sent a number of forms. It is imperative that you complete these fully, to the best of your knowledge, as these will be the basis on which your buyer will raise their initial enquiries. If the forms are not completed properly, this will result in unnecessary enquiries and, thus, delays.

POTENTIAL DELAYS AT THIS POINT

- Obtaining Leasehold Packs
- Leaving forms to the last minute
- Incorrect information on the Mortgage Application form
- Not declaring a gifted deposit

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THE MAIN PHASE

Estimated time: 3-6 Weeks

This is the most important stage, and it starts when we receive your completed initial documents. Things will be very busy during this stage, for both of us.

On your purchase, we will request the Contract pack from the developer's conveyancer and raise any enquiries with them. We will carry out searches on the property to ensure that there are no issues that you, and potentially your lender, should be aware of. If applicable, your Mortgage Offer will be sent to us and we will go through the conditions of the mortgage. We will also have to report anything to your lender, as we act for them as much as we act for you, and vice versa.

At this stage, we will also begin our liaisons with Help to Buy. We will request their Authority to Proceed (and later Exchange, and Complete).

On the sale side, we will send the Contract pack to the buyer's conveyancer and deal with any enquiries they raise, notifying you of any additional information required. As soon we receive the signed Contract and deposit (if required), have satisfied your buyer's enquiries and made arrangements with the lender to redeem any mortgage(s) on the property, we will be ready to go.

POTENTIAL DELAYS AT THIS POINT

- Longer mortgage affordability assessments
- Waiting for the mortgage valuation to be completed
- Mortgage Offer expiring before exchange
- Waiting for responses and legal documents from other people in the chain
- Transferring funds to the conveyancer

CHECKLIST

On a sale:

- ☐ Respond quickly to requests for additional information

On a purchase:

- ☐ Arrange Buildings Insurance
- ☐ Sign the Contract
- ☐ If required, arrange a full structural survey
- ☐ Review the Contract, the property report and the Title
- ☐ Provide proof of deposit funds and transfer to a conveyancer

3 EXCHANGE OF CONTRACTS

Estimated time: 1-2 Days

Once contracts are exchanged you will become legally obliged to complete the transaction(s). Until this time, there is no legal liability on the seller nor the buyer to proceed. Upon Exchange of Contracts, it is common for the buyer(s) to pay a deposit, which is held by the seller's conveyancer and your conveyancer will confirm your completion date. However, some developers agree to paid in full on completion if you ask them.

If the property is still under construction, we will usually exchange to complete on notice (unless the property is already finished). This means that around two weeks before the build is due to complete, the developer's solicitor will write to notify us of the date for completion, and we will be back in contact with you to make the necessary arrangements for this date. As a formality, we will have to take your authority and then exchange contracts and let you know when this is done.

4

PRE-COMPLETION

Estimated time: 2 Weeks

The end is in sight at this point!

Before we complete, we will send you a statement showing the outstanding balance, including our fees, which will need to be cleared into our bank account at least one day before completion.

On your purchase, we will ensure that all documents have been signed and completed as necessary. We will arrange for you to send us your completion funds and any monies expected from your other funding sources (such as your mortgage lender, Help to Buy etc.). We will also carry out final bankruptcy and Land Registry searches.

On your sale, we will make sure you have signed all the necessary documents and ask your lender to provide the final figure required to pay off your loan on the day of completion.

There is a lot of work for both conveyancers and lenders between exchange and completion. You should allow for at least two weeks to ensure everything is in place.

POTENTIAL DELAYS AT THIS POINT

- Transferring funds to conveyancer
- Other parties involved not being ready

CHECKLIST

On a sale:

- ☐ On the sale, sign the Transfer document (if this was not completed prior to exchange)

On a purchase:

- ☐ Transfer balance of funds to your conveyancer

5 COMPLETION

Finally, the work pays off here! The completion date is the day on which you hand your old property over to the buyer and receive the keys to your new home. However, before you can take ownership and collect the keys from the site, you must check with us that the funds have changed hands and contracts have been completed.

Everyone will aim to complete as early in the day as possible; however, this can take some time as the funds will need to change hands up and down the chain. The actual time that completion takes place will be by around 2pm, so you should aim to have the property cleared of all your possessions and rubbish by 12 noon at the latest.

