



Purchase Transaction Guide

Useful information and advice for you
to refer to throughout the process



This guide has been designed to help answer any questions you may have in relation to your property transaction.

It outlines the legal work your conveyancer will carry out on your behalf, as well as useful information and advice for you to refer to throughout the process.

If you have any further queries relating to your transaction, the conveyancing process or your legal costs, please do not hesitate to contact us.

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Our Service

What service can I expect from Convey Law?

Convey Law will act on your behalf to carry out the legal work required for your property transaction. Our philosophy at Convey Law is to be the very best at what we do and to exceed our clients' expectations. We aim to offer exceptional legal advice and a quality of service which is second to none. We will endeavor to make the process as smooth and efficient as possible.

Communication is essential to providing you with a service of the highest possible standard and your conveyancer will keep you updated throughout the process. We ask that you trust in your conveyancer to keep you updated at the key stages of your transaction, however should you have any additional queries please contact your conveyancer using the details provided. Our conveyancers aim to respond to all calls and emails within 48 hours.

The individual acting on your behalf in the sale or purchase of your property is referred to as the 'conveyancer' throughout this documentation. The conveyancer is not a licensed conveyancer unless we have specified otherwise in our initial letter to you. Your conveyancer will have the necessary experience and appropriate legal academic qualifications to conduct your transaction effectively.

Convey Law is regulated by the Council for Licensed Conveyancers (CLC) and therefore all work undertaken by our staff is duly regulated by the CLC and is supervised by the Directors.



How can I track the progress of my transaction?

All of our clients can enjoy the benefit of our **online case tracking facility**. This allows you to view the progress of your property transaction, 24 hours a day, seven days a week. Your conveyancer's case management system is linked directly to our online case tracking facility, providing automatic updates every hour.

Upon receipt of your instruction, your login details will be sent to you directly by email. If you require any assistance with the online case tracking facility, please do not hesitate to contact our **New Business Team** on **01633 261781**. The fee for the use of this facility is detailed in your Legal Cost Estimate. Please inform us at the start of your transaction if you do not require this service and we will waive the online case tracking fee.

Certain introducers have their own case tracking facilities for you to use and we will provide you with their tracking facility details at the start of your transaction. In such circumstances, you will not be charged our online case tracking fee.





How can I provide feedback?

We value all client feedback as it allows us to continually develop as a business. We therefore request that all of our clients take part in our service evaluation questionnaire, which is emailed following completion. Alternatively, you can provide us with feedback by visiting the Reviews page of our website at www.conveylaw.com/our-reviews

In the unlikely event that there is an aspect of our service which you are unhappy with, we ask that you please follow our **Complaints Procedure found on our website**. A copy can also be found in our Terms of Engagement. We will action any issues raised expeditiously and in a practical manner, in order to achieve the most effective resolution.

Proof of Identity

Why does my identity need to be verified?

It is a legal requirement for us to verify your identity before we can act on your behalf. Conveyancing firms can be a target for money laundering and fraudulent activity because of the high-value of property. We therefore carry out compulsory verification checks on all of our clients and are unable to exchange contracts until we are satisfied of your identity.

What identity documents do I need to provide?

You will be asked to provide your identity documents when completing your Welcome Pack in the online portal. We will then use our innovative biometric and electronic checks to verify your identity.

We will require the following:

- A photograph of you: We will need you to take a photo of yourself so that we can verify who you are. As if you were taking a photo for a passport, you should look straight at the camera with a plain expression. The photo should be clear and in focus.
- Documentary evidence of identity: We require a picture of either a Full Valid Signed Passport or your current UK Photocard Driving License.
- Documentary evidence of address: We require a copy of a proof of address document which must show your name and address, and must be less than three months old. We accept the following:
 - Recent Utility Bill or Statement (not a mobile phone bill)
 - Local Council Tax Bill for the current year
 - Bank or Building Society Statement (not a credit card or joint account statement)
 - Recent Original Mortgage Statement
 - Inland Revenue Self Assessment Statement
 - House or Motor Insurance Certificate

We are under a general professional and legal obligation to act with confidentiality. However, we are required to report to the National Crime Agency (NCA) where we know or suspect that a transaction involves Money Laundering or Terrorist Financing. By instructing us to act on your behalf, you give us irrevocable authority to make a disclosure to the NCA if we consider it appropriate. You agree that this authority overrides any confidentiality or entitlement to legal professional privilege. It will not be possible for us to inform you in the event that it proves necessary to make such a report.





Cyber Security

Why am I at risk of Cybercrime?

Over the past few years, conveyancing firms and their clients have been at increasing risk of cybercrime. As property is a high-value asset, fraudsters need only commit the crime once for a significant financial return. It is not uncommon for a criminal to pretend to be the owner of the property or a conveyancer in order to access sale proceeds.

How can I protect myself from Cybercrime?

There are a number of ways that you can protect yourself from becoming a victim of cybercrime:

- We will never contact you with a change of our bank details. Should you receive any suspicious communication purporting to be from Convey Law, please contact us immediately on a number you have previously used.
- Please call us to verify our bank details before sending your deposit funds.
- Try to limit the number of people who know you are moving home and do not post about it on social media.

How does Convey Law help protect you from Cybercrime?

