

The purpose of this guide is to give an outline of the process of buying and selling land, houses, bungalows, flats etc (known as conveyancing). I will usually refer to “Property” which will include houses, bungalows, flats etc as well as the land on which they stand.

Section One includes definitions of some commonly used terms, whilst Section Two sets out the steps involved in the conveyancing process. Section Three contains notes on important matters, which you should be aware of from the start of your sale or purchase.

Section One

Definitions of Terms used in Conveyancing

Agreement or Contract

This is the form of legal agreement which makes the transaction legally binding. A draft contract is prepared by the Seller’s Conveyancer and sent to the Buyer’s Conveyancer to be approved. When the draft is approved one copy is signed by the Seller and one copy signed by the Buyer.

Bank or CHAPS Transfer

This is an electronic transfer of money by a bank. It differs from a cheque or bankers draft because it takes money out of one account and puts it in to another almost immediately. There is no clearance time (usually five working days) as there is with a cheque or bankers draft. This is the usual way of moving money on completion. Banks usually charge a fee for this service.

Completion or Completion Date

This is the moving day. The Buyer’s Conveyancer pays over the money to the Sellers’ Conveyancer and in exchange receives the Transfer and any other deeds. The keys are handed over at this point usually via the Estate Agent. The Seller moves out and the Buyer moves in.

Conveyance or Transfer

These documents are the same thing. The term “Conveyance” is an old fashioned term for a document which transferred the ownership of a Property before it was compulsory to register titles following change of ownership. A Transfer is the document commonly used now to transfer ownership of land.

Conveyancer

This is the term used for a Conveyancer, Licensed Conveyancer or other legal representative acting for a Seller or a Buyer.

Covenants

A covenant is a promise or an obligation to do or not do something in relation to a property, for example, a covenant to maintain a specific boundary or a covenant not to block a shared accessway. They will often (but not always) pass to subsequent property owners so will be binding forever. If you are selling a property, your buyer will want to know whether you have breached any covenants (even if you have since remedied that breach). If you are purchasing a property and there are covenants which will continue to apply after completion of your purchase, we will include details in our written report to you.

Disbursements

These are out of pocket expenses. It refers to payments which a Conveyancer pays on behalf of a Client (e.g. a fee for a Local Search or a CHAPS Transfer).

Easements

Another name for rights – either those benefiting a property or benefiting neighbouring properties. If these apply to the property you are purchasing, we will report to you on these in detail prior to exchange of contracts. If you are selling a property, you are likely to be asked to confirm that you have not experienced any problems using those rights or with other people using the rights over your property.

Energy Performance Certificate

Also known as an EPC, this is an energy rating of the property (similar to the rating given to domestic appliances), based on how energy efficient the property is. This depends on many factors, such as how much loft insulation is at the property and whether there are any energy saving lightbulbs or cavity insulation. The current rating and potential rating will be shown, together with information on how to improve the energy rating of the property. Listed buildings are exempt from the requirement to have an EPC. All other properties must have one before being marketed for sale or to let. An EPC remains valid for ten years.

Exchange of Contracts

The two signed contracts are swapped (usually by a special telephone procedure). It is this “exchange of contracts” which creates a legally binding agreement. One of the terms of the contract is the Completion Date.

Freehold , Leasehold and Commonhold

There are three types of ownership possible under English Law – Freehold, Leasehold and Commonhold. Freehold is the fullest type of ownership and lasts forever. It is the usual type of ownership for land, houses and bungalows (but not flats or apartments).

Leasehold is ownership limited to a specified period of time (e.g. 99 years or 999 years in the case of a long leasehold or 1 year in the case of a short tenancy). Leasehold usually involves the payment of rent (e.g. £25 per year in the case of a long leasehold or an open market rent in the case of a short tenancy). The terms setting out the relationship between the landlord and the tenant (sometimes called the lessor and lessee) are contained in a lease (long leasehold) or tenancy (short tenancy).

Commonhold is the newest way to own Property and was introduced in 2004 primarily as an alternative to leasehold flats, although it can be used for other land as well. It allows land to be divided into separate units (which are freehold) with common property owned by a company. The company is owned by the freehold owners. The common property would be communal areas within a block of flats or a communal garden with houses surrounding it. There are very few Commonhold properties in existence in this country and if you think you are purchasing a Commonhold Property, please let us know immediately and we can provide you with more detailed information.

