

flints direct



HOME BUYERS INFORMATION

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WELCOME

TO FLINTS DIRECT

This conveyancing service is designed and tailored to provide a professional friendly but competitively priced service to busy people who are moving house throughout England and Wales.

In a world of instant communication by e-mail, telephone, text messaging, fax and post, we are able to provide a service direct to you, without the need for you to take time out of your daily schedule to spend hours at our offices.

It is generally accepted that moving house is high on the list of most stressful situations that life can offer. Whilst we cannot promise that your move will be stress free, we can promise that the staff dealing with your matter are experienced in this field of law and fully appreciate the strains that you may feel under. Your matter will be dealt with efficiently and professionally.

- We shall:

Investigate the legal title to the property you are purchasing by raising enquiries with the sellers solicitors;

Submit appropriate searches to relevant authorities and review and report to you with the results;

Write to you with a full written report relating to the legal issues affecting the property.

Deal with any special or standard conditions laid down by your mortgage provider and when we are certain these have been complied with

Realistically discuss the time sales for entering into an exchange of contracts and formalize a completion date.

- You may find it useful to read through or browse particular areas of this publication as it does offer a range of information. It gives both practical and legally based information which, from experience, we have found will assist you.
- We invite you to remain in contact with us throughout your transaction by e-mail, telephone, fax or post.

SEARCHES

It is the responsibility of the buyer and his/her solicitor to find out as much about the property you want to purchase before an exchange of contracts takes place.

One way that we can do this is to search public records. We do this by submitting relevant searches with the appropriate Authorities. The searches are also required by Lenders. If a search reveals a problem, we, as solicitors acting for both you and your Lender are under a duty to inform you and your Lender of the result. It is, therefore, imperative that searches are submitted without delay to the relevant authorities.

The standard searches that are undertaken are as follows :-

Local Search with the Local Authority

The cost of Local Searches varies from Local Authority to Local Authority. They can cost anything between £70 to £250.

Each Local Authority throughout England and Wales has the power to set their own level of fees for searches on an annual basis. Local Authorities have a government objective to provide the results of Local Searches within ten working days of receipt of an application. Most achieve this time scale, some take only a matter of days, others, can take up to three weeks to produce the results.

The search is made in two parts. The first asks the Local Authority to state whether there are any financial obligations registered against the property. These financial obligations include:-

- General financial charges
- Specific or miscellaneous financial charges
- Planning charges
- Fenland ways maintenance charges
- Land compensation charges
- Tree Preservation orders
- Local planning (conservation area) orders or charges
- Civil aviation charges
- Open-cast coal mining charges
- Listed building charges
- Drainage and land scheme charges.

If any financial charges are revealed, we shall notify you and inform the seller's solicitors to discharge the debt or undertake to do so on completion.

Part 2 of the Local Searches deal with general questions about the immediate vicinity of the property and reveal whether:

- The property that is serviced by an adopted highway
- There are any road or traffic schemes within 200 metres of the property (this could mean "improvements" to existing roadways).
- There has been an infringement of building regulations.

There are planning applications or permissions listed against the property or notices under the planning acts.

The property is subject to a conservation area registration, compulsory purchase area or areas designated by the Housing Acts for clearance.

There are smoke control orders in effect.

The property is within an area affected by radon gas or

Most importantly, whether the property is built on land which the Council considers contaminated.

There are further optional enquiries which may be raised for an additional fee. The most important and salient of these is whether there is a public footpath within the boundaries of the property. **If you are concerned that there may be a public footpath, please let us know and we will raise this particular enquiry. This enquiry is not made as a matter of course but only if requested.**

NB: The Local Search will not reveal whether a neighbouring or adjacent owner has submitted an application to obtain planning permission for development of adjacent land which may affect the value or amenity of the property you want to buy. A solution to this particular problem has now been given - see "Plan Searches" below.

Drainage and Water Searches

These Searches are undertaken with the Water Authority serving the area that the property is in.

The search reveals whether the property is connected to a foul public sewer and surface water drains. If this is the case, the Search should reveal the position of the public sewer and/or drain. You should always bear in mind that the responsibility for the drains running from the property into the public sewer will remain your own responsibility and the whereabouts of these private drains will not be revealed on the search.

The search also reveals whether the property is connected to a mains water supply and the location of that mains supply.