Convey Law take the risk of cybercrime very seriously. We are part of the Conveyancing Association Cyber Safe Scheme and ensure that we have our own rigorous processes in place to avoid an incident.

We also have the following products to help protect our clients and their property:

Cyber Crime Verification Product

Our Cyber Crime Verification Product is a mandatory additional service which involves verification checks of the conveyancer acting on the other side of the transaction and the authenticity of their and your bank details. These verification checks reduce the risk of interception by a cybercriminal attempting to access the sale proceeds.

Please confirm your instructions in relation to the Cyber Crime Verification Product when completing your Welcome Pack at the start of your property transaction. Your instructions to implement our Cyber Crime Verification Product incorporate your formal authority to divulge the appropriate information to relevant third parties to undertake the appropriate due diligence checks and your acknowledgement that Convey Law will not accept responsibility or be held liable for inaccurate information supplied by third parties. Please contact us if you require any further information in relation to this fraud prevention service.

Property Fraud Restriction

Fraudsters can and do target properties by pretending to be you – the property owner. They can try to sell or mortgage your property, leaving you to deal with the consequences. Our Property Fraud Restriction product helps to reduce the risk of fraud by registering a proof of identity restriction on your property at the Land Registry. This means that a conveyancer or solicitor will need to confirm in writing that any application to the Land Registry was made by you, the property owner, protecting you against identity fraud. If you choose to take advantage of this additional fraud protection, we will register the restriction with the Land Registry on completion of your purchase.





Timescales

How long will it take to complete my transaction?

This is a difficult question to answer at the start of the process. There are various factors which can affect the timescale of your transaction such as the type of property, the parties involved, the complexity of the legal work and the need for a mortgage. Delays typically arise from incomplete information at the start of the process, late mortgage arrangement, difficulty agreeing completion dates, complications with the legal title and long chains.

The national average transaction time has increased significantly in recent times to in excess of 20 weeks from instruction to the completion date. Our average at Convey Law is between 16 to 20 weeks and we will ensure that we progress your transaction as efficiently as possible. However, unforeseen complications can arise in the legal process which are out of our control. Your conveyancer will communicate any issues to you and work to resolve them as soon as possible.

How can I help speed up my transaction?

Very often any delays are outside of the control of you or your conveyancer. However, there are ways that you can avoid a slowdown of your transaction:



Provide as much information up front as possible

A common delay at the start of the transaction is late or incomplete information from the seller about the property. When the buyer's conveyancer reviews the property information they will have to re-request this from the seller, so it saves time for all parties to provide it upfront.



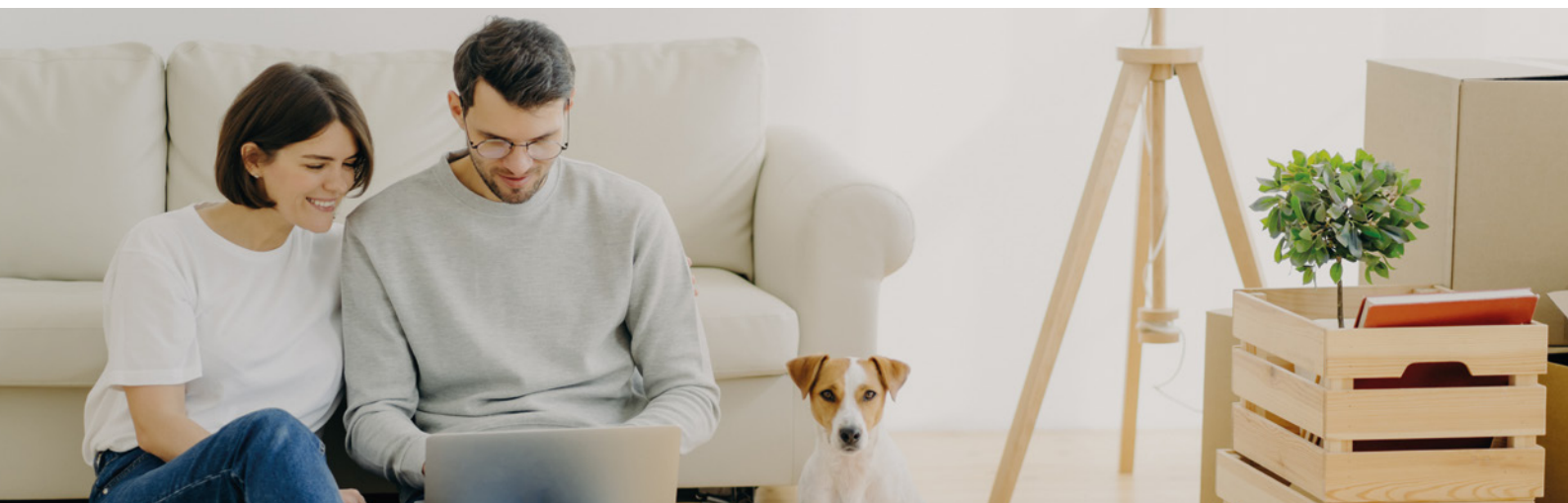
Trust in your conveyancer

Your conveyancer will keep you updated throughout the transaction and be on hand to answer any queries you may have. However, it can sometimes be counterproductive to be in constant communication, especially when the delay may be out of our control. We ask that you trust in your conveyancer to keep you updated at the key stages through your preferred method of communication and via our online case tracking system, available 24/7.



