

# **BARR ELLISON LLP**

## **SOLICITORS**

### **SELLERS GUIDE**

#### **Introduction**

- 1.1 This is intended as a general guide only but it does contain points of advice which are relevant to your sale. If you are in any doubt about any specific issue please ask us for further advice.
- 1.2 If you are buying another property but have not yet advised us please do so as soon as you can and let us know whether the two transactions need to be tied in together.
- 1.3 Our job is to ensure that your interests are protected and that the agreements that you make are in your favour so far as can be achieved.
- 1.4 **Do not** enter into any written agreement with your Buyer or anyone seeking to represent the Buyer without first having discussed the matter with us. You could be putting yourself into the position of being bound by a contract that may be contrary to your interests.

#### **Initial Steps**

- 2.1 You have received from us a letter of engagement. Please sign and return this. We will not be able to start work on your behalf until we have this letter back with us together with any funds requested to cover initial expenditure.
- 2.2 When we receive back from you the letter of engagement duly signed, we will if not already in our possession, obtain the deeds to your property in order to prepare the sale contract.
- 2.3 You have also received a Property Information Form and Fixtures, Fittings and Contents Form. Please complete these as fully as possible and sign, date and return them to us as soon as possible.
- 2.4 If an estate agent is involved in the sale of the property you will have received a copy of the agents details. Please check the details very carefully to ensure that they are accurate and represent the agreed terms of sale. If there are any discrepancies please let us know straight away.
- 2.5 We will ask for your general instructions on the proposed time scale for moving. Please note that this time scale will be subject to the requirements of your buyer. A final date for moving can only be agreed when you and your buyer are ready to proceed.

## **Legal work prior to contracting to sell**

- 3.1 When we have received the title deeds to your property we can produce a contract for sale, property information form and fixtures and fittings list. These, together with a supporting package of documents dealing with title, planning, guarantees or similar applicable to your property are sent to your buyers lawyers for approval.
- 3.2 We may be asked further questions concerning your property once the buyer has received the results of survey or the buyers lawyer has received the searches and instructions for the buyers mortgage. We will advise you and reply as soon as we are able.
- 3.3 The aim is to get to the stage where the contract for sale is approved by the buyers lawyers as soon as possible.
- 3.4 The buyer is entitled to place reliance upon the information we supply on your behalf. You must make full disclosure to your buyer of all relevant facts about the property and its history. This will avoid any misrepresentation to the buyer however innocent or unintended.

## **Reporting to you up to Exchange of Contracts**

- 4.1 As you will appreciate there are a large number of matters need to be investigated to ensure that your interests are fully protected. We will keep you advised of progress on a regular basis either by letter or by telephone call.
- 4.2 Should you have any queries on any matter at any point please contact us as soon as possible.
- 4.3 If your instructions change at any stage will ask you to confirm that those instructions in writing so that we can all be clear on what further steps are to be taken.

## **Our responsibility to your Lender**

- 5.1 We will obtain estimates of the amount required to redeem any mortgage on the property so that we can be sure that there will be adequate funds available to allow the sale to proceed.
- 5.2 Please give us details of all loans secured against the property of which you are aware. It is important to establish at an early stage whether there are any further charges, second mortgages or local authority improvement grants, that may be secured upon the property.
- 5.3 All mortgages, charges and secured lending must be repaid upon completion of your sale.

## **Signing your Contract**

- 6.1 Once we have received the contract approved from your buyers lawyer we will ask you to sign the contract in readiness for exchange of contracts.

- 6.2 Signing a contract does not bind you to sell. It is only when all parties are ready that exchange of contracts can take place.

### **Exchange of Contracts**

- 7.1 Once you are happy to proceed and the completion date is agreed we will commence the exchange procedure.
- 7.2 Exchange of Contracts means that you are bound to sell and the buyer is bound to buy. If either party backs out afterwards there can be a claim for damages one against the other for losses arising. Such loss could include:-
- (a) interest for late completion,
  - (b) damages to compensate the buyer and any other parties suffering loss involved in the chain of transactions.
- 7.3 Remember **Do not** sign any other document with the buyer nor agree any variation to terms without contacting us first. You could put yourself in the position of entering into a contract without realising it.

### **Between exchange and completion**

- 8.1 We will obtain exact redemption statements for all secured mortgages that must be paid off on completion.
- 8.2 We will obtain details of any Estate Agents account.
- 8.3 We will obtain details of any other matters that are to be dealt with at completion; eg. clearance of local authority grants.
- 8.4 We will advise you of all of these and obtain your confirmation that they are agreed.
- 8.5 Where appropriate we will send you a detailed statement of all monies required, which will include our charges and all outgoings for the sale and any mortgage redemption and additional work that you may have instructed us to do. This amount required to complete must be paid to us at least 5 working days before completion to allow for clearance of cheques.
- 8.6 You will be required to sign a Transfer Deed in readiness for completion.

### **Practical Points on completion**

- 9.1 Do not forget to tell the Gas, Electricity and Telecommunications suppliers of your move.
- 9.2 Do not forget to cancel your standing orders for the property.
- 9.3 Do not forget to move! You agree to sell with **vacant possession** on the completion date.

- 9.4 Insurance risk on the building should be retained until actual completion. You agree to transfer the property on completion in the same physical condition as at the date contracts are exchanged.
- 9.5 The risk for contents insurance stays with you. If this was part of your general policy of insurance arranged by the lender then you need to look at contents insurance quickly.

### **Completion day**

- 10.1 We will receive the sale proceeds, pay off any mortgages and any other expenses you instruct us to pay. We will provide undertakings to the buyers lawyers to send your lender's formal release of mortgage and will send the title deeds and the transfer you have signed to the buyers lawyers.
- 10.2 We will account to you for any balance of monies due after payment of our costs on the sale and send you a full financial statement.
- 10.3 We will deal with any reassignment of your life policies, as instructed, so that they are free of the claims of your lender and the benefits revert to you.

### **Conclusion**

- 11.1 We will do all in our power to comply with your reasonable requirements and timescale. Should there be any points you wish to discuss as matters proceed please contact us. We will be pleased to help.