Finally, it should reveal if the property is connected to a water meter or not.

Coal Mining Searches

Forty per cent of properties in England and Wales are within areas where coal mining activities have taken place. A Directory is produced by the Coal Authority detailing the areas which may be affected and where a search should be made.

The Coal Authority Search will reveal if mining has taken place within the vicinity of the property and if so, when. It will state whether there are any mine shafts within the boundary of the property and what proposals there are for future mining. Finally, it will reveal if any claims for subsidence have been made by previous owners of the property.

Environmental Searches

The results of the searches reveal historical uses of the land and current contaminating and polluting processes.

Whilst most lenders require us to carry out an environmental search, we cannot advise you in relation to the results of the search as this is entirely outside our expertise. If the results of the search reveal a problem with contamination issues, we are obliged to submit a copy of the search to your Lender for their authorisation that the matter may continue.

If land is found to be contaminated, local authorities are under a duty to decide whether action should be taken to clean up the contamination. This can cost thousands of pounds. If the Local Authority consider that a clean up is absolutely necessary they will serve a remediation notice on either the persons who caused the contamination or, if these persons are unidentifiable the owner/occupier of the land and property. This could mean you.

The search will also reveal whether the Property is in a postcode area which is affected by flooding whether this is of an environmental nature, eg tidal or rivers or from the effect of drainage. If the search reveals that flooding may be an issue, we recommend that an additional search is undertaken to provide further information of such issues. Please see Home Check Flood Searches under additional searches below.

If you have access to the internet it is possible to do a basic environmental search yourself by using www.homecheck.co.uk. This is a free search and all you need to do is enter the post code of the property you are searching against and it will reveal high or low risk issues.

You can also use another free site - www.environment-agency.gov.uk. Again, if you place the post code into the search facility, the site should reveal information about flooding.

Chancel Repair Searches

There are over 15000 parishes in England and Wales. Approximately, 5,000 parishes are at risk for the liability to pay for the repairs to the Chancel of the medieval church within these respective parishes. The property that you purchase need not be within a certain distance of the Church to be liable. If the property is within the parish of a medieval Church then, you may be liable to contribute towards the cost of repairing and maintaining the Chancel. The liability affecting properties is rarely recorded in the title deeds but exists as an "overriding interest". Overriding interests affect titles as a "cover all" situation. Following the Land Registration Act 2002, the Church of England is intending to substantially register their right to charge for the chancel repairs where relevant.

A case decided in the House of Lords – "Aston Cantlow and Wilmcote with Billesley Parochial Church Council v Wallbank 2003" – detailed that the owner of property, situate in the Parish of Wilmcote with Billesley was asked to contribute £95,000.00

towards the repair of the chancel of the parish church. Mrs Wallbank refused to pay and the case was heard in the civil courts, the Court of Appeal and finally in the House of Lords who declared that the money was payable by Mrs. Wallbank to the Church Council.

We undertake a Chancel Repair Screen Search to ascertain whether the property you wish to purchase is liable for chancel repair costs. If the property is found to be potentially liable to contribute towards the cost of chancel repairs we will advise you and if you wish we can arrange to obtain an insurance policy to cover you against the future cost of chancel repairs. There will be a one off premium to pay on completion.

Additional Searches

The following searches are not carried out as part of the standard procedure but may be ordered if you require :

Homecheck Flood Searches

If the Residential Environmental Search Report reveals that the Property is in a post code area which has highlighted flooding issues, we recommend that this further search is undertaken.

The Search will assess the volume of verified flood insurance claims made in the postcode area, identify where ground water flooding could potentially occur and analyses past flooding to give a general indication of where flooding could occur in the future. Finally, it will assess the risk of flood including areas which benefit from flood defences. The cost of the search is approximately £22.80.

Plan Search Plus

This search provides you with details of the planning applications / permissions applied for or granted since 1997 within 200 metres of the property you are purchasing.

It also provides information as to the policy issues for the use of land within 500 metres of the property. It displays all telecoms mass and public rights of way, information on local schools, council tax rates and crime figures, a details socio-economic overview and risk of theft based on insurance claims.

If you wish us to undertake a Plan Search Plus please let us know immediately and let us have a cheque to cover the search fees. These searches will not be done as a matter of course but only if requested.

Other Searches depending on location

Commons Registration Searches

Are usually made if the property is new or there may be a possibility that the property may be adjacent to common land or a village green.