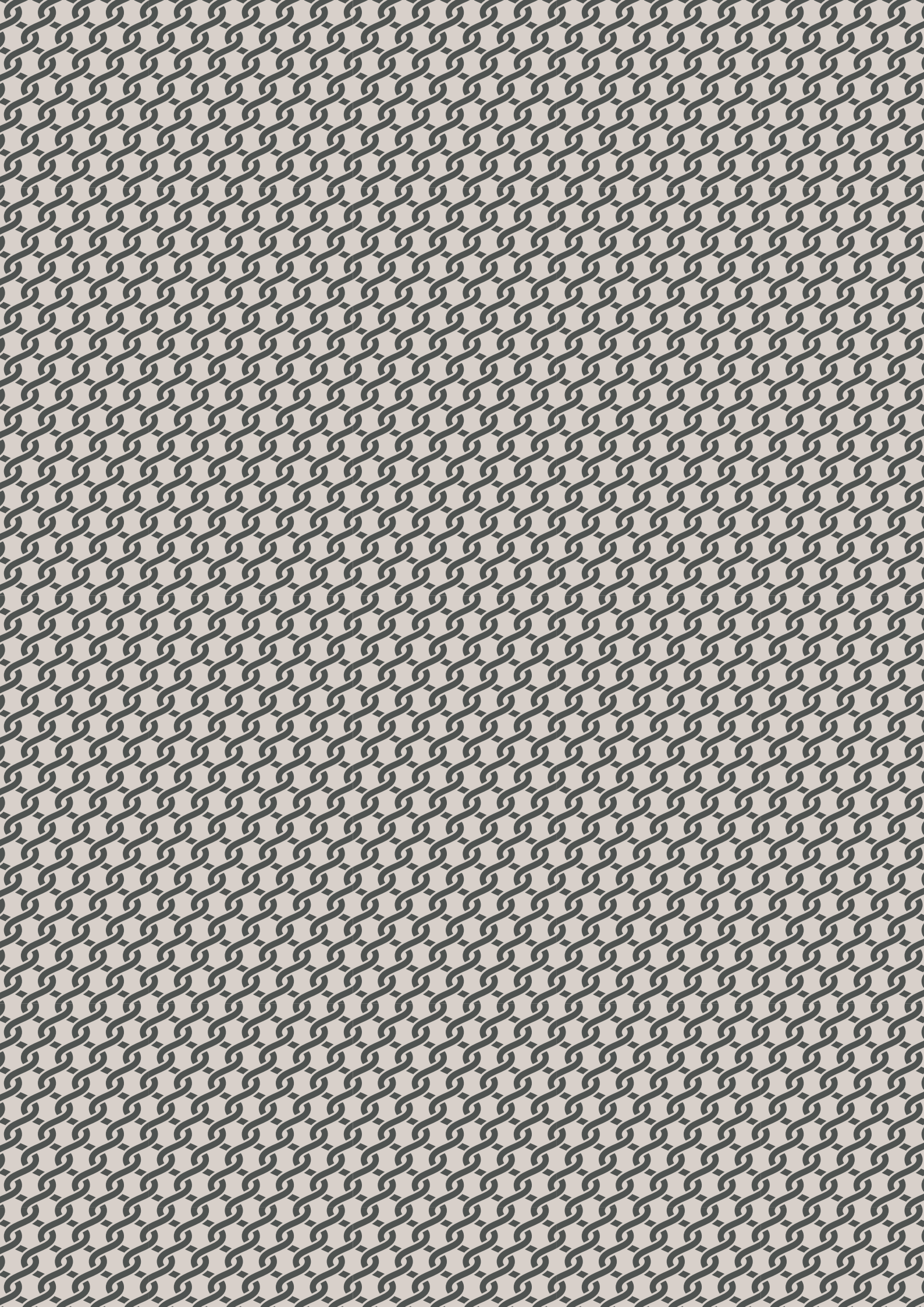
Congratulations, you've moved into your new home!

6 TYPING UP LOOSE ENDS

There are still some loose ends for us to tie up after completion. Stamp Duty or Land Transaction Tax will be paid, if applicable, and registration application documents will need to be sent to the Land Registry. It can take a couple of months for the Land Registry to complete the registration. Once the Land Registry completes the registration, a copy of the updated Title will be sent to you and your lender (if they require one).

WHY USE HENNAH HAYWOOD LAW TO PURCHASE YOUR NEW HOME?

- Our firm first opened its doors in 1887, and we have been **committed to providing excellent service** ever since.
- **We specialise in all aspects of conveyancing**, particularly newbuild and leasehold transactions. However, we also know how confusing the conveyancing process can be. At Hannah Haywood Law, you will receive expert legal advice in straightforward language.
- Our unique position allows us to provide **expert services at competitive prices**. We are confident that you will not be disappointed.
- **We pride ourselves on our transparency**. Our case management system gives you direct insight into the progress of your transaction, meaning you can spend less time on the phone or writing emails and more time planning your new home!
- **We are also completely transparent about our costs**. We have a conveyancing calculator on our website, which will let you budget as effectively as possible. If matters ever necessitate any change in costs, you can rest assured that we will update you before you incur the cost.
- **Your experience is important to us**. We believe strongly in the need to ensure the quality of our services. We have recently launched our Paralegal Training and Development Programme, which has been accredited by the Institute of Paralegals and The CPD Certification Service to ensure that our staff are well-equipped to help you through what can be a stressful time.





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