



# Sale handbook

Your sale questions answered

# Your sale questions answered

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## Important advice

### Read this – before you commit to selling your property

Information given by you about the property and its contents must be accurate. A buyer can claim compensation if the information is false and you could also be guilty of a criminal offence under the Fraud Act 2006.

All the items you have agreed to include in the sale must be left in the property on the completion day. All other items, including rubbish, must be cleared from the property, garage and garden.

You must continue payments on your current mortgage and other loans until the completion day.

All mortgages and loans on the property must be paid off on the completion day.

Do not confirm the completion day with your removal company, until contracts have been exchanged.

We advise you not to treat any suggested completion date as fixed, even if all parties have agreed to it, until exchange has taken place. No one can guarantee you will move on your “hoped for” completion day. The shorter the time between exchange and completion, the more likely it is you will suffer inconvenience and wasted costs.

Once contracts have been exchanged there is no turning back. On exchange of contracts the completion day is fixed.

On the completion day you must move out, leaving your property in the same condition as when you agreed the sale, and making good any damage caused by moving out.

If there is any money left over after legal costs, and all other expenses have been paid, we will only pay it to either all named sellers jointly, or by separate payments to the named sellers. We will not make payments to third parties.

# Anti-money laundering procedures

New Government Regulations mean you must prove who you are before we can deal with your conveyancing.

## Why?

The UK is a major international financial and legal centre, with a strong reputation for honesty and integrity. Unfortunately that is why financial and professional businesses like banks and conveyancing service providers are attractive to money launderers – criminals who sometimes try to hide stolen money by turning it into legitimate income. The government has introduced measures:

- To make it more difficult for criminals to make and keep money from their crimes
- To confiscate the proceeds of crime

For this reason there are compulsory checks which conveyancers have to make of their clients. Being asked for identification does not mean you are under suspicion. The new identification requirements apply to all clients instructing lawyers to deal with conveyancing transactions.

## How this affects you

We will carry out an initial electronic identity check. This is a quick and simple check but we do need to be able to speak to you over the telephone to complete it. If we require anything else we will contact you and explain anything further which we need to prove who you are.

# Timescales

## How long will it take to complete the sale of my property?

### The truthful answer is we don't know

If the buyer does not need a mortgage to buy your property, you are not buying another property, and there is no chain, then it is possible for the transaction to move faster.

On the other hand, delays can happen due to incomplete information, late arrangement of a mortgage, complications in the legal title, long chains of sellers and buyers who cannot agree on a date for completion, or people saying one thing and doing something else, or just changing their minds.

Many customers are surprised to know that we do not speak directly to the other parties to a sale or a purchase when they have their own lawyers. This is to ensure full compliance with our rules of professional conduct. Estate Agents are not bound by the same restrictions and in our experience they are often best placed to keep you informed as to what is happening up and down the chain.

Keep us informed of your wishes, and we will keep you updated on progress and delays. At the start of your sale, neither Countrywide Conveyancing Services, nor estate agents, or anyone else can guarantee a fixed date for completion. Making firm plans in reliance on "hoped for" dates will lead to your time and money being wasted.

## What is an anticipated or suggested completion date?

The anticipated or suggested completion date is a target. We will actively work on your behalf to make the anticipated completion date the actual completion day when you will move out of the property.

We will keep you informed when the circumstances of your sale, or events beyond our control, mean that the target will not be achieved, and needs to be moved.

The completion day, when you will actually move out of the property, is not fixed until contracts have been exchanged. You can make provisional arrangements with your removal company, keeping them informed of any anticipated completion date, but do not confirm your arrangements with them until we have told you that contracts have been exchanged.

## What if I want you to speak to someone else on my behalf?

As you are our client, we can only take instructions from you about your transaction, and can only give you the details of the matter. If you would like us to speak to someone else then we will need your signed written authority giving the name of this person. We will still need to speak to you just before exchange of contracts so that we can confirm the details of the transaction to you, and so that you can give us authority to exchange contracts.