Limestone mining searches

Only made if the property is situate in the West Midlands.

Clay and Tin mining searches

Only made if the property is in the region of Devon or Cornwall.

Brine Extraction Searches

Only made if the property is situate in Cheshire or Greater Manchester.

Rivers, Canals or Railways

If the property is situate near to a river, canal or railway, please advise us and we shall implement searches with The National Rivers Authority, The British Waterways Board or Network Rail to ascertain whether any maintenance costs or obligations are attached to the property you are to purchase.

TYPES OF MORTGAGE

Let us put a mortgage into perspective. Imagine a twenty five year mortgage as a bottle of full fat milk. The cream sitting at the top of the bottle represents the capital loan you are borrowing and the milk represents the interest that you will repay.

The majority of us require a mortgage to buy a house. We are not authorized to advise you upon which mortgage provider or package to obtain but we do recommend that you critically analyze the financial products on offer.

There are two types of mortgage :

The Repayment Mortgage

The mortgagee loans the capital which attracts interest until repaid. The term of the loan is usually twenty five years but you should bear in mind that if the repayment period is shorter, the interest that is repaid will be less.

Monthly repayments of both capital and interest are made throughout the mortgage term and at the end of the term the capital and interest are all repaid.

The Endowment Mortgage

The mortgagee loans to you the capital sum of the mortgage which attracts interest until repaid. During the term of the loan, which can be twenty five years or less, you only repay to the mortgagee the interest which accrues. No capital repayment is made at all.

The capital repayment is paid at the very end of the term and you require a vehicle, usually an endowment insurance policy, to accumulate sufficient funds to repay the capital amount. You would therefore also pay regular monthly premiums for an endowment policy throughout the term of the mortgage.

The endowment policy will also provide life insurance cover.

As is generally known, endowment policies have taken a battering in the recent economic climate and many people who already have endowment policies have been informed that, despite paying the monthly premiums, their endowment policies will not realise sufficient monies to repay the capital loan at the end of the mortgage term. Even so, the capital repayment will need to be made.

If you decide to seek an endowment mortgage, please seek independent financial advice to ensure that this is a viable option for you.

Please also bear in mind the following :

1. Many mortgage providers offer a fixed rate interest package for a short time at the commencement of the mortgage (a fixed period). Whilst attractive, knowing exactly what your outgoings are for the fixed period, many lenders will recoup an "Early Repayment Penalty" from you should you sell the

property within a given period which may or may not correspond with the fixed period.

If you do sell and are to be charged an Early Repayment Penalty, it may be possible to avoid paying the Penalty provided you take out another mortgage with the same mortgage provider. .

2. As buyers of the property, you will be asked to sign the Mortgage Deed which is sometimes expressed as a Legal Charge. By signing the Mortgage Deed or Legal Charge you are promising to carry out certain obligations which are summarized further below. However, if you have :-

- any children/relatives/partners who are over the age of 17 and
- who are to reside at the property as his/her main residence
- but are not buying the property and who are not signing the Mortgage Deed

then that child/relative/partner will be asked to sign a Deed of Postponement or Consent which will state that that child/relative/partner is fully aware that you are obtaining a mortgage to purchase the property and if you default in your obligations under the Mortgage that child/relative/partner will vacate the property if an Order for Eviction is made against you. The child's/relative's/partner's rights are postponed behind that of your mortgage provider.

If you have a child/relative/partner who will occupy the property following completion, you should advise your mortgage provider when making your application for a mortgage. Failure to do so can lead to delays in achieving an early completion of your purchase.

3. A mortgage is a secured loan and will be registered against the property you are to purchase. The standard conditions of the mortgage will generally include the following summary of obligations that you are to uphold until the capital and interest repayments have been repaid :-

- If a repayment mortgage; to pay the capital and interest on a monthly basis.
- If an endowment mortgage; pay the interest payments on a monthly basis and the premiums on any endowment insurance policy or other vehicle which should repay the capital at the end of the term.
- Pay the premiums on the buildings insurance policy.
- Not to let your property to any person without the prior written consent of the Lender.
- Repair the property and keep it in good condition.
- Not alter the property, without the consent of the Lender.

- Comply with all planning or statutory requirements, if any.

