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ADVOCATES

Buying Your Home Checklist



Buying your Home - Checklist

This is likely to be the most expensive purchase you are ever going to make, so do not rush into it without thinking carefully about what you are doing.

We have devised a checklist that you should consider when you have decided to buy a house in Guernsey. Please take time to read through the following items carefully as it could save you time, and hopefully make the process less stressful:

- Contact a bank or other loan provider or broker and arrange an appointment to establish how much money you can borrow. After all there is no point in looking at houses significantly out of your price range. When arranging the appointment find out what you need to take with you e.g. wage slips, bank statements, etc.
- If life assurance cover is required as a condition of your loan, which it invariably is, ask your lending manager (or an insurance broker or independent financial adviser) to supply you with a proposal form. A doctor's report may be required before the application can be processed by the insurer.
- Once you know how much you can borrow and have been given the go-ahead by the bank, call in or contact estate agents and ask them to show or send you details of the properties they have on offer within your price range.
- Instruct an advocate's firm as soon as you have put in an offer on your new home and let the estate agent know the name of the firm acting for you so that all necessary documents are given to the advocates in good time.
- If you do not have an advocate, it would be sensible to choose one that has been recommended to you by family, friends, the bank or estate agent. Keep your advocate fully informed of all the circumstances relevant to your purchase (e.g. loan, survey, any special agreements with the seller ("vendor")). Don't be afraid to ask questions - we are there to help.
- The conveyancer, within the legal practice of your choice, dealing with your purchase will contact you by phone or post and introduce themselves to discuss the matter. This will be a good time to raise any queries you may have regarding your proposed purchase.
- The estate agent will provide your advocate with draft Conditions of Sale, title deeds to the house, an inventory of all those items included in the sale (carpets, curtains, kitchen appliances etc.), and any other relevant information. You will be sent a copy of the draft Conditions of Sale and a copy of the inventory once it has been approved by the vendor.
- Conditions of Sale will set out:
 - a brief description of the property
 - the names of the vendor(s) and the purchaser(s) and their respective addresses
 - date of completion - when you actually attend Conveyancing Court and formally agree to the purchase of your new home
 - the price of the property, broken down as to realty (the house and land) and personalty (carpets, curtains, white furniture, light fittings etc.)
 - general terms and conditions and four specific conditions relating to finance, survey, property matters and housing licence.

It is most important that you do not sign Conditions of Sale until your advocate has seen or spoken to you.

- Contact your bank and tell them that you have found your new home. They should arrange an appointment with you to discuss the finer details of your mortgage.

- They may suggest which surveyor you should use – some banks only accept certain surveyors. The types of reports include the following:
 - Valuation Report
 - Home Buyers' Report
 - Structural Report (full survey).

The Structural Report is not normally requested unless the property is very old and/or there is good reason to believe there are major structural defects.

You will need to contact the surveyor yourself to arrange a survey.

Remember - once you have signed Conditions of Sale you must accept the property as it is. It is therefore vitally important to know before you sign if there are any problems with the structure of the house (walls, roof, foundations) which could be costly to repair.

- Life policies, house insurance and any other matters should also be discussed with your lending manager or broker.
- While you are sorting out your survey and finances your conveyancer will have started work. He or she is normally given two working weeks to deal with all matters relating to the legal title to the property. By that time, hopefully, you will be in a position to proceed with the signing of the Conditions of Sale.

What your Advocates do

- Your conveyancer will carry out the necessary searches at the Cadastre (Rates Department) and Greffe (Land Registry). These searches are needed to establish whether the vendors own the property, the boundaries are correct and the property benefits from, or is subject to, certain rights relating to drainage, rights of access to maintain walls, rights of way, etc.
 - Once these have been completed your conveyancer will visit the property and check that the boundaries on site are as stated in the title deeds and ensure that any rights (if any) are sufficient. He or she will also be looking for any potential problems, such as lack of access to maintain a gable, overhanging gutters, and the like.
 - Your Advocate will ask the Environment Department to issue an "Immunity Certificate" which will be a certificate confirming that the Department is satisfied with the planning status of a property at the time of purchase. It is the purchaser who applies for the Immunity Certificate. The purchaser's advocate will usually acquire the application form on a purchaser's behalf and complete the relevant details. The form is then signed by the purchaser and sent to the Environment Department. The Immunity Certificate costs £50 which is payable by the purchaser and is non-refundable should the purchase not take place for whatever reason.
 - Your advocate and conveyancer will then collate all the information to ensure that all is in order and prepare the file for a meeting with you.
 - At the meeting your advocate and conveyancer will explain to you the boundaries and the rights affecting the property.
 - During the meeting the manner in which you will own the property (if there is more than one purchaser, either jointly and for the survivor, or in undivided shares), wills and any other relevant details will be discussed. Particular advice will be given to unmarried couples who are purchasing. At the meeting you will also be informed of the costs involved.
 - Once all of the above is complete, Conditions of Sale can be signed by you and the vendor and the deposit paid. There will then be a binding contract.
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- A 10% deposit is usually required when you sign Conditions of Sale (the equivalent of passing contracts in the UK), although a reduced figure (5%) is becoming more frequent.
- It is not uncommon for the Conditions of Sale to be signed subject to certain conditions being met, e.g. obtaining an offer of finance, a satisfactory survey and/or a housing licence. A time deadline is normally fixed called "the Operative Date". Once all the conditions are met then no further action is required. If the conditions are not met, then you may withdraw from the transaction prior to a specified time on the Operative Date.
- The conveyance will be prepared and a draft will be sent to you for your information, together with a financial statement showing the exact amount required to complete the purchase several days before you purchase your property. This amount must be in your advocates' clients' bank account the day before you go to Court to buy your property, so that the monies can be paid out to the vendor's advocate on completion day. If you are borrowing from a bank/building society these funds will usually be paid directly to your advocate's office.
- On the day that you attend the Conveyancing Court to buy your home you will meet at your advocate's office on a Tuesday or Thursday at approximately 9:00 a.m. when your advocate will run through the documents (usually the conveyance and the bond which relates to monies being borrowed) and finalise any financial aspects. They will also explain the Conveyancing Court procedure and what is expected of you. You will then be taken to the Conveyancing Court for 9:30 a.m. and can usually leave by 9:45 a.m. holding the keys to the door of your new home.

Should you have any queries at any time during the buying process please do not hesitate to contact your advocate or conveyancer who will be pleased to advise you. That is what they are there for.

This is only a general guide to buying your home and full advice relating to your personal circumstances should always be sought.

For further information, please contact:

Advocate Sarah Wallis	T: +44 (0)1481 743999	E: swallis@afradvocates.com
Jerry Woodward	T: +44 (0)1481 743999	E: jwoodward@afradvocates.com