

GALLOWAY HUGHES LLP

INFORMATION ON SALE PROCEDURE

The below is a guide to the conveyancing process for the sale of a property. It is intended to be a very basic guide to the main stages of the process and is far from being a complete overview. The stages set out below are based on a standard residential transaction. Please note that the stages do not always follow the same sequence.

We have provided an estimate of the probably timescale in our engagement letter, which is enclosed.

The main stages in the sale procedure are as follows:

STAGE 1

1. An offer is accepted via estate agents (or privately) from the Buyer.
2. All parties instruct solicitors.
3. Estate agents (or if a private sale, then the parties themselves) send out Memorandum of Sale to all parties concerned confirming the agreed price and details of the Buyer, Seller and their respective solicitors.
4. The Seller's solicitor obtains a copy of the registered title from the Land Registry and the lease if the property is leasehold and the Seller returns the "Property Information Form" and the "Fittings and Contents Form" and if the property is leasehold the "Leasehold Property Information Form" duly completed to its solicitors.
5. The solicitors confirm with each other that they are instructed to act.

STAGE 2

The Seller's solicitors send to the Buyer's solicitors the contract package.

STAGE 3

1. The Buyer's solicitor reviews the contract package and submit the property search requests.
2. The Buyer's solicitor raises additional enquiries following their review of the contract package and receipt of the search results.
3. The Seller's solicitor supply replies to additional enquiries with input from the Seller.
4. For leasehold properties, additional enquiries may need to be forwarded to the landlord or management company, for their input and any administrative fee paid for by the Seller.

STAGE 4

1. The Buyer's solicitor reviews the replies to additional enquiries and may have further points arising which they then raise with the Seller's solicitors.
2. Once the Buyer's solicitor is in receipt of all search results, the mortgage offer, are satisfied with all enquiry replies and all other issues then Buyer's solicitor reports to the Buyer and arrange for the Buyer to sign the contract and lodge the deposit (if applicable). As soon as the contract has been agreed, we will arrange for you to sign your part of the contract.
3. Once the Buyer's solicitors are holding the part of the contract signed by the Buyer and are in cleared funds for the deposit (as relevant) then the Buyer's solicitors are **READY TO EXCHANGE CONTRACTS**.

STAGE 5

1. The Buyer's solicitor contacts the Seller's solicitor to advise they are ready to exchange contracts and will suggest a completion date.
2. The Seller's solicitor then contacts the Seller to check if the proposed completion date is agreed. If not agreed the assistance of the estate agent may be required to find a completion date acceptable to all parties.
3. Once a completion date is agreed the Buyer's solicitor and Seller's solicitor **EXCHANGE CONTRACTS** and the Buyer's solicitor pays the Seller's solicitor the deposit to be held until completion. Both parties are then legally bound to buy and sell the property for the agreed price on the agreed completion date.

STAGE 6

1. On the completion date, the Buyer's solicitor will send by same day money transfer to the Seller's solicitor the sum required to purchase the Property.
2. Once the money is received the Seller's solicitor will authorise the release of the keys to the Buyer either via the estate agents or via the Seller direct.
3. The Seller's solicitor will then pay off any existing mortgages secured on the property, the estate agent fees and will send the net proceeds of sale to the Buyer, to the Seller or will use this sum on any related purchase of the Seller.
4. **THE SALE IS THEN COMPLETE.**

Please note the following:

- You are not obliged to continue with the sale until we exchange contracts.
- If you are also buying a property, we strongly recommend that contracts for the sale and purchase should be exchanged at the same time. If you exchange contracts on your sale independently of your purchase, you will have to find alternative living accommodation, and storage facilities for your furniture.
- If this is a second home, you should discuss tax implications with your tax advisor.
- You must therefore be aware that any completion date cannot be guaranteed until the solicitors acting for all parties in the chain have all confirmed the completion date, and indicated that they are ready to proceed. Only once you have exchanged contracts will the completion date be legally binding on your buyer. **Please therefore do not make any completion arrangements, such as booking removal vans, booking time off work, or committing to alternative accommodation until we have received such confirmation from the chain.**
- All mortgages secured on the property must be repaid by us on completion. We cannot complete unless we are holding sufficient cleared funds to do so.
- Do not cancel buildings/contents insurance or mortgage payments until completion.

On the day of completion:

- It is essential that you let us have before completion a telephone number where you can be contactable on the day of completion.
- It is common for a seller to vacate the property by around midday on the day of completion. However, since it is the receipt of the purchase sum which dictates the time of completion, it is advisable for you to liaise with the buyer either direct or via the estate agents to clarify key

release arrangements and in order to avoid any misunderstandings. PLEASE DO NOT release the keys to the buyer until we have confirmed to you that we have received the purchase sum from the buyer's solicitor.

- You should take final meter readings and notify the relevant utility companies.
- You will be contractually obliged to remove all your personal belongings, and leave the property clean and tidy and free from rubbish.