# State and condition

## Energy Performance Certificate (EPC)

You will have to commission an EPC before your property is marketed and you must make this available to your buyer before contracts are exchanged. Speak to your estate agent to ensure that your buyer has had access to this information.

## What do I have to tell the buyer about the property?

We will ask you a standard set of questions about things you will know from living in the property. Information given by you about the property must be accurate.

A buyer can take you to court to claim compensation if the information given is false. You may also be guilty of a criminal offence under the Fraud Act 2006. It is your responsibility to tell us if any of the information changes.

## What do I have to leave behind in the property?

We will ask you to complete a list of what is included, what is excluded, or for sale separately. Tell us if the details change after you have completed the list. The list will form part of the contract.

## When should I cancel my buildings insurance cover?

You should continue your current buildings insurance cover until the completion day.

## What if I have tenants in my property?

Contracts will not be exchanged until your tenants have moved out of the property.

## When should I release my keys?

Keys should not be released to the buyer until we have received all the purchase money from the buyer's lawyer.

# Paperwork

## Why did I need to sign a Terms of Engagement?

When you sign the Terms of Engagement, you agree to our terms and conditions. You give us authority to make certain binding promises to other parties in the chain. The promises are necessary to make the conveyancing process work, and once made cannot be broken.

When you sign the Terms of Engagement, you agree to us disclosing information to third parties within the Council for Licensed Conveyancers Rules and under the Data Protection Act 1998. Countrywide Property Lawyers Ltd is a registered Data Controller under the Data Protection Act 1998.

## Why does an 'adult occupier form' have to be signed?

The buyer will want to be certain that all non-owner occupiers in the property have agreed to leave on the completion day. Being asked to sign the form does not mean that an occupier has any interest in the property.

## What is the contract?

The contract, also called the agreement, describes what is being sold by you, at what price, and who is to buy. It also contains many standard terms to regulate the position should any dispute arise between you and the buyer.

Under the contract, a deposit of 10% of the sale price is due, but not always paid, on exchange by the buyer. If you want to insist that the buyer pays the full 10% deposit, then you must tell us, but this should be balanced with the possibility that exchange of contracts may be delayed whilst the buyer finds the full deposit.

Tell us if any of the details in the contract are incorrect.

## What is the effect of signing the contract?

You will be asked to sign the contract in readiness for exchange of contracts. Signing the contract does not mean that exchange of contracts will happen, or that you have sold the property. Please leave the contract undated.

## What is the transfer?

The transfer confirms the details in the contract. It describes what is being sold by you, and at what price. The transfer is the document which will transfer ownership of the property on completion.

## What is the effect of signing the transfer?

You will be asked to sign the transfer in readiness for the completion day. Signing the transfer before exchange of contracts does not mean that exchange of contracts will happen, or that you have sold the property. **If we do not hold your signed transfer we will not be able to complete even if contracts have been exchanged.**

## Is there a special way of signing the transfer?

**Yes.** The transfer has to be signed in a particular way. You are the transferor and the buyer is the transferee. You need to sign the transfer in front of a witness. The witness should not be a member of your family. A neighbour or work colleague would be an ideal witness.

After you have signed the transfer, your witness should then sign, and also write in their name and address. Please leave the document undated.

### How to sign your transfer, mortgage or lease

Signed as deed by

*Your name will appear here*

in the presence of:

*You sign your name in the box*

Signature of witness

*Your witness signs their name here*

Name (in BLOCK CAPITALS)

*Your witness writes their name here*

Address

*Your witness writes their address here*

# Money

## How much money do you need from me to complete my sale?

In most cases, we will not need any money from you to complete your sale.

On a linked sale and purchase of properties, we may need money from you to complete the sale of your property.

When we need money from you we will send a draft invoice showing how the amount has been calculated and we will ask you to send the money to us as cleared funds which we are able to use, in time for the completion day. The best method of sending cleared money to us is by a direct bank transfer. Your bank may charge you for sending the money to us.