If the above obligations are not met, a Lender has the right to :

- Apply to Court for an Order to evict you and all others residing at the property and place the property on the open market with a view to selling the property to recover the capital, interest and all costs involved in taking this action. If there are insufficient funds available to discharge all of the debt, the Lender may seek the balance from you personally.
 - Insure your property at your expense.
 - Carry out any obligations required by the Planning or Local Authority.
4. Your mortgage provider will require a Valuation of the property to be done by a qualified Valuer/Surveyor. You will be asked to pay a fee for this Valuation.

Please be aware that the Valuation is carried out on behalf of the mortgage provider and is to clarify the value of the property purely from the mortgage provider's point of view. Whilst the contents of the Valuation maybe disclosed to you, you should not rely on it as evidence that defects do not exist. Please see the Section on Surveys.

5. Your mortgage provider will usually instruct us to deal with the paperwork to complete the mortgage at the time of your purchase. The cost of this work is already included in the quote given to you. Our ability to proceed quickly is dictated by any Special or Standard Conditions which we will need to deal with prior to being in a position to exchange contracts.

SURVEYS

New Homes

If you are to purchase a brand new home, a recognised builder will be registered with either the :

National House Builders Council (NHBC) Buildmark Scheme
The Housing Association Property Mutual Scheme
Similar organisations

These organisations give a guarantee to buyers that the property that has been built has been erected in accordance with certain standards.

The NHBC product guarantee the structure of the property for ten years provided that there are no apparent structural defects to the property at the time of purchase. The guarantee is automatically passed to subsequent owners of the property.

Types of Survey

If you are not buying a new property you do need to consider the need for a Survey. The well worn conveyancing caveat “Let the Buyer Beware” still holds true today and the emphasis remains on a buyer to find out as much about the property before agreeing to be legally bound to purchase by exchanging contracts.

There are various types of Survey which are as follows:-

Valuation

As mentioned previously, this is a very basic valuation and is carried out solely upon behalf of the mortgage provider to ascertain that the property exists and it is worth at least the amount that is being requested for the mortgage advance.

The Valuation may contain details of the approximate age and type of the property and give a statement as to its general state of repair. It may even detail any defects which are apparent on the valuer’s inspection.

Mortgage providers are keen to advise that this particular Valuation should not be relied on by you, as buyers, when deciding whether you wish to proceed with the purchase or not.

RICS Home Buyer’s Report

This scheme was promoted by the RICS and involves a Survey by a qualified Surveyor. The Survey involves a thorough examination of the property and a written report will be prepared by the Surveyor and submitted to you. If the Surveyor considers that there are defects or problems with the property, you will be advised to obtain independent and further surveys from specialists. For example, the Surveyor may be dissatisfied with the electricity wiring and may advise that a qualified electrician inspects the property and provides estimates for any work considered

necessary.

The Surveyor will also give his opinion of the value of the property.

NB Provided the Surveyor that you appoint to do a Home Buyers Report is recognised by the mortgage provider that you have applied to for a mortgage, **it may be possible** to ask your mortgage provider to accept the Home Buyer's Survey which will contain valuation information sufficient to satisfy the mortgage provider. Your mortgage provider is under no obligation to agree to this course of action but if it does you will save the cost of the valuation fee.

Building Survey

A Surveyor will thoroughly examine all aspects of the property in a belt and braces approach. A building survey should be more detailed than a Home Buyer's Report. Again, the surveyor will provide a written Survey Report detailing any defects etc.

The cost of a building survey is often a factor in deciding whether to obtain one or not. The majority of people decide to obtain Home Buyers Report and then any specialist reports if recommended.

A building survey can be expensive but if you are buying a property in excess of one hundred years old or you think there are potential problems with the property, you should speak to a Surveyor in the area you are purchasing for advice on the best option for you.

The organisations governing Surveyors are The Royal Institution of Chartered Surveyors and/or The Incorporated Society of Valuers' and Auctioneers.

INSURANCE

Various insurances are needed when buying a house and many of the mortgage providers can offer packages. Although convenient, such one stop packages can be expensive and you may wish to seek insurances from other sources.

It is possible to obtain quotes for some insurances over the telephone, dealing directly with the insurance company concerned. You may decide that you would prefer to appoint a broker or insurance agent to carry out this work for you.

