

TOZERS

Our guide to selling your home



Moving home can be a stressful experience so it pays to get the right advice.

As one of the oldest and largest firms in the South West we aim to provide you with a swift and expert service at a competitive price.

The steps involved when selling your home

- Contact several local estate agents for valuations of your property
- Select an estate agent to market the property on your behalf
- Liaise with the estate agent regarding any offers that are made before accepting an offer
- Instruct Tozers to act in connection with your sale
- Complete and return the standard property forms sent to you by Tozers
- Locate and forward to Tozers any title deeds or property documents (for example, guarantees, that would be useful for the buyer)
- If a previous firm of solicitors acted for you during your purchase, ask them to forward any title deed that they may have direct to Tozers
- Respond promptly to any enquiries raised by the buyer's solicitors
- Meet with your conveyancer at Tozers to sign the contract in readiness for exchange of contracts

- When a completion date has been agreed and you are happy to formally fix the completion date, instruct us to exchange contracts
- Contracts are exchanged
- Confirm your removal arrangements
- Sign and return the transfer deed prior to completion, and let us know how you wish the sale proceeds to be sent to you on completion (cheque or bank transfer)
- Take meter readings on completion, cancel any mortgage standing order and cancel insurance

Pre-exchange of contracts

Before offer - when you have decided to sell, you should contact us as soon as possible. This will enable us to request any title deeds that may be held by a mortgage lender and also to forward to you various standard property forms to complete. In terms of the forms that you will need to complete, these will be a property information form, and a fittings and contents form. If you are selling a leasehold property you will also be sent a leasehold information form to complete.

It is important that you read the guidance notes on the front of each form before filling them out, as these forms will be looked at by your buyer and his or her solicitor in deciding whether to go ahead with the purchase of the property, so it is vital that you provide accurate information.

By completing the forms at this early stage, this will speed up the process once you have accepted an offer for the sale of the property.

Energy performance certificate - it is a legal requirement for all residential properties placed on the open market to have an energy performance certificate ("EPC"). Your estate agent will normally arrange for this to be carried out on your behalf, we can also do this if needed. Please note that the EPC must be available at the point your estate agent advertises the property for sale.

Post-offer - once a buyer has been found for your property, you should notify us. The estate agent (if you are selling through one) will send us a memorandum of sale setting out: the address of property, the purchase price, the name of the buyer and his conveyancers, your name and address and the details of the conveyancer at Tozers acting on your behalf.

Timescale - what happens during the time between agreeing a sale and exchange of contracts? After the initial flurry of activity, your sale will go quiet. Please be patient while the buyer's solicitor carries out searches and confirms the mortgage offer. The period of time from a sale being agreed to an exchange of contracts varies on a case-by-case basis. Factors relevant to this period include the number of parties involved in the chain and their individual financial arrangements. If you are one link of a chain transaction, unfortunately if one person in the chain is not ready to proceed this will have a direct effect on you.

Exchange of contracts

The buyer's solicitor will tell us when he or she has received their search results and mortgage offer and is ready to proceed to an exchange of contracts. You will then be asked to sign the contract ready for exchange. You should check that the sale price is correct on the contract and that the items listed on the fittings and contents form remain accurate. If you have changed your mind about any of these items, please let us know immediately so we can let the buyer's solicitor know.

Once you return the signed contract to us and confirm that you are happy to exchange, we can do so as soon as your buyer is ready. This is the point of no return and you need to be certain that you wish to move house! The exchange itself is carried out during a telephone conversation between both sets of solicitors and it is at this stage that the completion date will be written into the contract. Completion normally takes one or more weeks after exchange, but it can be sooner if not on the same day as exchange (known as a simultaneous exchange and completion). It is important to let us know your preferred completion date as early as possible. Also, if you agree a date direct with your buyer, please check with us that the proposed date is realistic.

Post-exchange of contracts

You will now be busy making plans to move. It is unwise to book your removal firm until contracts have been exchanged as prior to exchange, there is no guarantee that completion will be taking place. Notwithstanding this, it is prudent to make initial enquiries of removal firms to check potential availability. We have listed below some third parties that you may want to notify about your proposed move.

If there is a mortgage registered against the property, we will obtain a final redemption statement from your mortgage lender confirming the amount required to pay-off the mortgage on completion.

We will prepare and forward to you a financial completion statement showing the sale price, less the amount needed to pay off any mortgage, the estate agent's fee and our legal charges. The statement will show either a balance due to you or a balance due from you on the completion date. If the balance is required from you, we will need the money at least five days before the completion date.

In terms of documentation that you need to sign at this stage, we will ask you to sign the transfer deed should you not have done so already.

People to notify when moving home

- Council tax office
- Clubs and organisations
- Children's schools
- Doctor
- Utility companies
- TV and broadband provider
- Employer
- Dentist
- Store and credit card companies
- Insurance companies
- DVLA
- Optician
- Bank / building society
- Pension provider
- HM Revenue & Customs
- Post Office - mail redirection

Completion of your sale

On the agreed completion date, you will need to be ready to move out of your home, normally by 2pm, however the exact time will depend on the length of the chain and your position within the chain. Usually you would move out during the morning with the buyer moving in around lunchtime or early afternoon. Please take the keys to your estate agent, if you have used one or, if not, please check with us that we have received the money from the buyer's solicitor before handing over the keys direct to the buyer.

Please note that you are under an obligation to leave all of the items marked by you as 'included' on the fittings and contents form, therefore you should retain a copy of the form at completion to ensure you leave all agreed items.