Please do not send us any money via a third party. This will inevitably cause a delay, may be rejected, and will incur additional anti money laundering charges.

You can contact us at any time for an estimated figure of how much money, if any, we will need from you to complete the sale of your property. This estimated figure will become more accurate as your sale gets nearer to the completion day.

## How much money will my lender want to pay off the mortgage?

We will send you a statement from your lender showing the amount to pay off your mortgage. Check the lender's statement for errors and any penalties for early repayment. Tell your lender and ourselves if you think

the statement is wrong. If the statement is wrong, we will require a correct statement from your lender before the completion day.

If the interest rate on your mortgage was fixed for a period of time, then redemption penalties may have to be paid if you pay off your mortgage early.

## When should I stop paying my mortgage?

You must continue payments on your current mortgage and other loans until the completion day. Any overpayments will be refunded by your lender.

**If you stop a payment before completion or cancel your direct debit, it will invariably cause a problem and a delay.**

## Can I transfer my existing mortgage to my new property?

No. You will need to make a new mortgage application, even if you are staying with the same lender.

## Can I transfer existing loans to my new property?

All loans on a property (such as a business overdraft facility, Legal Aid charge, or personal loan) must be paid off out of the sale proceeds, unless the lender concerned agrees to transfer the loan to your new property.

This may take some time for the lender to organise, and if you want to do this you should contact the lender for consent as quickly as possible

If the lender gives their approval, they will send written instructions to us. This will involve additional legal fees.

# Exchange

## What is negative equity?

This is where, on a sale only, paying off your mortgage and the costs of selling your property are more than the sale price. We will not exchange contracts until you pay to us the difference between that amount and the sale price.

We will try to let you know the exact amount we need from you as early as possible before exchange of contracts.

The money which you need to send to us must be cleared, and so be able to be used, in time for exchange of contracts. The best method of sending cleared funds to us is by a direct bank transfer. Your bank may charge you for sending the money to us.

## I am selling a leasehold property – will there be any additional expenses?

If you are selling a flat, you may have to make a payment to cover ground rent and service charge up to the completion day. The buyer's lawyer will need to see the last three years management accounts and your managing agents will make a charge for supplying this to us.

If your service charge is paid in advance on an estimated basis, the buyer is likely to hold back an agreed sum of money to cover any balancing charge payable by you. Once the final accounts are produced we will be able to calculate how much is owed by you and you will receive any of the money held back which is not needed for the balancing charge.

## How is the estate agent's account paid?

We will pay the estate agent's account on completion using your money, unless you tell us in writing not to do so. We treat the estate agent's account as correct unless you tell us that it is not.

## How will I receive any balance money?

If there is any money left over after legal costs, and all other sale expenses have been paid, we will only pay it to all named sellers, to either a named joint account, or by separate payments.

The payments will be by a direct bank transfer for which we will make a charge. We will not make payments to third parties on your behalf except to third party solicitors.

## What does exchange of contracts mean?

From the moment of exchange of contracts, you have sold the property.

Exchange of contracts is carried out on the telephone. The contract to sell and buy the property is binding from the moment telephone exchange happens.

There is no turning back once contracts have been exchanged. Neither you nor the buyer can change your mind about selling or buying the property without having to pay compensation.

Therefore we will not exchange contracts unless you agree that we can do this. We will speak to you on the day of exchange to obtain this agreement. If you are selling with another person we will speak to only one of you to obtain this confirmation unless there are particular circumstances where we believe it would be in your best interests to speak to both parties.

On exchange of contracts the completion day is fixed. We will contact you once contracts have been exchanged. Now is the time to confirm the completion day with your removal company, and arrange final bills for household services and council tax.

# Completion

## What is the completion day?

On this day we complete your sale when we receive the money from the buyer's lawyers. You must move out of the property, and the buyer can move in.

## Why can't the completion day be at a weekend?

Even though we work at weekends, the completion day must be between Monday and Friday. The banks will not transfer money at weekends.