What Insurances Will You Need :

Buildings Insurance

If you do not take up the buildings insurance which your lender can provide, you must ensure that you have a fully comprehensive buildings insurance policy covering the reinstatement costs of the property (which may be different from the purchase price of the property). All mortgage providers require cover for the following perils:

- Fire
- Lightning
- Aircraft
- Explosion
- Earthquake
- Storm
- Flood
- Escape of Water or Oil
- Riot
- Malicious Damage
- Theft or attempted theft
- Falling trees and branches and aerals
- Subsidence
- Heave
- Landslip
- Collision
- Accidental Damage to underground services
- Professional fees, demolition and site clearance costs, and
- Public Liability to anyone else.

If you are to take out independent insurance we shall require confirmation from the insurance company that their Policy will cover the reinstatement costs of the property (which is as stated in the Valuation given by the mortgage provider) and that the above risks are covered. **This confirmation will be required prior to an exchange of contracts binding you to purchase the property.**

Contents Insurance

Most insurance companies will offer contents insurance with the buildings insurance policy. You may decide to take out separate contents insurance and if you are purchasing a leasehold property where the landlord is responsible for the buildings

insurance, this will be necessary.

We understand that some contents policies will cover for accidental or pet damage.

Life Insurance

The premiums payable for life insurance can be quite low, particularly if you are young. Life policies can be for 5 to 25 years. The premiums you pay are not refundable and the death benefit will be payable on your death to hopefully repay the capital of the mortgage. You may of course decide to obtain a death benefit higher than the value of the mortgage and elect your partner/child or relative to be the beneficiary of any surplus.

Endowment Policies

Please see details above under Types of Mortgage,

Accident Sickness and Redundancy Policies

Premiums are paid to the insurance company on a monthly basis to provide you with an agreed fixed monthly income in the event of a serious accident, or illness or redundancy. The policy will usually only begin to pay three months following such an event and it may only be for a limited time - say two years. Always check the cover afforded.

Full disclosure

Whatever insurance you require you should also take especial care to inform your insurance provider of all matters which may be relevant.

In particular, with life, sickness accident and redundancies policies, you should always be completely open about your health even if the insurance company do not directly ask you detailed questions. The law states that you should disclose everything.

If a claim is made on an insurance policy, and the insurance company believe they have been misled in any way, they are entitled to deny your claim and refuse to pay you the benefit of the policy even if the premiums are up to date.

LEASES

If you buy property that has a freehold title, you are the owner of that property until you sell it. Other than your Lender (if any) no one else has a legal interest in your property. You will be bound by any covenants in the title deeds and legislation. Other than these restrictions, you are the sole owner.

A freehold owner is able to grant another legal estate - a Lease – which will create a leasehold title. The Lease will give a time period for the leasehold title. This can be, for example, a term of 25, 99, 125, 250 or 999 years.

Until the term of the Lease expires, the leasehold title is bought and sold in the same manner as a freehold title. However, the leasehold owner will be bound not only by any restrictions to the freehold title and legislation but also by the covenants, conditions and provisions contained in the Lease. There will be covenants to:

- pay rent, even if it is a nominal rent, such as a peppercorn;
- pay service charges which are fees paid to the landlord to ensure that the landlord has sufficient money to carry out any maintenance obligations within the Lease.
- pay a proportion of the buildings insurance premium;
- observe the covenants to maintain the leasehold property (this may only extend to the interior of the property) although an analysis of the Lease will clarify in individual cases.

The freehold owner/landlord will also enter into covenants with you. Leases vary but the landlord will always covenant that:

- you will be entitled to hold the property peacefully without any interruption provided you observe the Tenants covenants.
- If the property is an apartment within a building comprising several apartments, it will also be usual for the landlord :
To insure the buildings, although the cost of the insurance will be passed back to you.

Maintain the structure of the building and all common areas, again with the cost being passed back to you by way of a service charge.

Under the current legislation, it is impossible to own a "freehold" apartment. Many developers build properties comprising apartments with car parking and common areas including gardens and access ways and then Lease the apartments to Buyers for at least 125 years. The developer, as freehold owner, therefore, becomes the Landlord. It is an efficient method of selling property but, after the last apartment has been sold, the developer/landlord will not usually wish to have any further involvement in the maintenance of the structure of the building or the car parking and common areas.