Be efficient

Be efficient in completing the required documentation and responding to any queries from your conveyancer. Avoid being the source of any delays where possible.





What is a suggested completion day?

When a sale is agreed, the parties involved may suggest a preferred moving day, referred to as the completion date. You should inform your conveyancer of any suggested completion dates at the start of the transaction as it can be a helpful target and your conveyancer will also be able to advise on the feasibility of the proposed date.

It is important to remember that the suggested completion date is flexible and cannot be guaranteed until exchange of contracts. It is only at exchange of contracts that the completion date is fixed and legally binding for all parties.

We would advise that you do not confirm arrangements with your removal company or give notice to your landlord until contracts have been exchanged and the completion date is fixed.





What is the Charity Lotto?

The Charity Lotto is a client competition, started by Convey Law in 2010. We later established our sister charity, the Conveyancing Foundation, to encourage other conveyancers and relevant businesses to adopt the competition which has raised nearly a million pounds for charities in the UK.



How does it work?

The concept is simple: Each client agrees to a one-off total fee of £10.00 (£1.00 lotto entry plus £9.00 donation) at the end of their property transaction and will be into the following month's prize draw for the chance to win £500.

We claim Gift Aid whenever possible so that each eligible client donation is worth £11.25 for charity. With your help, we are able to raise thousands of pounds for charities across the UK (and wider) each month.

How do I enter?

You will have the option to enter the Charity Lotto when you complete your Welcome Pack. You can also let your conveyancer know at any time (up to 48 hours prior to your completion date) during your transaction.

How will I know if I win £500?

Following completion, you will be entered into the randomised prize draw. If you are the lucky winner, we will contact you in the months following and arrange for the payment to be made into your account.

Which charities will benefit from my donation?

The Charity Lotto has allowed us to raised over £1million to support various causes over the past decade. We have been able to fund a specially adapted bike for a child with Cerebral Palsy, raised over £50,000 for Children with Cancer and contribute to the building of a wellbeing centre at a local school to name a few.

We have also raised thousands for other charities which are often nominated by our team at Convey Law, who feel passionate about supporting causes close to their hearts.

One of our most rewarding partnerships is with local children's hospice, Tŷ Hafan. The charity offers comfort, care and support for life-limited children and young people and is dedicated to improving the quality of life for the whole family. Convey Law has raised in excess of £300,000 for the Tŷ Hafan Children's Hospice over the last ten years.





Purchase Transaction Guide

Your Purchase

What am I buying?

Your conveyancer will send you a plan of the property which outlines the area of land that you are purchasing. Your conveyancer will not have seen the property and will rely on you to check the plan carefully and tell them if it is incorrect, or does not match what you have seen on when you viewed the property.

We will provide you with a Fixtures, Fittings and Contents list, which has been completed by the seller. This outlines what is and isn't being included in the sale such as furniture, curtains, light fittings etc. It is important that you check the list to ensure that you are purchasing what you agreed to purchase at the property.

What is the role of my conveyancer?

Your conveyancer will act for you and your mortgage lender, if applicable, in carrying out all the necessary legal and administrative work involved in your house purchase. Your conveyancer will carry out a series of checks on your behalf including a review of the legal title, property searches, your mortgage offer, seller's information forms and more. It is their role to highlight any potential issues that may affect your use or enjoyment of the property.

Your conveyancer is also responsible for the payment between all parties, including the payment of Stamp Duty Land Tax. Once your transaction has completed, your conveyancer will be responsible for registration at the Land Registry.

What is 'Caveat Emptor'?

Caveat Emptor is a Latin term that means 'let the buyer beware' and it is the legal principle which is the basis of the conveyancing process. It places the onus on the buyer to find out if there are any legal issues or physical defects relating to the property.

Your conveyancer will carry out all the required legal checks and will rely on information provided by public bodies such as the Land Registry and the Local Authority, as well as information provided by the existing owner of the property. Your conveyancer will not be making a physical inspection of the property. The existing owner is duty bound to provide you with information that is accurate. However, we cannot guarantee the accuracy of the information provided by the existing owner, it is therefore vitally important that you check that the information provided by the existing owner is accurate.

You should advise us if you discover or suspect that there is anything unusual about the seller's circumstances. For instance, a dispute between them or whether there are any other adults who appear to be living in the property, as this will enable us to make full enquiries on your behalf.

You should also tell us if you think that there have been any alterations to the property, as it will be necessary for us to make sure that all the correct planning and building regulation consents have been obtained and, if they have not, to advise you as to how this can be remedied. We are thinking here of extensions, the removal of internal walls; the conversion of rooms for purposes for which they were not originally intended; the erection of conservatories and the installation of new windows and doors.

The property which you are purchasing may be sold with the benefit of certain guarantees. Matters, such as damp-proof works, timber infestation and double glazing, may have the benefit of guarantees. Please note that we will not check the validity or transferability of any such guarantees. It is "your responsibility" to ensure that the guarantees, which are supposedly in effect on the property, are valid and that all relevant documentation in this regard is to hand.





What do I need to consider if my property is leasehold?

