

Hassett Considine Solicitors



BUYING A HOUSE – THE PROCESS EXPLAINED

Established in Ennis in 2005, Hassett Considine Solicitors advise on all aspects of the purchase and/or sale of residential properties. With offices in Kilrush and Ennis we are well placed to advise clients across the county of Clare. Here is a brief outline of a standard residential property transaction to help you better understand the process and language used.

BOOKING DEPOSIT

Once you have decided to proceed with the purchase of the house and have been approved, at least in principle, for your loan, you should pay a booking deposit to the Estate Agent. Booking deposits can be as low as €3,000 but can be up to 5%. This deposit is refundable up to the point where contracts are signed. When the Estate Agent receives the booking deposit they issue the sale details to all parties.

SALE DETAILS /SALES ADVICE LETTER

This is prepared by the Estate Agent and issued to you, your Solicitor and the Vendor's Solicitor. It contains the price, conditions of sale, estimated closing date, names and addresses of all parties.

CONTRACTS RECEIVED

The seller's Solicitor on receipt of the Sale Details, will issue the Contracts. The Contracts are sent in duplicate together with a copy of the Title Deeds to your Solicitor.

LOAN OFFER

Once your Bank/Building Society has formally approved your loan in writing on the basis of the price of the house and information furnished by you, a formal loan pack is issued. Normally a Letter of Offer setting out the main details of the loan is issued to you and the Loan Pack comprising Mortgage Documentation, Acceptance of Letter of Offer and Assignment etc., is issued to your Solicitor.

SIGN CONTRACTS, PAY DEPOSIT

When your Solicitor has checked the Contracts you will be required to visit your solicitor to sign the Contracts and pay the Contract Deposit (10% of the purchase price less Booking Deposit already paid). Your solicitor returns the Contracts and Building Agreements in duplicate signed by you together with the Contract Deposit to the Seller's Solicitor.

CONTRACTS EXCHANGE

The Seller's Solicitor returns one copy of the Contract and Building Agreement. Only then is a binding agreement in place between all parties, subject to the terms and conditions contained in the Contract.

LOAN ACCEPTED

On exchange of Contracts, your Solicitor returns the loan acceptance and ancillary documents to your Bank/Building Society.

TITLE WORK

Your Solicitor raises Requisitions (lengthy Questionnaire) on Title and these are sent to the Sellers Solicitor together with a draft Purchase Deed. The Sellers Solicitor replies in writing to the Requisitions received from your Solicitor and approves the Deed.

NOTIFICATION OF COMPLETION – NEW HOUSE ONLY

When the house is finished the Builder sends you and your Solicitor a "Completion Notice". This is an important document and sets the meter running against you within which time period you must finalise completion. Immediately on receipt of the Completion Notice you must "snag" the house. This is a formal inspection by you or your agent to establish that the house has been finalised. You draw up a list of any unfinished works. This list, known as a "snag list", is prepared in duplicate and one copy retained by you and the other handed to the Site Foreman. You should contact the Site Foreman within a number of days to check if all the items of the "snag list" have been completed and that exercise should be repeated until all matters have been dealt with. Immediately the house has been completed to your satisfaction you should inform your Solicitor.



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CLOSING

Once all queries raised and the Requisitions have been satisfied and all matters are dealt with a closing date and time is finalized to suit all parties. *You should check with your Bank/Building Society that everything is in order to allow the loan cheque issue.* A common cause of delay is that the Life Insurance or Fire Insurance has not been taken out in time. Your Solicitor will prepare a Statement setting out the balance required to complete the purchase and costs. This is sent to you in advance of the completion in order that you can deliver the balance of funds to your Solicitor. This takes into account any extras or allowances agreed by you and the Seller.

LOAN CHEQUE

This is received by your solicitor in advance of the completion date.

BALANCE OF FUNDS

These are delivered by you, by Bank Draft made payable to your Solicitor in advance of the completion date. Normally the loan cheque and balance of funds are received 5 days before the completion date to allow sufficient time for funds to clear to your solicitor's client account.

CLOSE SALE AND MOVE IN

The completion is the formal completion of the purchase. This takes place at the Seller's Solicitor's offices or if agreed will be done by post. You do not need to attend as your Solicitor will represent you. Your Solicitor checks the Vendor's Title and when he/she receives good Title with fully signed documents hands over the balance of the purchase price. At that meeting keys are handed over to your Solicitor or are released to you by the acting auctioneer. For a new house the Site Foreman is contacted by telephone following completion of the transaction and informed to release the keys to you. Usually you collect the keys from the Site Foreman.

SIGN DEED

After the sale is completed you must sign the Purchase Deed. This document is only handed over to your Solicitor at the closing and is not available for signature by you prior thereto. You must sign immediately following the closing as there are strict time limits for stamp duty.

STAMPING/ REGISTRATION

Following signing by you of the Purchase Deed your Solicitor will proceed to stamp the Purchase Deed and then register same in the Land Registry/Registry of Deeds together with the mortgage. Registration can take months depending on the County and type of property involved.

REGISTRATION COMPLETE

At this stage you are registered as owner of the house in either the Land Registry or Registry of Deeds. Legal ownership to the property passes to you on completion of the purchase but registration may take a minimum of 6 months. This delay does not in any way undermine the fact that you are the legal and beneficial owner of the property. Indeed you can sell a property even though registration has not been finalised in the Land Registry or Registry of Deeds.

SIGN DEED

Your Solicitor, on completion of registration, returns your Title Deeds, to your Bank/Building Society together with a Certificate confirming that you have acquired a good marketable Title. Usually, you will be notified that registration has completed and the Title Deeds have been returned. At this stage your Solicitor closes off your file.