GDPR

GDPR is the General Data Protection Regulation which came into force on 25th May 2018 and governs the use of all personal data and how it is stored. We are obliged to comply with GDPR in relation to the use and storage of any personal data you provide us. By instructing us to act on your behalf, you are authorising us to keep certain data that we request for the duration of the time we are acting for you and for the duration of the time we are obliged by our regulators and insurers to keep our records after a property transaction has completed. We cannot share your data with any third parties, except in very limited circumstances or where required to do so by law, without your express permission. Examples of when we may

expect to share information with third parties during a property transaction will include providing updates to estate agents or other conveyancers involved with the chain, contacting mortgage lenders or requesting searches or indemnity insurance policies on your behalf. If there are any exceptional reasons for sharing your data, unless we suspect an offence under money laundering regulations, we will request your permission first.

Indemnity Insurance Policy

This is an insurance policy taken out to cover a defect discovered during the conveyancing process. There is a huge range of policies available to cover issues such as lack of planning permission/building regulations, breaches of covenants, absence of rights benefiting the property and missing title documents to name but a few. If we believe such a policy will be required, we will advise you of this at the earliest opportunity and provide you with a draft policy so that you are fully aware of any specific terms and conditions. It is always a condition that these policies are not disclosed to third parties (other than mortgage lenders, legal advisers specifically dealing with the property and genuine future purchasers) as doing so could result in the policy being invalidated and the insurer refusing to pay out. If you are selling a property and are being asked to provide a policy, we will obtain a range of quotations and will discuss these with you to ensure that the most suitable and cost-effective policy is being provided.

Land Registry

This is a Government organisation responsible for keeping a database of all registered properties in England and Wales. It is now compulsory to register all properties upon change of ownership. Further details of what the Land Registry does can be found online at <https://www.gov.uk/government/organisations/land-registry>. We will advise you of any fees payable to the Land Registry during the course of your sale or purchase. We will usually liaise with the Land Registry in relation to any matters affecting the title to the property on your behalf.

Land Transaction Tax

This is the Welsh equivalent of SDLT (see below) and is payable to the Welsh Revenues Authority (WRA) rather than Revenue & Customs. You can calculate how much LTT will be payable at <https://www.stampdutycalculator.org.uk/ltt-calculator.htm> - if you are a first time buyer exemptions will apply. We can supply further details if you require them. The LTT return and payment of tax (if any) must be sent to the WRA within 30 days of completion otherwise a penalty (and possibly interest) will be payable. The submission of the LTT return is your responsibility, therefore you must check the details we send to you and let us know if there are any errors. We will submit the return on your behalf following completion providing we have received the signed return from you in time.

Lender

This refers to your mortgage lender, usually a bank or a building society.

Local Search

This is a search made in the registers of the Local Council and deals with matters such as roads, planning matters and public footpaths. This search is not optional if you are taking out a mortgage.

Mortgage or Legal Charge

A Mortgage or Legal Charge is a document which makes a Property security for a loan. Usually (but not always) this also involves monthly financial repayments.

Purchaser and Vendor

These are slightly old fashioned words meaning Buyer and Seller respectively.

Registered Land

Gradually all title deeds are being replaced by a process of registration of properties at the Land Registry. An owner of a Property is supplied with an Official Copy of the Register for their particular Property. These documents replace the old Title Deeds.

Fees are charged by the Land Registry for registering change of ownership and carrying out searches; these fees are referred to as Land Registry fees.

Report

If you are purchasing a property, we will provide you with a detailed written report explaining the specific terms of any documents referred to in the title to the property and providing you with copies of those documents and copies of documents supplied by the Seller during the course of the purchase. This report will be provided to you prior to exchange of contracts and you will then have an opportunity to ask us any questions about the documentation prior to committing to the purchase.

Stamp Duty Land Tax

This is a Government Tax payable by the Buyer of a Property, commonly known as SDLT. You can calculate how much SDLT will be payable at <https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro> - if you are a first time buyer and the purchase price of the property is less than £300,000.00, there will be no SDLT to pay. If as a first time buyer the purchase price is more than £300,000.00 but less than £500,000.00, SDLT will be payable on the amount over £300,000.00. The SDLT return and payment of tax (if any) must be sent to HMRC within 30 days of completion otherwise a penalty (and possibly interest) will be payable. The submission of the SDLT return is your responsibility therefore you must check the details we send to you and let us know if there are any errors. We will submit the return on your behalf following completion providing we have received the signed return from you in time.