If you are purchasing a flat, a maisonette or a housing association property it will almost definitely be leasehold. There can be substantially more legal work required for leasehold properties and we therefore charge an additional leasehold fee, which should be included in your Legal Cost Estimate. For this reason, the timelines for leasehold transactions also tend to be longer.

Your conveyancer will review the lease and let you know the remaining lease term, your rights and responsibilities and any restrictions on your use of the property. It is important that you read and understand the terms of the lease as you will be bound by these during your ownership of the property.

Your conveyancer will also obtain a copy of the management information via the seller's conveyancer, and will report to you with any potential issues, check the buildings insurance policy and let you know the annual Ground Rent and Service Charge payments.

It is also the role of your conveyancer to notify the landlord of the change of ownership once you have purchased the property. The landlord will usually charge a fee for the administrative work involved called a 'notice fee', which will vary with each property but is usually between £50 - £300. We will also charge a standard additional fee for our work in preparing each notice.

What do I need to consider if I am buying a new build?

We will work with the developer's conveyancer to ensure that your new build purchase runs as smoothly as possible. If building work on your new property is not finished when contracts are exchanged, then the completion day will not be fixed, but will be on a later date given by the developer.

Your conveyancer will check that the property has been constructed in accordance with all current planning and building regulation laws. When the builder has finished marking out the boundaries of the property, you should check that they match the plan on the transfer deed.

New build properties involve a significant amount of work and an additional 'New Build Fee' will have therefore been added to your Legal Cost Estimate.





What do I need to consider if I am buying with someone else?

In law, there are two ways in which you may hold jointly owned property, Joint Tenants and Tenants in Common.

Joint Tenants

If you hold the property as Joint Tenants, the property will be held in your joint names. The property will automatically pass to the surviving owner on the first death. The property will not form part of the deceased owner's Estate, regardless of any instructions to the contrary in their Will.

Tenants in Common

If you hold the property as Tenants in Common, the property is held in your joint names and each owner holds a proportional share of the property. Upon the death of either party their share in the property will pass in accordance with the intestacy rules or as indicated in their Will. The property will not automatically pass to the surviving owner.

It's important to consider how the property will be jointly owned and we ask you to specify when completing your Welcome Pack. If each client is contributing different amounts to the purchase of the property, we can also assist you in drafting a Declaration of Trust which will dictate how the sale proceeds will be divided when you sell.

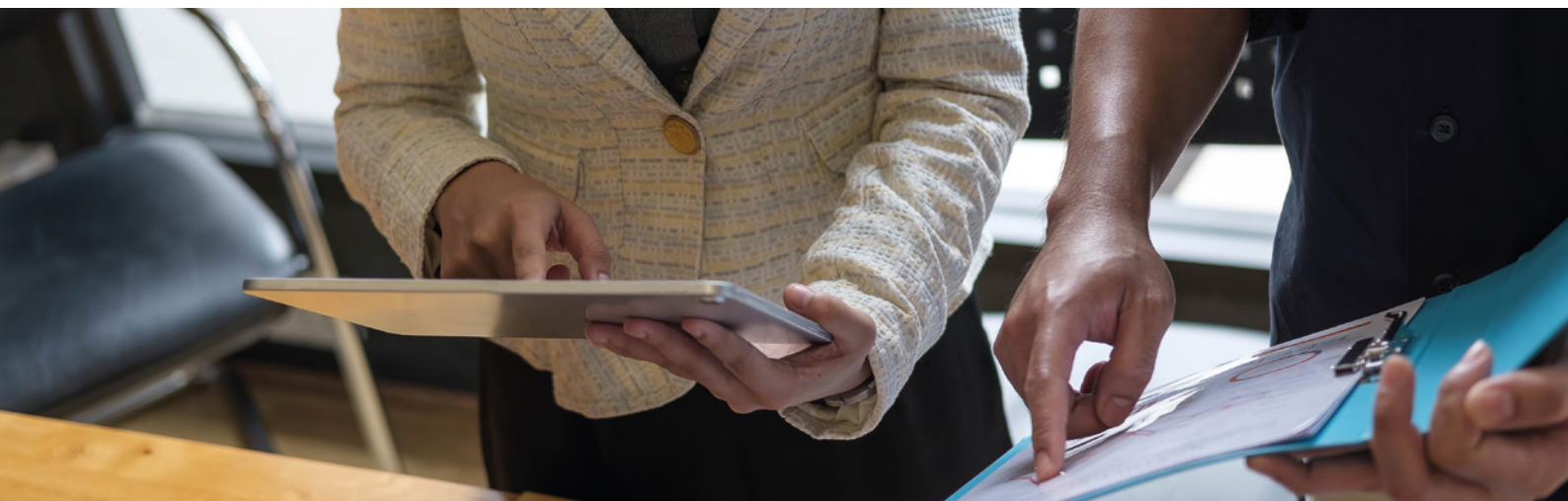
What if the property is unregistered?

The vast majority of properties in England and Wales have now been registered at the Land Registry, with only 13% of property remaining unregistered. If the property is unregistered, we will have to deduce title to ensure that the seller has proof of ownership, usually evidenced through physical deeds. Once your purchase has completed, it will trigger compulsory registration at the Land Registry.

Our basic legal fee is provided on the assumption that the property is registered, and there will be an additional fee for dealing with the complexities of an unregistered property. The Land Registry will also charge an elevated fee for dealing with a first registration.