Many developers, therefore, set up a Management Company and all leasehold owners within the development will become a member of the Management Company when they buy their apartment. You may be asked to sign a form stating that you will

become a Director of the Company.

The developer/landlord will state that on the sale of the last apartment within the development, its freehold title will be transferred to the Management Company, usually for £1.00 or other nominal amount.

The Management Company, therefore, becomes registered as the freehold owner and landlord. As landlord, the Management Company is responsible for the landlords obligations contained in each apartment Lease. As you will be a member of the Management Company, you will have a say in the observation of the Management Company's performance.

To go a stage further, many leaseholders who are also part of a Management Company do not have the time to organise and run the Management Company. For this reason, independent Managing Agents are appointed by the Management Company to deal with the obligations of the Management Company on a day to day basis. Whilst this is time saving, the costs of appointing a managing agent will eventually fall back onto the leasehold owners of the apartments, as part of the service charge.

Most Lenders like to see at least 65 years of the term of the Lease at the time of your purchase. If you have found a property that has a leasehold interest, but the term left is less than 65 years, it may be possible to ask the Landlord to extend the term of the Lease. If a landlord agrees to do this, a fee is usually payable and should be negotiated. It could be a nominal fee or, it could be a substantial amount.

Leasehold transactions are a little more complicated.

Please also bear in mind that there will be additional disbursements to pay when buying a leasehold property. On completion, we shall need to serve a notice on the Landlord stating that you are the new owner. The Landlord will require a fee and this can range from anything between £15.00 to £100.00. We will advise you of the fee as soon as we are aware of the amount.

When selling a leasehold property, there may also be fees which you will need to pay to the Managing Agents for the supply of information required by your buyer. For example, a buyer will want confirmation that you are up to date with all rent and service charges etc.

STAMP DUTY

Stamp Duty is a tax paid by the Buyer on completion of the purchase of the property.

Until the Duty has been paid to H M Revenue and Customs, application for registration of your legal title to the property cannot be made in H M Land Registry.

We shall require the Stamp Duty from you prior to the date of completion of your purchase and we shall deal with the paperwork involved in submitting the Stamp Duty to H M Revenue and Customs.

We shall submit to you a Land Transaction Return which contains details of the property you are purchasing, who you are and who the sellers are. All we shall require from you is your national insurance number and your signature.

If you are buying a property for less than £150,000 and the property falls within an area known as a "Disadvantaged Area" no stamp duty will be payable. If the property you are buying is not in a Disadvantaged Area the amount of stamp duty payable is calculated as a percentage of the purchase price as follows :-

PRICE OF PROPERTY	DUTY
Under £125,000	Nil
Over £125,000 but under £250,000	1% if you are not a first time * buyer
Over £250,000 but under £500,000	3%
Over £500,000 but under £1,000,000	4%
**Over £1,000,000	5%

If you are purchasing a long leasehold property, stamp duty may also be payable on the rent element of the lease. We would, however, advise you in relation to this particular point on an individual basis as the intricacies of this is outside the scope of this guide.

*

If you are a first time buyer, you are entitled to an exemption to the payment of stamp duty provided you purchase your property on or before 25th March 2012.

If two or more people are buying property and one of you has owned property in the past, the exemption will not apply and stamp duty will be payable at the given rate on completion.

**

The stamp duty at 5% is payable for completions effected after 6th April 2011.

OWNERSHIP

If one person owns property, that person is the sole owner in law and in equity.

In law, property may be owned by up to four people - the number who may own in equity is infinite.

Most residential conveyancing is done upon behalf of either a sole owner or two people. If more than one person owns land, they must do so by the creation of a trust with each other. A trust can be expressed as either a joint tenancy or a tenancy in common. It is important to understand the difference:-

Joint Tenancy

Property is held by two or more people. If one of the owners die, the deceased interest in the property automatically passes to the survivor by law. Whilst both of the joint tenants are alive, neither of them can deal with their interest in the property individually.

Most married couples opt for a joint tenancy although this can be severed at any time to create distinct "shares".

Tenancy in Common

This is where two or more people hold land as "Tenants in Common". Each owner has a distinct "share" in the property which may be bequeathed separately by the Wills of each owner. On the death of one of the tenants in common, the deceased share does NOT automatically pass to the surviving owner. The share will pass by the process of the deceased Will or by the rules governing intestacy.