Survey

This is an inspection of the structure and fabric of the Property by a qualified Surveyor. There are more detailed notes on this topic at the back of this guide.

Title

This means details of the ownership of a Property. If the Property is registered then the Seller's Conveyancer must produce an up to date copy of the register from the Land Registry. If the Property is unregistered then the Seller's Conveyancer will produce relevant title deeds to prove that the Seller is entitled to sell the Property in question.

Unregistered Land

There are still a lot of properties in England and Wales which are not registered at the Land Registry. These are usually properties which have not been sold for at least 30 years and so were not subject to the compulsory requirement to register. If your property is unregistered, you must supply us with the original title deeds when instructing us to act for you in a sale, as we cannot provide the relevant information to your buyer's conveyancer without this. If you are purchasing an unregistered title, we will advise you of the content of all relevant title deeds and will then apply to the Land Registry to register the title on your behalf after completion.

Section Two

Selling a Property

1. We receive instructions from you and send you an initial package (including an estimate of expenses, terms of business and various forms to be completed).
2. If instructed prior to you instructing an estate agent, we can obtain the EPC for you and supply this by email to you and the estate agent of your choice. If you have already instructed an estate agent, the EPC should have been carried out as you cannot market a Property until the EPC has been ordered.
3. We receive sales details from the estate agent and contact the Buyer's Conveyancer to confirm that we are acting on your behalf.
4. We obtain your title deeds from you (or your Lender).
5. We prepare a draft contract and submit this and accompanying documents to the Buyer's Conveyancer, who approves the contract and raises any enquiries they may have – enquiries that we cannot answer from the paperwork in our possession will be forwarded to you for your replies.
6. We obtain your signature to the approved sale contract, agree a completion date with you and the Buyer's Conveyancer. Contracts are then exchanged (please note that we will ALWAYS ask for your authority to exchange contracts) and the completion date fixed.
7. We confirm exchange of contracts to you, your Lender and the estate agents and obtain a mortgage redemption statement from the Lender and commission account from the estate agent for settlement on completion. We will provide you with practical guidance of the steps to be taken by you between exchange and completion.
8. You will be asked to sign a Transfer prior to completion, which has the effect of transferring ownership from you to the Buyer from the date of completion.
9. Completion: the Buyer's Conveyancer sends us the balance of the purchase money electronically, we redeem your mortgage(s), pay the estate agents' commission and account to you for the balance or use this towards your purchase.

Buying a Property

1. We receive instructions from you and send you an initial package (including an estimate of expenses, terms of business and various forms to be completed).
2. We receive sales details from the estate agent and contact the Buyer's Conveyancer to confirm that we are acting on your behalf.
3. We receive a draft contract package from the Seller's Conveyancers and submit a local search application to the Local Authority and check the result. We will carry out an environmental search and a drainage and water search as standard, unless you instruct us not to (if you are obtaining a mortgage these are compulsory). If appropriate a commons registration search or mining search will be carried out. We check the search results and the title documentation provided and raise any relevant enquiries with the Seller's Conveyancer. We draft the Transfer and send this to the Seller's Conveyancer for approval.
4. We check your mortgage as explained further below.
5. We report to you about the Property in full and in writing, obtain your signature to the Contract, Transfer and SDLT return and agree a completion date with you and the Seller's Conveyancer. We obtain your instructions to exchange contracts, do so and report to you thereafter.
6. We provide you with guidance on the practical steps to be taken next (e.g. for Council tax, Electricity etc).
7. We carry out pre-completion searches to check that no further entries have been made against the title since this was provided to us and carry out bankruptcy searches if you are obtaining a mortgage.
8. We provide you with a completion statement and obtain any funds from you in time for completion.
9. Completion: we send the purchase money electronically to the Seller's Conveyancer. As soon as they receive this money, they telephone us to confirm receipt and telephone the estate agents to release the keys to you. We then telephone you to confirm completion.
10. We obtain the title deeds from the Seller's Conveyancer and, if applicable, submit the SDLT return and pay Stamp Duty Land Tax and then prepare and lodge Land Registry application to register you as the new owner.
11. When the Land Registry have completed registration, we will confirm this to you and send you a copy of the up to date title. We will either send the title deeds to your Lender (if any) or to you for safekeeping depending on your Lender's requirements.

