



ADDITIONAL USEFUL INFORMATION

STAMP DUTY

When you buy a property you have to pay stamp duty if the price is more than the statutory amount, which is, as from the 3rd September 2008, £175,000.00. The amount of stamp duty is paid on the whole price of the property using the following sale:

- | | |
|-----------------------------------|-----|
| ➤ Up to £175,000.00 | Nil |
| ➤ From £175,001.00 to £250,000.00 | 1% |
| ➤ From £250,001.00 to £500,000.00 | 3% |
| ➤ Above £500,001.00 | 4% |

BUYING A PROPERTY IN JOINT NAMES

This is a complex matter and we would ask you to please read our leaflet on this.

HOW SOON DO I NEED TO PAY ANY MONEY

If you are purchasing a property we will ask you for an initial payment, usually £350.00 when you advise us you have found a property to purchase. This will cover the search fees.

We will ask you to pay us the deposit one-week prior to exchange of Contracts. The usual amount for the deposit is 10% of the purchase price however; we will try to negotiate this down to 5% on your behalf.

The balance of the price, solicitor's costs, and stamp duty will become payable by you one week prior to completion.

If you are selling a property we will only need £100.00 from you when you first advise us you have found a buyer. This will cover obtaining duplicate documents. The legal fees, estate agents fees and payment to redeem the mortgage held over the property will be paid out of the sale proceeds on completion before any balance is sent to you.

Ideally, you should contact us first, even before you find a property to buy. This will save you a great deal of time when you do find your ideal home.

DO I NEED A SURVEY?

If you are obtaining a mortgage a valuer will inspect the property on behalf of the lender. His report will be attached to your mortgage offer and it will give you an indication as to whether he thinks the property is worth the amount that you have asked to borrow however, this report will not tell you if there are any structural problems with the property and we would recommend that you do not rely on the valuer's report.

We would advise you to arrange a more detailed report, which is known as a "Home Buyers Report". There is an additional cost for this report but it can be relied upon and it should set out all, if any, defects the property may have. If at a later date you find a problem that is not mentioned in the report, you may have some redress against the valuer.

If the property you are hoping to purchase is quite old/or you are particularly concerned about its condition you can obtain a full structural survey report which is even more details and, unfortunately, more expensive.

REGULATED BY THE SOLICITORS REGULATION AUTHORITY



WHAT ARE THE DIFFERENT SEARCHES

There are six main searches that most solicitors will carry out.

- **Local Authority Search**
This reveals details of the planning history for the property and whether the council are aware of any breaches of planning, any proposals for new road and traffic schemes, tree preservation orders, conservation areas and any other matters within the Councils control that may affect the property.
- **Drainage search**
This will show whether or not the surface and/or foul water drains run into the public or private sewer and the route they take. It will also contain maps showing you exactly where the sewers lie and whether or not there are any in the boundary of the property you propose buying.
- **Environmental search**
This is carried out to see if there are any landfill or waste disposal sites in the area, or if the property has been built on an old industrial site and whether there are any risks from the contaminated land, toxic emissions, flooding and subsidence etc.
- **Planning Search**
This is carried out at the same time as the Environmental search and will reveal all planning consents that have been passed within the vicinity of the property. If a neighbour has got planning permission on an adjoining property but has not yet started work you will be able to decide if it will affect your decision to proceed.
- **Land Registry Search**
This is carried out just before completion in order to find out if there are any new mortgages registered against the property that have not previously been disclosed. If there are then the buyers solicitors will obviously require confirmation that these will be repaid on or before completion.
- **Land Charges Search**
If you are obtaining a mortgage the lender will ask your solicitor to carry out a search to make sure that you are not bankrupt! Quite often this search will show an entry against someone else with a similar name. If so, you will be asked to sign a copy of the result to confirm that it does not relate to you.

REGULATED BY THE SOLICITORS REGULATION AUTHORITY



WHEN DO I NEED TO ARRANGE BUILDING INSURANCE

If the property is a leasehold property the insurance will be arranged by the Freeholder and in some instances the building insurance will be arranged by the lender.

However in most freehold property purchases you will have to arrange the buildings insurance yourself. This should normally be done from exchange of Contracts as the property will be at your risk from that time.

The amount of cover should be the estimated cost of re-building the property if it burns to the ground and this is not necessarily the same as the current market value. If you have had a survey, or you are obtaining a mortgage, your surveyor or the lenders valuer will usually have suggested a minimum amount of cover in their report.

WHAT HAPPENS WITH THE KEYS?

These are usually left with the Estate Agents (if any) and the buyer collects them once the Seller's solicitor has received the money on the day of completion. If there are no estate agents then the seller will hand the keys direct to the buyer. Either way it is important that arrangements are made in advance to prevent the possibility of the buyer having to wait outside with the removal van!

Although your solicitor will always try to ensure that everything is finalised as early as possible on the day of completion – and usually this is dealt with by mid-day – there can sometimes be a delay if, for example, your solicitor is still waiting for the mortgage monies to arrive or there is a particularly long chain. If this happens, please don't panic or become upset because your solicitor will invariably resolve the problem by early afternoon – if not sooner!

CooksLaw.com
16 Reading Road South
Fleet
Hampshire
GU52 7QL
Telephone: 01252 812 957
Fax: 01252 811 667

Email: lawyers@cookslaw.com

Web: www.cookslaw.com

REGULATED BY THE SOLICITORS REGULATION AUTHORITY

This document does not intend to provide legal advice and is for general information only. We at CooksLaw.com accept no responsibility for loss which may occur from reliance on information contained in this document