Where possible pick a completion day to allow at least one week between exchange of contracts and completion. This will give you more time to finalise moving arrangements. It will also help us carry out all the tasks that can only be done after exchange of contracts, but must be finished before the completion day.

## Can I exchange contracts and complete on the same day?

Yes, but you should be aware of the risks before you instruct us to do this.

There is no legal commitment until contracts are exchanged and therefore no certainty that the completion will take place at all let alone on your preferred date.

You will inevitably have had to make arrangements at work, with removal companies and utility suppliers in readiness for a proposed move which might not happen. You will be unable to recover any costs in making these arrangements if the simultaneous exchange and completion does not take place.

## What time should I leave the property on the completion day?

On the completion day, you should try to be out of your property by 12 noon. You must leave it in a clean and tidy condition, and free of rubbish. Any damage caused by moving out must be repaired. All the items you agreed to sell with the property, must be left behind.

## What if I fail to move out?

If you fail to move out of your property on the completion day, you will have to pay substantial compensation.

## What if the buyer delays completion?

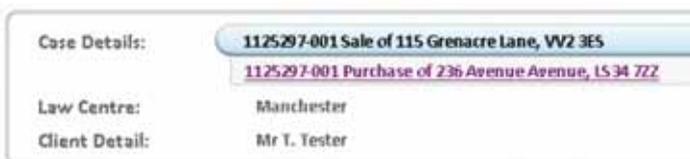
You can claim compensation from the buyer if completion is delayed or does not happen at all. We will advise you about which expenses you are entitled to claim. As we are not litigation lawyers we cannot handle this claim for you, but we can recommend solicitors who do this type of work.

# Tracking your sale

It is important to us that you are kept informed of progress on your transaction. Just one of the ways to do this is for you to visit our website whenever it suits you. Simply go to [www.cwpl.com](http://www.cwpl.com) and login using your case number and password to keep up-to-date with progress (if you do not already have your password, give us your email address and we will send it to you). Here are some details of what you can expect to see and how to use the case updates page.

## Case Details

Your details will be shown together with the address of the property: If you are buying and selling through us, simply click on the link to the address of the property that you wish to see. If we have to show these separately we will provide you with a case number and password for each.



## Key Stage Information

We have provided an information box to give you details on each of the key stages. The Key Stage Information box is just underneath your case details.

## Key Stage

Below this, you will find each of the key stages that we will be working through. They will appear under the 'In Progress' heading to start with and, as we deal with each stage they will be dated, shown green and moved across to the 'Completed' side.

Use your mouse to click on any of the key stages and an explanation will be given in the Key Stage Information box at the top of the page.

### Key Stages



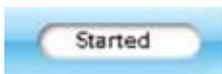
## Extra Detail

We understand that some customers may want to see more detail than others. If you do, you can simply use your mouse to click on any of the + signs to reveal more stages and more information. So, for example, if you click on the + sign of this key stage, it will open to reveal further steps that are involved in that key stage (you can also click on any of these and read more details on them in the Key Stage Information box at the top of the page). If dated, this indicates that this step of that key stage is complete.



Further enquiries dated 27-01-2010 dealt with	Started
Further enquiries received from your buyer's lawyer	27-01-2010
Information requested from you	27-01-2010
Information received from you	
Answer to further enquiries sent to your buyer's lawyer	

Look for key stages that say 'Started'. This indicates that some progress has been made on that particular key stage and so you may want to click the + sign on these to reveal more details.