Mortgage of Property (in conjunction with a Purchase)

1. We receive a copy of your mortgage offer and check it then report to you on any legal issues arising from it. We prepare the Mortgage Deed and obtain your signature to it. We are not permitted to request mortgage funds until we are holding the Mortgage Deed signed by you.
2. We submit a report on the title to the Property using the information provided by the Seller and the Seller's Conveyancer and request the funds in time for completion. Most Lenders require a minimum of **five working days'** notice, some require more, some are happy with less. We will advise you if the timescale required is more than five working days.
3. We receive the mortgage advance and apply it towards the purchase monies at completion. The mortgage completes at the same time as the purchase of the Property, although the funds usually arrive one working day before completion.
4. The mortgage must be registered on the title at the same time as we register you as the new owners of the Property.

Section Three

Further Information about Searches

Search Package

We offer a search package which includes a local search, a drainage search and an environmental search. These three searches are usually required by mortgage companies. Please see below for more detailed information regarding the individual searches. We will be happy to give you details of the current price of this pack on request.

Local Search

See definitions

Drainage

The drainage search will confirm that the Property is connected to mains water and drainage. It will also provide a plan showing the route of the mains sewers serving the Property. Since 1st October 2011, all drains shared with other properties are now publicly maintained, but the drainage authorities have not yet updated their maps and therefore these drains will not yet be shown. With regard to any such drains within the boundaries of the property, the drainage authority has the right to enter the property to inspect, maintain, repair, replace or relay these drains and although they are required to make good any damage and reinstate the property they are not obliged to reinstate any structures/buildings which are built over or within three metres of the drains unless they have previously given written permission for the structures to be

built. If you are aware of any such structures please let me know as it is possible to obtain insurance for these.

Environmental Search

This is a search identifying environmental risks such as flooding, contaminated land, radon and subsidence, which is included in our standard search package. A copy will be provided to you when we report to you. However, we are not environmental experts and you should seek expert advice regarding any issues which concern you in the environmental search result. If a flood risk is identified, a more specific flood search can be carried out. We will advise you if we think this is necessary.

Radon

Homes in the South West may be affected by radon gas and although this does not normally affect properties in Somerset it can cause worry and concern for purchasers. It is possible to test radon levels in a property but measurements take some considerable time. Further information is available from Public Health England, whose website is www.gov.uk/radon or from UK Radon, whose website is www.ukradon.org

Chancel Repair Liability Search

It had been thought that chancel repair liability had effectively ceased from 13th October 2013, as the Church was required by the Land Registration Rules 2002 to have registered its interest in a property by that date if it wished to claim chancel repair liability against that property. However, since October last year, it has come to light that this is not so clear-cut. It appears that a notice can still be placed on a registered title post October 2013 by the Church on making application to the Land Registry. The Land Registry would notify the owner of the property that such a notice had been applied for and would give you a period of time to object to it being entered on the title. However, if you did not respond to the Land Registry's letter, the notice would be entered by default, meaning that you had accepted the chancel repair liability.

It is possible to carry out a search to check whether the Property is at risk of chancel repair liability. I have not carried out this search, as the search is based on postcode (rather than being property specific) and costs £24.00, whereas insurance can be taken out without the need for a search to be done. In addition, I am aware that properties in this area will show a positive result due to their postcode. If the search result was positive and you have a mortgage, I would then have to take out insurance on top of the cost of the search. If you would like me to carry out the search, the results are usually received within 24 hours. Please let me know if you wish me to carry out the search. If I do not hear from you to the contrary, indemnity insurance will be taken out on completion to provide you with financial cover should the Church make a claim for chancel repair costs. I refer you to the notes in the Property Selling & Buying Guide for further information as to why chancel repair liability is a risk. The cost of the insurance is usually lower than the cost of the search and we will provide you with the current cost upon request. This policy will provide cover of up to £1million (limited to the value of the Property at the time of your purchase) and the policy will last forever. It can therefore be passed on to any future owners of the Property but should not be disclosed to anyone other than genuine purchasers and their legal representatives.