What is the Green Deal Scheme?

The Green Deal Scheme is a government initiative to allow for a loan on a property for the improvement of its energy efficiency. The loan is repayable on a monthly basis, with the power bills on the property, and runs with the property unless it is repaid on the sale or transfer of the property. Please let us know whether the property being sold/purchased has received the benefit of energy efficiency works undertaken under the Green Deal Scheme. You can find further details within our Terms of Engagement.





Searches

What are property searches?

Searches are enquiries made by your conveyancer with the local authority and other parties to find out more about the property. Searches are an essential piece of the puzzle in finding out as much information as possible before you exchange contracts and are a legal requirement if you are purchasing with a mortgage.

A typical search pack includes a Local Authority, Water and Drainage, and Environmental Search. Depending on the location of the property additional searches such as a Flood Report or Coal Mining Search,

Your conveyancer will provide you with a copy of the search results and our report by email which will highlight any potential issues. Should you require a printed copy of the search results, an additional fee will be payable.

How do searches cost?

We have an established relationship with our search providers which allows us to be competitive in price. You will be provided with an estimated cost for searches with your Legal Cost Estimate. As this is a disbursement, we require the payment to be made before we can order the search pack.

How long do search results take?

Search results are typically returned within 4 weeks but can sometimes be in excess of 6 weeks before they are returned due to delays with local authorities. It is essential that you make the payment on account for searches as soon as possible to avoid any delay.

What is a Local Authority Search?

The Local Authority Search is considered the most important and will reveal information recorded by the Local Authority about the property. It should reveal, amongst other things, planning consents, building regulations, enforcement notices, highway adoption and future potential road works. This search only relates to your property and does not cover any adjacent/ neighbouring land.

We use search providers to undertake Personal Local Authority Searches to ensure that your transaction is processed as quickly as possible. Certain questions and issues relating to the Local Authority Searches may not be answered as thoroughly by our Search Agents as if we were dealing with the Local Authority direct. The answers provided in a Personal Local Authority Search will not be guaranteed by the Local Authority in the event that we utilise the services of a personal search agent although the answers provided by the personal search agent will be underwritten by their professional indemnity insurance.

What is a Water and Drainage Search?

A Water and Drainage Search will ordinarily reveal whether or not the property has the benefit of mains drainage and which Water Authority takes responsibility. It will also show whether there are any public sewers running within the boundary of the property, which the Water Authority may require access to when necessary.

What is an Environmental Search?

The Environmental Search identifies known environmental risks such as past and present contaminated land use, landfills, the probability of radon gas build up, flooding and subsidence, which may affect the value of the property.

Please note that no warranty is given by Convey Law in respect of the results of your Searches.

If you need additional information in respect of adverse search results, specialist information should be obtained from a suitably qualified individual. In particular here we are referring to environmental and structural issues upon which we are not qualified to provide you with any advice whatsoever.





Do I need searches if I am a cash purchaser?

We would strongly recommend that you obtain searches even if you are a cash purchaser. Whilst they are not a legal requirement in this instance, they provide vital information about the property you are purchasing. At the very least we would recommend obtaining a Local Authority Search.

If you do not require searches, we will be required to draft a disclaimer which will incur an additional cost. Once you have purchased the property, you will not have a recourse of action if you discover issues following completion that would have been disclosed in the searches.

What is Chancel Repair Liability?

Chancel Repair liability is an ancient interest benefiting many churches in England and Wales. It potentially allows the church to collect payment for church repairs from owners of former rectoral land. We have a block indemnity policy in place for a situation where your property is, or may be, within the historical boundary of a parish with a potential Chancel Repair liability and you become liable for a payment.

By instructing us, you are providing us with authority to implement our block Chancel Repair Search Indemnity Insurance Policy on your behalf at a cost of £35.00 plus VAT. You are free to take your own advice as to whether or not a more suitable policy is available. Please contact us for a full copy of the indemnity policy or to confirm you do not require the insurance policy.

What is a Commons Registration Search?

In general, you should carry out a Commons Registration Search if you are buying land, particularly in a rural area, or where access to it is over open land or even over a wide verge. While rights of common such as public access may not be attached to your land, they may attach to neighbouring land or other land in the vicinity. In some cases, the nature of the rights of common attaching to nearby land may make your purchase less attractive.

We do not undertake a Commons Registration Search as a matter of course, so please inform us if you require a search to be undertaken on your property.

What if my purchase falls through after searches have been ordered?

As the payment is made directly to the search provider when ordering your searches, we are unable to reclaim the cost if your purchase then falls through.

However, you may be able to benefit from our Second Search Pledge which entitles you to a free set of conveyancing searches on your second property transaction. To qualify, Convey Law need to act on your behalf for your second transaction and the second search order must be within 6 months of, and the same value as, the original order. You can only benefit from the Second Search Pledge on one occasion.





Your New Mortgage

What is a mortgage offer?

A mortgage offer is official confirmation from a lender, typically a bank or building society, that they have agreed to lend you the amount you need to buy a property. By the time you have instructed a conveyancer, you will usually have explored available mortgage options, have a decision in principle or even your mortgage offer in place. We recommend sorting mortgage finance as early as possible to avoid any delays.

How does my Conveyancer receive my Mortgage Offer?