Once completion has taken place, do remember to cancel the insurance on the property and if appropriate your standing order or direct debit paying your mortgage. Also remember to take meter readings before you leave the property! Finally, you not already have done so, you should notify all relevant third parties of your move. You can find a suggested list of persons to contact under the "post-exchange of contracts" section of this guide.

Now is a good time to consider making a Will, if you don't have one already. We can assist you with this.

FAQ on mortgages

Do I need to keep up repayments on my mortgage?

Even though you have agreed a sale, your mortgage payments must be up-to-date on the completion date. Please make certain that you do not cancel your standing order or direct debit too early!

Will I have to pay a penalty when my mortgage is paid off?

We advise you to check with your lender before exchange of contracts whether there are any penalties for paying off your mortgage, and ask for confirmation of this in writing.

What happens if I am selling my property for less money than I owe my lender?

This is called 'negative equity' and, if it applies to you, then you need to tell us as soon as possible. If you are not in a position to make up the difference between the sale price, after deduction of agent's and legal fees, and the amount owing to your lender, you will need to discuss with them to see what can be agreed. We cannot exchange contracts unless we have written confirmation from your lender of the amount required to pay off the mortgage.

What happens if I owe money to more than one lender?

If this is the case then you need to tell us immediately, as we will need to find out how much you owe to the lenders and check that there will be sufficient to pay them off.

When do I cancel my property insurance?

You should not cancel your property insurance until the completion date.

Can I use the sale deposit towards my new home?

Yes – normally speaking as the deposit.

FAQ on completion

What time do I have to move out?

The latest time is 2pm (unless we advise you otherwise).

What do I do with the keys?

Take them to the estate agent and, if there is no agent, check with us before handing them over to the buyer.

Who pays the agent's account?

We will pay this on your behalf out of the sale proceeds if you instruct us to do so, or you can pay it direct if you prefer.

When can I have the money owing to me on completion?

On the completion date, we will send you a cheque, or credit it to a bank account of your choice. We must point out that if the property is in joint names, payment must be made to both parties unless we have a letter instructing us to do otherwise, signed by both owners.

Conveyancing jargon explained

Completion date

The date on which the buyer pays the money to the seller to purchase the property and legal ownership passes to the buyer.

Contract

The agreement made between a seller and buyer which binds both to complete the sale/purchase of the property (sometimes called 'the agreement'). One copy is signed by each party and, when the parties are ready, the solicitors speak by telephone to deem contracts 'exchanged'.

Covenant

An agreement or promise to do or provide something, or to refrain from doing or providing something, which is meant to be binding on the party giving the covenant.

There are two types of covenants: positive and negative. Positive covenants place an owner under an obligation to do something; for example, maintain a fence, while restrictive covenants prevent an owner from doing things; for example, using the property for business purposes.

EPC

Acronym for Energy Performance Certificate, which is an assessment carried out on a property to give an estimate of its energy efficiency. It will also show if any improvements could be made to the property to increase its efficiency, and so save on running costs.

Fittings and contents form

A form completed by the seller identifying what common items will remain at the property, or be taken from it, at completion. If you are a purchaser, you must check this carefully to be sure that it includes all the items which are included in the purchase price. If any items are omitted which you believe should be left, you must notify us immediately in order that we can agree their inclusion in the sale price with the seller's solicitor.

Freehold

A technical term to describe what is effectively absolute ownership of a property.

Indemnity

An undertaking (see below) by one party to meet a specific potential legal liability of another.

Leasehold

A technical term to describe the ownership of a lease. Where a property is leasehold (usually a flat) the holder of the lease will not own the property outright, but will have a long-term right to exclusive possession of it, subject to observing certain criteria, for example paying a rent and a service charge.

Local search

This is a search sent to the appropriate local authority to check their records to make sure that there are no matters affecting the property which could alter your decision to purchase it – for example a road widening scheme.

The search is not against neighbouring land or property and if you have any specific queries you should tell us as soon as possible, as the search can be widened for an additional fee.

Mortgage deed

This is the document which secures the loan being made by the mortgage lender and the term 'mortgage deed' is interchangeable with 'legal charge'. A buyer obtaining a mortgage to assist with the purchase of property will need to sign the mortgage deed prior to the completion date.

NHBC (National House Building Council)

Acronym for the National House Building Council. If you are purchasing a property built within the last ten years, it should be covered by the National House Building Council (NHBC) ten-year warranty. This cover will give you some protection against defects, but does not extend to defects which could have been spotted had you undertaken your own survey. Most defects are covered by the first two years of the warranty but only major structural defects are covered in the last eight years of the ten-year warranty. Even when buying a new property, you are taking a risk if you decide not to have a survey.

Subject to contract

An expression used by estate agents and solicitors to prevent any legal obligation to sell or buy a property arising until contracts have been signed by all parties and formally exchanged by solicitors.

Title deeds

A generic term used to describe documents showing ownership of property and/or rights and obligations affecting that property. Most properties are now registered at the Land Registry, who will hold copies of any salient historic documents relevant to a given property. However the originals of these documents will normally still be in the custody of the property owner, with mortgage lenders rarely interested in holding these since the introduction of the registration system.

Transfer deed

The document sent to the Land Registry to transfer the property from the name of the seller into the name of the buyer.

Undertaking

An agreement either to do or to refrain from doing a particular thing, which is binding on the person giving the undertaking.



We hope this information has been useful to you when selling your home. If we can assist you with any other legal matters, do please contact your nearest Tozers' office where our friendly and experienced staff will be happy to help you.

Get in touch

Ready to talk?

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