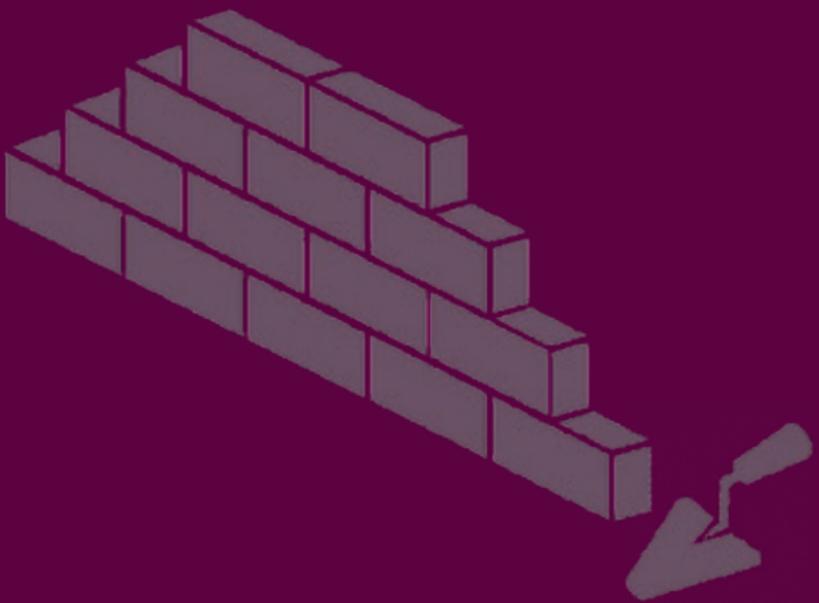


Buying your new build property



When buying a property it is important to be prepared from the start.

Buying a property can be a stressful time for all parties, and we aim to make it simple throughout. Instructing solicitors early shows you are committed and helps to secure your purchase within the developer's timescale of 28 days (or less). There are three clear mile stones in the new build conveyancing transaction: reservation (you pay a reservation deposit to the developer usually at the site office); exchange of contracts (the seller and buyer become legally committed to the transaction) and completion (moving day).

Step by step

Your offer is accepted

Once you have found the plot you wish to purchase and your offer has been accepted, you will pay a reservation deposit to secure the plot. You will be provided with an exchange date which is usually 28 days and is known as the 'reservation period'. Sometimes, incentives are offered by the developer such as carpets, contribution to stamp duty land tax etc. These incentives may be withdrawn if you cannot exchange within the reservation period. If you withdraw from your purchase you may lose all or part of your reservation deposit.

The site office will send confirmation of your reservation to all parties and their lawyers.

Contract package, enquiries and searches

The developer's solicitor will provide a comprehensive pack of information about the plot. The documentation will be in standard form and amendments are unlikely to be accepted. We will ask additional questions; if we are on the developer's panel of solicitors, these will be pre-agreed. The legal pack may contain valid searches. If not, if you are buying with a mortgage, we will submit the 'compulsory' searches (local search, water and drainage search, and environmental search). We will also provide you with guidance notes on 'non-compulsory' searches.

New build warranties and Building Regulations Completion Certificates

We will check that the plot will have the benefit of a new build warranty such as NHBC or Zurich. We will check that the plot has been inspected and signed off by the warranty provider and building control before completion.

Leasehold

If you are buying a leasehold property, we will carefully check that the lease is correctly drafted and sets out the correct term, ground rent and service charge provisions. We will also check that the lease contains all the rights you will need over adjoining property, and we will tell you about the covenants in the lease.

Your mortgage

If you are purchasing with a mortgage your mortgage company will send us the mortgage offer and 'instructions to solicitors'. We will also act for your lender, and owe them a duty of care. We will need to have your mortgage offer and obtain your lender's agreement to any incentives before exchange of contracts.

Keeping you informed

To keep you informed of progress we aim report to you in three stages:-

1. A copy of the key documents contained in the legal pack with our preliminary commentary;
2. A report on the search results (local, water & drainage, environmental etc);
3. A report on the title and enquiries relating to your specific plot, including expert advice and recommendations.

Signing the contract

When we report to you, we will arrange for you to sign the contract. We will ask you for deposit monies. This is usually 10% of the purchase price but if you are also selling, we can use the deposit received on your sale to pay the deposit on your purchase.

Exchange of contracts

Once both parties are ready, we proceed to exchange of contracts. This is when the transaction becomes binding, and neither party can withdraw without serious consequences. If you are also selling a property, your sale will need to be ready to exchange too; or you may need to break the chain and arrange temporary accommodation and storage.

Completion dates

If the plot is build-complete a 'fixed' completion date is set on exchange of contracts and becomes the contractual moving date. We will start to prepare for completion, by requesting funds from you and your lender, and carrying out pre-completion searches. If the plot is in the course of construction, completion will be 'on notice' which means the developer will give us notice when the plot has been signed off and is ready for completion. We will try to agree a longstop date with the developer; this is the latest date by which the developer can serve the notice to complete.



Snagging

Prior to legal completion you should visit the site office and arrange to inspect the property to prepare a snagging list. You should advise us of any snagging issues, but you will not be able to delay completion for snagging works.

Completion day

This is moving day! We send the purchase monies to the developer's solicitor, and upon receipt the site office will release the keys to you. After completion we will deal with the payment of stamp duty land tax, and registration of your property at the Land Registry, and we will put in place the new build warranty.

Other professionals

Other professionals will be available to help you through your purchase:

Site office manager – The site office manager will have a wealth of information about the site and the plot you are purchasing, including progress on the build, fixtures, carpets etc. The site office manager can speak directly to you and the developer.

Mortgage broker – A mortgage broker will be able to search out the best mortgage deals for you, submit your mortgage application and help ensure that your mortgage offer is issued swiftly.

Excellence

Rest assured knowing that you are in safe hands; we hold the Law Society's Lexcel award for excellence and we are also accredited to the Law Society's Conveyancing Quality Scheme (CQS). CQS is designed to promote best practice and give greater transparency. We will share information with others (such as solicitors, estate agents) to assist in the efficient management of your purchase unless there are exceptional circumstances not to.





Our friendly lawyers will put you at ease and explain everything clearly using plain English.

For confidential, expert advice please email us at info@farnfields.com or contact one of the following offices:

The Square
Gillingham
Dorset
SP8 4AX
Tel: 01747 825432

4 Church Lane
Shaftesbury
Dorset
SP7 8JT
Tel: 01747 854244

37 High Street
Warminster
Wiltshire
BA12 9AJ
Tel: 01985 214661

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