The majority of lenders use secure online Mortgage Portals to enable them to transact safely and efficiently. If your lender uses a portal we will be required to update this portal throughout the transaction and we will also be provided your mortgage offer securely through this also. The Mortgage Portals charge Administration Fees for the use of the Portal which you may need to pay. The Mortgage Portal Administration Fee will vary in accordance with the Mortgage Lender Portal that you are using and we will also charge a small supplement for our time in managing the Mortgage Portal during the course of your property transaction. The Mortgage Portal Administration Fee and our fees in this respect will amount to between £15 and £50 plus VAT and the total cost to you in relation to this service will never amount to more than £60 inclusive of VAT. We will advise you of the cost of any potential Mortgage Portal Administration Fees in your completion statement.

Why does my conveyancer review my mortgage offer?

Your mortgage lender will request the details of your conveyancer and will send us a copy of the mortgage offer. We will then review and report to you on the terms of the mortgage offer to ensure that you have read and understand them. Your conveyancer will also tell you about any special conditions which need to be satisfied and ensure that you understand the potential penalties if you decide to pay off your mortgage early.

Convey Law will give no warranty or advice will be given by Convey Law with regard to the suitability of the terms and conditions of your mortgage and it is your responsibility to comply with the conditions of the mortgage offer. If you have an interest-only mortgage it is "your responsibility" to ensure that you are able to repay the debt at the end of the mortgage term.

What is a mortgage deed?

A mortgage deed is a legal document that gives the mortgage lender a security interest in the property. By signing the mortgage deed, you confirm that you have understood the terms and conditions of your offer of mortgage. If you fail to make repayments under your mortgage, your mortgage lender may take steps to repossess the property.

What is an 'occupier'?

If you are purchasing with a mortgage, you will need to inform us of any persons over 17 years of age who will also be living at the property. The occupier will need to complete an Occupier Consent Form which confirms that they will vacate the property in the event of a repossession. We charge an additional fee for our work in arranging the signature of the form.

What is a valuation report?

Your mortgage lender will require an independent valuation of the property to make a decision to lend. The Valuation Report is usually for the sole benefit of the mortgage lender but is sometimes included in the mortgage offer. It provides a basic open market valuation of the property, and whilst it will comment on the condition of the property, it will not highlight any structural issues and we recommend you undertake a full survey with a qualified independent RICS Chartered Surveyor.





What is a Survey Report?

A property or house survey is a detailed inspection of a property's condition. The surveyor inspects the property and tells you if there are structural problems like unstable walls or subsidence. They will highlight any major repairs or alterations needed, such as fixing the roof or chimney chute. The report from the surveyor also provides expert commentary on the property, from the type of wall to the type of glazing. We would recommend that you commission a survey of your purchase property. If you wish to obtain a Full Home Buyers Survey Report, it will cost in the region of £350.00 plus VAT.

Your conveyancer may be able to review the survey report on your behalf but will not be able to scrutinise the report in great detail nor offer any warranty in relation to any mis-statement or information, which may cause loss or inconvenience to you in the future. There will also be an additional charge for the work involved in reviewing the report.

Proof of Funds

What do I need to send?

It is an essential part of our onboarding process that you provide evidence to confirm that you hold the required funds to purchase your new property or in the case of a purchase with a mortgage, hold the required deposit in your account for payment before exchange of contracts.

We provide an online service via your client portal to confirm your proof of funds evidence by a secure link to your bank. We will need to be made aware of all accounts that hold funds that you will use to fund your purchase. This system provides us evidence to confirm that you hold the funds to complete on your transaction and we may require additional documentation from you to evidence how these funds have been obtained or accumulated – source of funds.

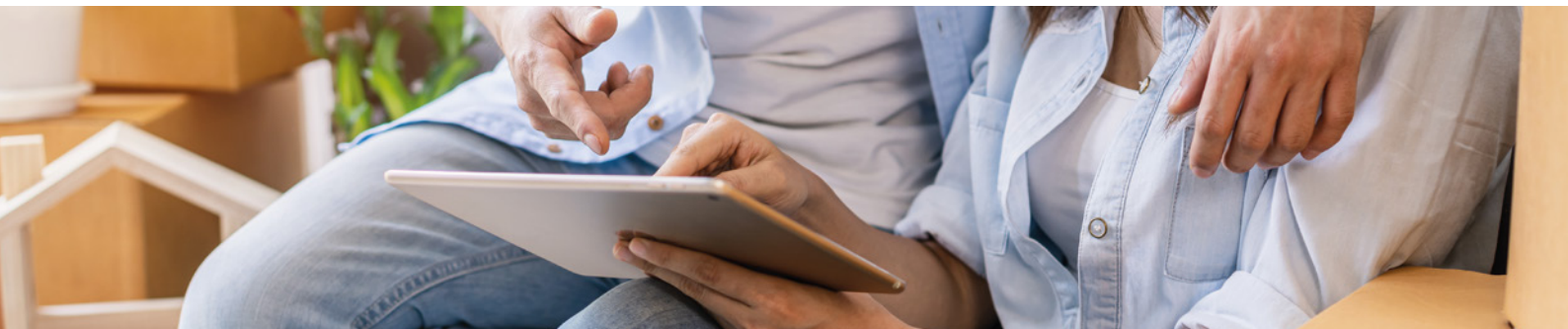
Source of Funds

What do I need to provide?