Commons Registry Search

This is a search of the Local Commons Register (usually held by the County Council) to see if land is registered as common land, which means that you may not be able to exercise rights of way etc over the land in question. If you consider that there is any risk that any part of the Property you are interested in buying could be common land please inform us and we will make this search for you.

Company Search

This is a search made at Companies House against either a Seller or, for instance, a Management Company of a block of flats firstly to make sure that it has not been wound-up or is in liquidation and secondly to find out if any mortgages are registered against it. If circumstances arise where such a search is necessary I will automatically attend to this for you. The cost is usually around £30.00.

Mining Searches

Occasionally, it may be necessary to carry out a mining search. There are certain areas in England and Wales which used to be heavily mined, either for coal, tin or brine. The majority of these areas are Cornwall, Bristol and South Wales. If the Property is in an area which is likely to be affected by mining, we will automatically carry out the necessary search as any mortgage company you are using will require this. The search result will advise whether the Property is likely to be affected by subsidence or other matters resulting from mine shafts below the ground. We will then advise you accordingly.

The day of completion

There is a great deal of activity behind the scenes on the day of completion. Large amounts of money need to be transferred through the banking system and this often takes some time. On the whole you would not normally expect to be able to pick up the keys before 2pm and it may be later. Where an agent has been involved the keys will normally be collected from the agent. We will telephone you on the day of completion to let you know when you can collect the keys.

You cannot occupy the property before completion and you will not normally be allowed to store any items at the property prior to the completion date, although in some circumstances especially when the property is empty, arrangements can be made for access to carry out certain works with the agreement of the Seller.

Funds for Completion

If there will be money for you to pay to put us in funds for completion it is *essential* that we have cleared funds from you by the last working day before completion to ensure that there are no delays on the completion date waiting for money to arrive into our account. This means that if you are paying us by cheque or bank draft, we must be able to bank that cheque or bank draft at least *six working days* before the completion date to allow this to clear prior to completion. You may prefer to arrange a direct bank transfer into our account and if so, please let us know and we will give

you our account details. Please note that any direct bank transfer (CHAPS transfer) should be made on the last working day prior to completion to avoid delays.

We will usually request mortgage money for the last working day prior to completion as the only guarantee we will get from the lender is that funds will be received by us by close of business on that day, which does not allow for a stress-free moving day! Interest will be charged on your account from the date that funds are released but unless you specifically instruct us not to, we will request money for the day before completion.

Owning the Property in joint names

If you are buying the property jointly, you can do so in one of two ways: -

As Joint Tenants: This means that you will own equal shares in the Property and that it will automatically pass to the survivor of you. A joint tenant cannot transfer his or her interest by Will.

As Tenants in Common: This creates individual shares in the property whether equal or unequal, which usually depends on your individual contributions to the purchase price. There is no automatic passing of the Property to the survivor of the joint owners.

A tenancy in common would be recommended in the following situations:

- An unmarried couple purchasing a property. Their respective contributions to the purchase price should be clearly recorded so there can be no argument as to what each individual is entitled to receive when the property is sold or if one of them dies.
- Co-owners purchasing (whether married or otherwise) who have children from previous marriages and wish to protect their share in the property to pass on to their children.
- A business purchase.
- Protection of your individual shares in the Property

WARNINGS:

1. It is essential that such a tenancy in common is backed up with a Will specifying how the deceased's share should be dealt with on death and possibly evidenced by a Declaration of Trust.
2. In the case of a married couple or a civil partnership a Divorce Court does have the right to override any provisions made between the parties as to their shares in a property and the right of the Court to do this cannot be excluded.
3. If you, as co-owners, wish the survivor to be allowed to remain living at the property and effectively freeze the share until the last death, then you need to create a "life interest" in your Will to allow your co-owner to remain in occupation until death.

