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The conveyancing process for property purchases

When you decide to buy a property, you will need to engage a conveyancer or conveyancing solicitor who will take care of the legal paperwork in transferring the ownership.

At SO Legal, we aim to provide a professional conveyancing service that protects you from a wide range of risks.

Every conveyancing matter is different, but a basic overview of the process and some of the tasks we typically carry out on your behalf can be helpful.

While the below outlines the basic process of a purchase, it is important to note that transactions vary in complexity depending on your specific requirements (for example, new build properties, retirement properties, or purchasing property through a limited company).

Step 1: Instruction

Once you have had an offer accepted on a purchase, you must instruct a conveyancer. You will then receive a client engagement in which fees, terms and conditions are outlined.

A good indication of quality service is accreditation to the Conveyancing Quality Scheme (CQS) which marks us as meeting high standards in the residential conveyancing process.

Step 2: Pre-contract stage

The pre-contract stage is the period between the agreement of sales and the exchange of contracts. Work includes conveyancing searches such as environmental, water and drainage, chancel repair liability and local authority reports.

There is also a requirement to verify the origin of the funds the purchaser uses to finance the purchase. Often the funds will come from a mortgage lender - however, we will require evidence of its origin for the portion that is coming directly from the purchaser.

If the search results reveal an issue with the property that could pose a risk to the lender's interest, your conveyancer must report it to them, as it may affect the lender's decision to proceed with the mortgage.

Step 3: Conveyancing enquiry stage

At this stage, your conveyancer raises enquiries about the contract pack. It is essential to investigate any of the property's potential defects.

Caveat emptor - or ‘buyer beware’ – puts the onus on the buyer to investigate and discover any defects affecting the property. Therefore, obtaining relevant information at the enquiry stage is crucial.

The conveyancing protocol tries to limit the number of enquiries by requesting that only property-specific enquiries are raised.

The enquiries will be based on the following:

- The property title register and plan
- The sales contract – once this is approved, your conveyancer will arrange for you to sign it.
- Pre-contract search results
- Survey
- Information contained within the protocol forms
- Lender’s requirements
- Buyer's own enquiries
- If leasehold, the management pack information

If the seller cannot provide the answers to the enquiries that have been raised, indemnity insurance is commonly used during conveyancing transactions to cover some sort of legal defect which cannot be resolved swiftly or at all.

The conveyancer will accept this when the buyer is otherwise satisfied with the property and wants to protect themselves and any mortgage ledger against future problems. The indemnity policy doesn't remedy the defect – it simply provides financial compensation in the event of the defect causing a loss.

Step 4: Exchange of contracts

The exchange of contracts signifies that you will be legally bound to complete the transaction by the completion date. This will involve the standard conditions of sale.

Typically, there are 5 to 7 working days between the exchange of contracts and the completion date.

Your conveyancer will have taken your instructions before legally committing you to the transaction, and you will need to authorise them to effect exchange on your behalf.

Step 5: Completion

Legal completion is reached when the seller's conveyancers have received the completion monies from your conveyancer. You and your estate agents will be contacted and notified of completion.

Step 6: Post-completion stage

The post-completion process involves a land transaction return being sent to the HMRC and the respective Stamp Duty Land Tax payment. The indemnity policies will be activated, and your conveyancer will apply to the Land Registry to register your new interest in the property.

Your conveyancer will inform you that registration has been completed and that the matter will be closed. They will also make any lender aware that registration has completed and supply evidence that their charge has been registered.

If you have any questions about the conveyancing process, please do not hesitate to contact our team at enquiries@solegal.co.uk