As part of our anti money laundering obligations, we require that all clients provide us with documentary evidence as to how funds have been obtained or accumulated to facilitate their purchase of a property. This may be bank statements over a period of time to demonstrate funds been accrued, evidence from the sale of a property or similar assets or other relevant documentary evidence as required.

We will ask you to provide a breakdown of your purchase funds during your Welcome Pack process and we will require evidence for each source. It is important that we are provided this information as early in the transaction as possible, to ensure that we can reach exchange of contracts and completion for you as soon as possible.

Please note that we cannot exchange or complete on your transaction without your Proof of Funds or Source of Wealth information.





£ Purchase Money

Will I have to pay a deposit?

The purpose of exchanging contracts in relation to the purchase of your new property is to show that you are purchasing in good faith and to fix the completion date. Upon exchange of contracts, you will be required to pay a deposit of 10% of the purchase price to the seller.

It may be possible for us to reduce the actual deposit paid, although a full 10% deposit will become owed to the seller should you exchange contracts and then fail to complete the transaction on the completion date.

When will I have to send money?

Once all parties are ready to exchange contracts, we will prepare a statement of account and request your deposit funds. Your statement will include the purchase price, SDLT, our legal costs and any other third-party costs it will take into account your mortgage advance (if applicable). You will then be asked to make the payment into our client account, once cleared we will be in a position to exchange contracts. Remember to call your conveyancer to double check the bank details before making payment.

How should I send the money?

The most effective way to send the purchase money is by bank transfer. You should quote your file reference when making the payment and of course, call us beforehand to check the bank details. Please remember, we will never change our bank details from those detailed in this pack.

Will I need to provide proof of funds?

Yes, we need to ascertain the origin of all funds entering our client account. When you complete your Welcome Pack you will be required to complete our Source of Funds questionnaire to detail how you will be sourcing your deposit (e.g. through savings, a gift, sale proceeds of another property etc). This will include you providing a variety of documentation as evidence of how these funds have been obtained or accumulated.

A key piece of documentation are copies of your bank statements, preferably from a verifiable Open Source banking facility, to validate your bank statements and to confirm where the money for your property transaction is originating from. Our clients may use the Thirdfort Open Banking verification facility in our client Portal to provide the required information. Costs for this service will be detailed in your Legal Cost Estimate. This is our recommended procedure as it complies fully with government legislation.

When sending your purchase monies to us before exchange of contracts, you will also need to send us a screenshot or a copy of your bank statement to prove that the funds have come from your account. We reserve the right to make extensive enquiries in relation to the source of funds in order to carry out our money laundering due diligence checks.

What if I am receiving a gift?

You will need to let us know if you are receiving a gift or loan from an individual, e.g. a family member, to assist with the purchase of your property. We will need to inform your lender and carry out our own due diligence checks to ascertain if the money is a gift or a loan, verify the identities of the individual(s) making the payment and where the money is coming from. The money should still be sent from your own personal account, as we cannot accept payments directly from third parties or Limited Companies.

Please note that there will be a fee for the additional work required in respect of a gift/loan.





How do I know how much Stamp Duty Land Tax (SDLT) to pay?

To find out the rate of Stamp Duty Land Tax payable for your purchase property, please visit www.gov.uk/stamp-duty-land-tax/residential-property-rates (England) and www.gov.wales/land-transaction-tax-guide (Wales)

Properties in certain locations may attract Land Tax Exemption. We will check the postcode of the purchase property in order to ascertain whether or not the property is located in an Exempt Area. A Stamp Duty Land Tax Return will be required by HM Revenue and Customs/Welsh Revenue Authority on all property acquisitions where the purchase price exceeds £40,000.

Will I pay more SDLT if I already own a home?

The Land Tax payment thresholds will be increased if you own an interest in any other property, anywhere in the world. We will ask you to confirm whether you own any interest in any other property when completing the Land Tax Declaration at the start of the transaction.

What if I am purchasing with a Help to Buy ISA?

The Help to Buy ISA Scheme was launched on 1st December 2015. If you have a Help to Buy ISA, then you may be eligible for a bonus payment of up to 25% of the closing balance of the ISA, subject to a minimum bonus payment of £400.00 and a maximum of £3,000.00 and provided that you and the property you are purchasing meet the eligibility criteria set out in HM Treasury ISA Scheme Rules.

Please let us know as soon as possible if you are purchasing using a Help to Buy ISA. Your conveyancer can advise you on the eligibility of your property transaction and if appropriate, undertake the necessary process to apply for your bonus payment, upon receipt of your instructions to do so. We will require a 7-day period between Exchange of Contracts and Completion to enable us to apply and obtain the bonus payment for you.

Please note that an additional charge of £50.00 plus VAT will be applied for the additional work undertaken by Convey Law in this respect.

Your conveyancer cannot offer any financial advice in relation to the nature or closure of your Help to Buy ISA Account and you should refer any queries in this respect to your Help to Buy ISA Account provider. If you are purchasing through the Help to Buy ISA Scheme, HM Treasury will be the Data Controller of any relevant personal data that is given by us as your Eligible Conveyancer, to HM Treasury and to the Administrator and / or any sub-contractor of HM Treasury or of the Administrator, for the purposes of the Help to Buy: ISA Scheme. The information will be disclosed to HM Treasury and the Administrator for the purposes of verifying the eligibility of a Help to Buy: ISA Bonus payment and payment of Bonus funds, carrying out audits of Eligible Conveyancers and any investigations or compliance work in accordance with the Scheme Rules.