A NOTE OF CAUTION for Buyers who are buying with the help of a mortgage and wish to be tenants in common; please consider not only what shares you are each putting in to the Property but also what arrangements you are making about the mortgage. For example if you were buying a property for £200,000.00 with a mortgage of £100,000.00, one of you has contributed £60,000.00 to the purchase price and the other has contributed £40,000.00, you may say that your shares are owned in the ratio of 60:40. However, you may wish to consider the “mortgage share” as a separate amount, in other words that the mortgage share is 50% to be divided between you equally and the remaining 50% share to be divided 60:40. This would mean that when the Property was sold, if the value of the Property remained the same but the mortgage had decreased (as you had repaid some of the capital), the person who had put in £60,000.00 would receive this amount, the person who had put in £40,000.00 would receive this amount, the mortgage would be repaid from the balance and then the remaining amount would be divided equally between you. When letting us know what your “sharing arrangement” is be sure to take this in to account in making your decision.

Surveys

The rule when it comes to buying a property is “*buyer beware*” - it is up to a Buyer to inspect a property and satisfy himself as to its condition. A Seller can only be held responsible for hidden defects which a Buyer could not have seen on inspection, of which the Seller can be proved to have knowledge (and this is often difficult, if not impossible). However, many of the defects in properties are found in those parts which are not readily seen or readily checked, wet rot, dry rot, rising damp, death watch beetle, settlement of the foundations and breaching of cavity walls may not be apparent to most Buyers.

Many people buy with the aid of a mortgage and the Lender will insist upon making a “survey” and a lot of people are content to rely solely upon this. However, please be aware that in these cases, a Surveyor is not asked to do a full survey of the Property, he is asked to carry out a valuation and to look for any severe problems which are fairly obvious from a brief inspection. As the mortgage valuation inspection is rather limited, you should still satisfy yourself as to the structural condition of a property by carrying out one of the following options: -

1. Instruct a surveyor (who should be a member of the Royal Institute of Chartered Surveyors). A thorough inspection of the Property will be carried out and you will receive a full written report. The surveyor is accountable to you should the report be in any way negligent and you thereby suffer loss. This option is strongly recommended for older properties.
2. Instruct a surveyor to carry out a homebuyer’s report. This is less comprehensive and less expensive than a full structural survey, but is usually sufficient with more modern properties.

Please be sure that you consider only a fully qualified surveyor. We can help you to choose a surveyor if you would like some assistance with this. The surveyor can advise which type of survey is best in the circumstances.

Please bear in mind that a surveyor can only survey those parts of the building which they can see. Please also bear in mind that specialist advice may be needed with regard to certain aspects of the Property, e.g. damp-proofing, woodworm treatment, and this should be pointed out to you by your surveyor. A specialist company should be asked to carry out an inspection (with the Seller's consent for access). You may be able to ask the Seller to contribute towards the cost of works, otherwise you will need to decide whether you are prepared to bear the cost of this after completion. You should ensure that the company will offer a guarantee and it would also be worth checking to see if the guarantee can be backed up by insurance in case the company goes into liquidation.

Timings in a Conveyancing Transaction and the Completion Date

We are often asked whether it is possible to fix a completion date at the start of a transaction. However, although it is possible to work towards a certain date, this date will not become fixed until contracts have been exchanged. As a rough guide, a "normal" sale or purchase takes around six to eight weeks from being instructed to being ready to exchange contracts. However, this is not a fixed timescale and timings can vary greatly depending on which mortgage companies are involved and how busy Councils are for sending out local search results. In addition, some of the parties in the chain may not have agreed their sale or purchase until some weeks after your sale or purchase has been agreed, which means that their part of the chain will be a bit behind the rest of the chain.

When both the Seller and the Buyer are ready to exchange contracts (and all of the other parties to sales/purchases in the chain are at the same stage) then exchange of contracts can take place and a firm completion date can finally be agreed.

In fixing the completion date you need to consider:

1. many lenders require between 5-10 **working** days notice before they will release the mortgage advance
2. clearance times for cheques etc. as set out in this Guide
3. the wishes of all of the other parties along the chain (a compromise is often required)

You should not rely on any promises made by other parties in the chain as no completion date is definite until contracts have been exchanged. You should therefore not make any removals or storage bookings until contracts have been exchanged as you could find yourself incurring a large amount of fees which could have been avoided. If you are a Buyer currently living in rented accommodation please **do not** give notice to your Landlord that you are vacating your current home until contracts are exchanged unless you are prepared to take the risk that you could be required to move out without having fixed a completion date for the Property you are buying – you could find that you are homeless and need to put your possessions into storage for some time.

