

Biggs & Co.

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Guidance Notes for First Time Buyers

COMMENCEMENT

If Estate Agents are involved, they will issue sales details to all parties involved to enable the individuals connected with the transaction to write to each other. ***Check that the information is correct when you receive your copy.***

MORTGAGE APPLICATION

You should immediately submit an application for mortgage, pay your survey fee to the Lender or Broker and advise Biggs & Co of the name and address of your Lender and the amount of the loan. ***Ask the Lender or Broker how long it will be before the formal written offer of mortgage is to be issued, as this will be a guide to the timing of exchange of Contracts.***

THE DEPOSIT

As a First Time Buyer, you will be expected to pay a deposit to the Seller. If you have arranged a Mortgage in excess of 90% of the purchase price, agreement must be reached with your Seller's Solicitor to accept a sum less than 10%, which is the standard deposit provided for in a Contract. It is quite common for Sellers to accept a 5% deposit. ***If you do not have a 5% deposit to put down ask Biggs & Co. to negotiate a lesser sum on your behalf.*** As this may not always be possible, early negotiation is recommended to allow sufficient time for you to make the necessary arrangements for a temporary loan through your Bank or other Financier. ***It should be remembered that your Lender does not provide the deposit from the mortgage monies.***

PREPARATION OF CONTRACT

The Solicitor acting for the Seller will obtain the title deeds of the Seller's house and then prepare and submit a draft Contract to Biggs & Co.

EXAMINATION OF TITLE

On receipt of the draft Contract, Biggs & Co. will examine the title to the property (checking ownership and covenants etc.) and raise any questions with the Seller's Solicitor, including a request for a list of fixtures and fittings which are included or excluded.

PRE-CONTRACT SEARCHES

A Local Search and any other relevant Searches will be obtained on the property and examined by Biggs & Co. ***Any adverse entries will be advised to you as soon as known.***

MORTGAGE OFFER

On receipt of your mortgage offer, you should check the terms carefully to ensure that they accord with the original details given to you by your Lender or Broker, e.g:-

- 1 The total amount being lent.**
- 2 Deductions i.e. Indemnity Premium, Arrangement fee etc.**
- 3 The monthly payments.**
- 4 The term of years.**
- 5 Life cover has been accepted by the Lender.**
- 6 Any penalties for early repayment.**

THE SIGNING OF THE CONTRACT AND PAYMENT OF DEPOSIT

When the above stages have been completed, you will be asked to make an appointment to attend our offices to go through all papers and sign the Contract, and bring with you a Bankers Draft or Building Society cheque, payable to Biggs & Co., for the amount of the agreed deposit as negotiated earlier, or 10% of the purchase price, whichever is applicable. *Personal cheques are not recommended as they take time to be cleared, and will delay the exchange, in addition to which Banks make a charge of £10 for clearance.*

THE EXCHANGE OF CONTRACTS

Exchange of Contracts will be effected by Biggs & Co. and the Seller's Solicitors once both parties have signed their Contracts and agreed a completion date. Normally a minimum period of **10 working days** between the exchange and completion is required but any longer date can be agreed. *Completion has to take place on a working day.*

POST EXCHANGE

Biggs & Co. will submit the final searches, requisition the advance money from the Lender, prepare the Transfer of ownership document between the Seller and the Buyer and prepare a financial statement which will be sent to you.

BALANCE OF MONIES REQUIRED FOR COMPLETION

It will be necessary to have any balance of monies, including costs, from you *no later than four clear working days prior to completion.* These will be advised to you in the financial statement.

THE COMPLETION DAY

You are not required to attend the Solicitors' office on the day of completion. Biggs & Co. will forward the balance of purchase monies to the Seller's Solicitors, and on receipt of the monies by them the matter is complete. *Thereafter the Seller's Solicitors will authorise the release of the keys through either the Estate Agents or the Seller for collection by you.*

POST COMPLETION

Biggs & Co. will receive the deeds from the Seller's Solicitors, arrange for the Transfer document to be produced to the Inland Revenue and thereafter carry out the registration of the Title at H.M. Land Registry. Following completion of the registration at H.M. Land Registry the Title will be registered in your name, and the deeds will then be sent to the Lender.

These Guidance Notes have been produced to assist your general understanding of the Legal Process involved, but you should, of course, pay particular attention to any specific points that are brought to your attention during the course of the transaction. You should not hesitate to contact us at any stage. Remember, we are here to help.