📌 Exchange and Completion

What is exchange of contracts?

Exchange of contracts is the point in the transaction where the agreement to buy the property is legally binding for all parties and the completion date is fixed. At this stage, your conveyancer will have undertaken all the necessary legal checks and be satisfied that you can proceed to exchange contracts.

In reality, exchange of contracts typically occurs over the phone. Your conveyancer will obtain your authority and instructions regarding a completion date and will then speak to the seller's conveyancer to confirm exchange. Once your conveyancer has told you that contracts have been exchanged, you can confirm the completion date with your removal company and utility providers.

When will I be responsible for insuring the property?

It is the buyer's responsibility to insure the property from the point of exchange of contracts, not completion. We confirm that it will be necessary for you to provide us with a copy of your insurance schedule, prior to exchange of contracts. However, we accept no responsibility in ensuring that your buildings insurance policy is placed on risk at the appropriate time.

Should you decide to arrange your property insurance independent of your mortgage lender, then we would refer you to the Terms and Conditions of your offer of mortgage at this stage. Your lender may require that your property be insured for a specified sum, and that its interest in the property is specified on your policy schedule. If we are required to provide your buildings and contents insurance policy on behalf of your mortgage lender or if we are required to check the detail of the policy, this work will incur additional charges of minimum £60.00 plus VAT.

What happens on the completion day?

On the day of completion your conveyancer will send the full amount required to complete your purchase to the seller's conveyancer. Once the money is received by the seller's conveyancer, we will call you to let you know that you are the legal owner of the property and you can collect the keys, either from the Estate Agent or directly from the seller.

Completion typically occurs around lunchtime although it can happen sooner or later depending on the size of the chain.

Can exchange and completion happen on the same day?

Yes, but we would recommend that you leave sufficient time between exchange and completion. There is no legal commitment between you and the seller until contracts are exchanged and therefore no certainty that completion will take place on your preferred date or at all. If you do instruct your conveyancer to exchange and complete on the same day, you will have to make plans and incur costs with no certainty that completion will happen.

If exchange of contracts and completion occur within 5 working days then our expedited property transaction fee of £150 plus VAT will be applied.





Post Completion

What happens following completion?

For clients, collecting the keys to their new home is the end goal but your conveyancer will continue to work on your behalf following completion. They will need to pay Stamp Duty Land Tax, register your interest at the Land Registry and notify the landlord of a change of ownership (if leasehold).

In certain circumstances, it may prove necessary for us to undertake additional work in relation to your property transaction following completion, to secure the registration of your property at HM Land Registry, or dealing with the service of notices, apportionments or retentions which may have been made prior to completion. Such additional work will be charged at the hourly rate of £200.00 plus VAT. In the vast majority of cases, it will not prove necessary for us to make any additional charges following completion of your property transaction.

Will my conveyancer submit my Stamp Duty Form following completion?

Your conveyancer will complete and submit your Stamp Duty Land Form electronically following completion.

Please note that whilst we will complete your Land Tax Return, no responsibility will be accepted by Convey Law in respect of the information contained in the Land Tax Return documentation. It is your responsibility to ensure that the information which is contained in the Land Tax Return is correct, before exchange of contracts. You will be liable to prosecution from HM Revenue and Customs/Welsh Revenue Authority in the event that you have failed to disclose information which may be relevant to the assessment of Stamp Duty Land Tax.

The Land Tax Return together with any tax due must be forwarded onto HM Revenue and Customs/Welsh Revenue Authority within 14 days of completion of your property transaction. Failure to do so will result in a £100.00 fine with a further £200.00 fine after a three-month delay. After a 12-month delay, a fine equivalent to the Stamp Duty payment may be levied. Late payments will also attract interest. No responsibility will be accepted by Convey Law in respect of any surcharges which are levied by H M Revenue and Customs/Welsh Revenue Authority in this respect.

How long will it take to receive the deeds?

Due to extreme delays at HM Land Registry, it is currently taking 6-9 months from the date of completion to register your interest at the Land Registry on regular applications and in excess of 12 months for applications on New Build or Unregistered properties. If you require a copy of the registered title deed to be sent to you, an additional fee will be payable.

Will my file be archived?

All client's files will be retained and electronically stored following completion and will be retained for a period of 6 years on a sale transaction or 15 years for a purchase or Remortgage transaction as per our regulatory requirements. Electronic copies of your transaction file are useful for future reference. Clients have the option of paying a fee on completion of £45.00 plus VAT to receive an electronic copy of their Title Deeds following completion. Alternatively, clients may request a copy of their file of papers from our Electronic File Archive facility at any point in the future at a cost of £150.00 plus VAT per file.

Conclusion

It is our policy at Convey Law to provide you with a service of the highest standard at all times. We hope that this guide has answered many of your questions relating to your property transaction. If you have any further questions, please do not hesitate to contact us. We accept the signature on your Welcome Pack as consent to all of the terms and conditions outlined in this document.