We cannot of course cover every situation in an information sheet so if you have any specific queries please ask us.

Warning about Transferring Money on Completion day:

On completion, the purchase money is sent from the Buyer's Conveyancer's account to the Seller's Conveyancer's account by CHAPS (electronic) transfer. The money is sent electronically and usually arrives in the Seller's Conveyancer's account within an hour or two, although this can take longer on a busy completion day, for example the last Friday of a month usually means that bank transfers take slightly longer as there are more completions taking place on that day.

If we ask you for funds to complete and pay money to us by cheque or bank draft **the Banks take FIVE FULL WORKING DAYS to move money from your account to ours.** Saturdays, Sundays and Bank Holidays are NOT WORKING DAYS. The working day that we pay in the cheque (provided it is paid in before 3.30pm) is the first working day and the money will arrive in our account on the fifth working day and can be used from that day. For example, if completion is to take place on a Friday, we will need to receive your cheque before 3.30pm on the Friday of the week before in order for the cheque to clear into our account for the day before completion.

The alternative is for you to send the money to us electronically. You may either arrange a CHAPS transfer, which is usually sent on the same day as the instruction to your bank and for which your bank are likely to make a charge of around £30.00 or you can arrange a BACS transfer, which takes three working days and for which you are usually not charged. Internet banking usually uses the BACS method and you should double-check this if you are intending to send money to us by internet or telephone transfer. There may also be a limit on how much you can send using this method.

If you are completing a sale and purchase on the same day the money which comes to us from the sale will come by CHAPS Transfer so will actually arrive in our account on the completion day and will then be sent straight on in order to complete your purchase.

If we do not have cleared funds by the completion date we will not be able to complete until the funds are cleared and you may be liable for interest or compensation payable to the Seller for late completion.

MONEY LAUNDERING REGULATIONS

It is very important that you read this information as it explains our obligations under the Regulations and the effect which those obligations have on the nature of our relationship with you

The Money Laundering Regulations 2003, updated by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, aim to prevent the laundering of the proceeds of any crime. The term “crime” includes offences such as tax evasion, perhaps in relation to Stamp Duty Land Tax and fraud (including mortgage fraud). We are under an obligation to comply with the current Money Laundering Regulations in the following ways: -

Identity:

A Conveyancer must now establish the true identity of all clients.

In practical terms this means that a Conveyancer must see:

1. Photographic proof of identity such as a UK Passport or UK Driving Licence or a firearms certificate: and,
2. A utility bill (Council Tax, Water/Sewerage Charge, Gas or Electric) or bank/credit card statement with a current address on it for every client (i.e. one for each of you if the sale/purchase is in joint names. A joint bill/statement will not suffice)

If you are not able to come into the office with the originals of the documents listed at point 1, you should produce “certified copies” to us – this would involve asking another solicitor or a financial adviser to take a copy of the original document. They should then compare the copy with the original and sign the copy, adding the statement “I certify this to be a true copy of the original and a true likeness of [your full name]”. They should then add their full name, address, occupation and the date the copy was taken. Alternatively, the Post Office provide an identity verification service (although not all branches can offer this), which may be a less expensive or more convenient option. These certified copies should be sent to us with the original documents listed in 2 above – we will take a copy of these and return them to you. If you are unable to produce the items listed above, please contact us for details of suitable alternatives.

Client Confidentiality:

Conveyancers are now legally obliged to report clients to the National Crime Agency:

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1. where the Conveyancer knows or has reasonable grounds for knowing or suspecting that the client is money laundering;
2. where the Conveyancer receives information which gives reasonable grounds for the suspicion that a client is money laundering

Failure by a Conveyancer to report a client in the above circumstances is a criminal offence. It is also a criminal offence for a Conveyancer to “tip-off” a client (e.g. let the client know that he or she has been reported) so as to prejudice a money laundering investigation.

This overrides the basic principles of client confidentiality and any obligations under GDPR.

Cash:

Because of the regulations the maximum amount of cash that we can accept from any clients in respect of a single matter is £200.00. This should be accompanied by evidence from your bank, such as a cashpoint receipt, that it has been withdrawn from your account shortly prior to delivering the cash to our offices.