A tenancy in common is usual where two people buy property and their contributions to the purchase price are unequal. Another reason why some people opt for a tenancy in common is to reduce any capital gains tax liabilities. (Capital Gains Tax would usually apply if you own more than one property).

Tenants in Common can hold equal shares in the property - 50:50. However, the shares may be unequal - 60:40 - 70:30 - 80:20 or whatever percentage is relevant. If you do decide to hold the property as tenants in common in unequal shares, a prudent course to take is to record the reasoning behind the difference in the shares which may change in the future. It is also important to record the unequal division to ensure that, should the relationship break down, a great deal of heartache can be avoided if you decide to sell the property.

If you are to buy the property as Tenants in Common in unequal shares, please indicate your intention on the Checklist and we shall send you documents to complete to assist in establishing the unequal division which will help us prepare a Declaration of Trust. There is an additional cost for this service which is £125.00 plus VAT.

WILLS

As part of our conveyancing service you are entitled to a discounted Will. You will automatically be contacted by a member of our direct Will writing team unless you inform us that you do not require this service (please see our letter of engagement for further details).

Many people are put off making a Will, because they feel they are not at 'that' stage in their lives yet.

However no matter what age you are or what your personal circumstances may be, writing a Will is a vital part of planning for the future of your loved ones. It is also the only real way of guaranteeing your wishes are respected after your death.

It is a common myth that your spouse or partner will inherit everything automatically should you die. In fact, this is only the case if your estate is under a certain value or if you have no other relatives who survive you. If you are unmarried, but have a partner, they could be entitled to nothing if your wishes have not been stated in a legally binding document.

Children under 18 should always be considered as their future will rest in your hands should there be no surviving person with parental responsibility. You can choose a guardian, so that you have peace of mind about their future happiness and security.

If you do not make a valid Will the law decides what happens to your possessions, regardless of any wishes you may have had. There are also financial benefits linked to making a Will. Your family can be spared any unexpected legal bills and, dependent upon the value of your estate, you can ensure that the minimum amount of tax is payable.

If you have already made a Will, don't forget it, you should check that it still reflects your wishes and the value of your estate. Circumstances also change; the birth of children or grandchildren, marriage or indeed divorce can result in the need for amendments to be made.

Things to consider when making a Will

- Who you would wish to appoint as an executor and trustee
- Who you would wish to appoint as a guardian for your children if they are under the age of eighteen
- Whether you would like to leave any gifts of money or property (such as jewellery or other personal items) and if so, the full names and addresses of the beneficiaries
- Who you would like to receive the remainder of your estate
- At what age you would like minors to inherit. The legal minimum age is 18 however, this can be increased to say 21 or 25

- Whether you would like to include any funeral instructions such as burial or cremation.

WILL TYPES

Basic Will

A basic will is suitable for an individual, and includes the appointment of executors and guardians, the gifting of specific gifts of money or property and the distribution of the remainder of the estate. Funeral directions can also be included.

Basic Mirror Wills

Basic mirror wills are suitable for couples who wish to have similar wills in place, and include the appointment of executors and guardians, the gifting of specific gifts of money or property and the distribution of the remainder of the estate. Funeral directions can also be included.

Property Trust Wills

By preparing carefully worded property trust wills, it may be possible to protect at least one half of the value of your home from care fees or the effects of re-marriage.

Essential to the working of property trust wills, is the way in which you own your property - Most couples own their property as joint tenants. This means that when one of them dies the property automatically passes to the survivor.

Should the survivor then re-marry or alter their will, this could have a dramatic effect on where your property ends up. This is because that act of remarriage cancels any will your partner made whilst you were both alive and the new husband/wife/civil partner would then become his/her next of kin. Your children for example, would be no legal relative to this person and your estate could pass outside the family to someone you have never even met.

If the survivor chooses not to re-marry or alter their will but has to go into care, the whole of the property may have to be sold to pay for care fees.

If however, the property is owned as tenants in common, each tenant's share could be held in trust via a will for beneficiaries of their choice (such as your children) whilst giving the surviving tenant the right to reside in the property. Therefore if the surviving tenant chooses to re-marry or alter their will or requires long term care later on in life, only their share in the property will be affected.