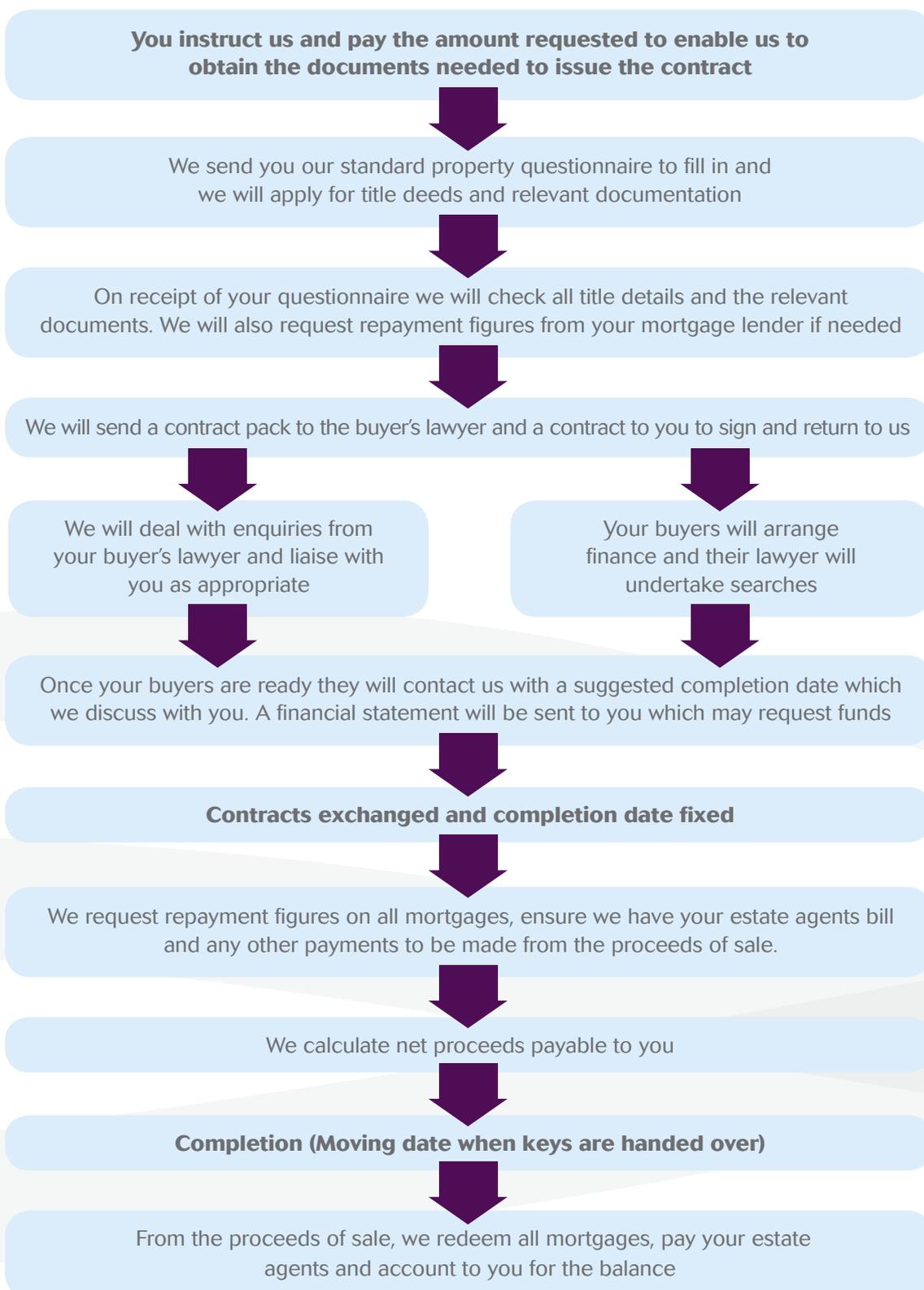


## Other Update Methods

You may decide that you just want to keep up-to-date when you want to by using our website. However, you may also choose to have mobile text alerts or email updates from us, sent when a 'major' stage is met (we won't bombard you with texts/emails for every key stage) or you may decide that you would like a combination of all three methods. Simply log on to our website, go to 'My Account' page and you can arrange to have the updates that suit you best.

# The sale conveyancing process

This flowchart gives an overview of the sale conveyancing process





Regulated by the Council for Licensed Conveyancers to provide conveyancing services.  
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Reference: 06/2010