Discretionary Trust Wills

Discretionary Trust Wills were primarily completed by people wanting to mitigate their inheritance tax liability. However, the recent changes in the laws regarding inheritance tax have reduced their necessity to a certain extent but, if you want to have long term asset protection whilst still retaining your options to mitigate inheritance tax (particularly if you have business assets), then Discretionary Trust Wills are still an appropriate planning tool.

AIDE TO LIMITING FRUSTRATION

- When you have found the property you want to purchase, your seller may tell you that “they can move into temporary accommodation to meet your required completion date”. Be aware, the seller is not legally bound by this statement.

The seller will probably have every intention of doing what he/she says but in the majority of cases, the seller will then find a property they like and link their sale with their ongoing purchase. This will inevitably slow your purchase down as you will then be in a “chain of transactions”.

If you find yourself in a chain of transactions, the pace of your own sale and purchase will be governed by the slowest person in the chain who may or may not be your immediate buyer or seller. This is extremely frustrating as you largely lose control of the timing of the transaction. For this reason, we advocate that you try to avoid setting yourself a particular completion date at the outset of the transaction.

There may be, for example, ten people in the chain, all selling and buying properties linked to each other. All of the people in the chain need to be ready to exchange contracts and agree a completion date at the same time. Frustration sets in if you are ready but one person in the chain may still be waiting for a mortgage offer to arrive, another may have difficulties with the results of searches or title issues. Whatever the reason, there is nothing realistically that you can do other than be philosophical.

In chains of transactions the most important point for us is to ensure that we are ready to exchange contracts as quickly as possible.

In situations where you are ready to exchange but others are not, it is our policy to “chase” your immediate sellers and/or buyers solicitors for news which we will then relay to you to keep you informed of any progress.

- If you are buying a property with the aide of a mortgage, as soon as the mortgage offer arrives, check it thoroughly to ensure that the terms are acceptable. You may be required to sign an Acceptance Note and a Direct Debit Mandate. If this is required, please sign and return to the Lender immediately. If this is not done the Lender will not forward us the mortgage advance in time for completion.
- If you are obtaining buildings insurance independently from your Lender, let us know as early as possible. Please let us have the insurance company's name and address and the proposed policy number. We can obtain the confirmation we require to satisfy your lender that insurance is in place.

PRACTICAL POINTERS - COMPLETION

Sale of property

Read the meters, or arrange to have them read on the date of completion and report the readings to your water, gas and electricity suppliers.

Pay the Council Tax account and any other outgoings up to the date of completion.

Ensure that the items that you stated were to remain at the property as detailed on the fixtures fittings and contents list that you completed at the beginning of the transaction are indeed left at the property.

Clear all areas of the property, including the loft, garage and garden of all items (including any rubbish).

If you are taking the light shades / fittings with you, you must ensure that you leave alternative light fittings with appropriate light bulbs that work.

Leave any literature which the buyer may need to operate any appliances or systems which are included in the sale.

When you have vacated the property, deposit the keys with the estate agent who will only release them when we inform such Agent that we are in receipt of the purchase monies.

If you have sold privately, we will let you know when you can release the keys to the Buyer.

Purchase of property

You will usually collect the keys from the estate agent dealing with the property. The keys will not be released to you until the sellers solicitors have confirmed that the purchase monies have been received.

If you are in a chain of transactions, monies have to move from one solicitor to another through the banks' clearing systems. The transfer of money in this way should be instant but it is not and can take up to four hours. If you know you are in the middle or at the end of a chain of transactions, consider making your removal arrangements so that you arrive at the agents/property by mid afternoon. Your arrival should then coincide with your ability to obtain the keys.

Read the meters for your own records.

LIST OF PERSONS TO NOTIFY OF YOUR CHANGE OF ADDRESS

Nursery
School
College
University
Long Distance Course Providers

Bank
Building Society
Investment Providers
Pension Providers
Life Insurers
Endowment Insurers
Building and Contents Insurers (if not already notified)
Car Insurers
Pet Insurers
Credit Card or Hire Purchase Companies
Companies of which you are a shareholder
Inland Revenue
Child Benefit Office

Doctor
Dentist
Vets
Opticians

Local Authority - Council Tax / Electoral Register
Gas Supplier
Electricity Supplier
Water / Drainage Supplier
Telephone / Cable Supplier
Sky or Digital or similar supplier
Newsagent
Magazine subscriptions
DVLA
Television Licensing
Passport Office

Family

Friends

The list is not exhaustive but we hope it helps.