



## **A Guide to Selling Your Home**

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# Introduction

We hope this guide will be of use to anyone who is thinking about selling their home. Moving house can be an anxious time - statistically, in terms of stress it ranks third only to bereavement and divorce!

At bells potter we have been involved in the Farnham housing market for nearly 300 years. It is our aim to use this expertise to minimise the stress involved for our clients.

The main reason why sales fall through is simple lack of communication. If you are not careful you can find yourself trying to run a three-ring circus. You may have to chase your solicitor to speak to your estate agent to tell him to liaise with your mortgage broker - people may be constantly unavailable or keep “just missing” each other. This is the usual way in which houses are bought and sold in the UK; small wonder that the process is so inefficient.

At bells potter we think the fewer chains involved, the better. That is why we offer our clients the facility to have their marketing, conveyancing and financial advice carried out under one roof. That way you need only speak to *one* person to know what is happening.

All of our residential conveyancing staff are qualified and highly experienced lawyers with detailed knowledge of the local market.

Our in-house financial advisers are not tied to any particular mortgage provider and can offer you truly *independent* advice on your mortgage and any other financial advice. Bells Solicitors are one of only a small minority of solicitors' firms authorised by the Solicitors Regulation Authority to undertake Category 2 investment business.

Naturally we are fully regulated by the Solicitors Regulation Authority in all work that we undertake, and we carry full professional indemnity insurance. Unlike most estate agents' customers, our clients are also fully protected against fraud.

You are of course free to use any of our services in isolation, rather than as part of our full package, and we shall be quite happy to liaise with your appointed solicitor or financial adviser as the case may be.

## *Helpful tips*

- ✓ **Choosing a solicitor**
  - **Quite simply, go on personal recommendation**
  - **Don't opt for the cheapest quote. Some solicitors offer very cheap quotes but cut corners. Over 55% of negligence claims against solicitors concern conveyancing transactions.**
  - **Cheap solicitors are busy solicitors - they have to carry high volume to make ends meet. Don't be surprised if they are not available to take your calls.**
  - **Make sure that the person dealing with your file is qualified - either a solicitor or a FILEX (fellow of the institute of legal executives)**
  - **Make sure that they are not only qualified but also experienced - don't let your file be someone else's learning curve.**
- ✓ **Choosing an estate agent**
  - **Make sure that the agency is regulated, e.g. a member of the National Association of Estate Agents bells potters are also regulated by the Solicitors Regulation Authority.**
  - **Other estate agents are only regulated if they choose to subscribe to a voluntary code of practice. Many do not.**
  - **Your agent should be knowledgeable about the local area and be conversant with all aspects of the conveyancing transaction.**
- ✓ **Choosing a Financial Adviser**
  - **Please make absolutely sure that you take advice from an Independent Financial Adviser. On no account take advice from only one tied agent e.g. most banks and building societies. Over the life-time of a mortgage the savings can be astronomical. Look for the blue IFA logo.**

# The Market Appraisal

Estate agency is not an exact science. The value of your home is what another person is prepared to pay for it. A market appraisal is therefore not a formal valuation. The latter is carried out by surveyors and deals with the value in more complex terms taking into account rebuilding costs and land value etc.

On arrival we will have noted the immediate area and registered in our own mind our first impression. This is what any prospective buyer will be doing. We will then view each room in turn before looking around outside.

Many factors are taken into consideration such as presentation, size and amount of accommodation, outlook, size and layout of the garden or grounds, parking and garaging. Added to this information will be the knowledge of other recent sales, the general demand for this style of property and level of accommodation. The proximity to services and road links may be important. All of this will have an effect on the likely selling price.

What must also be taken into account is time-scale. For example the owner who has found another property to purchase generally needs a buyer able to move as soon as possible. In this case the seller does not, generally speaking, have the luxury to test the market at an ambitious price.

At Bells Potter we always suggest a range of prices. For example the lower price is what we feel would generate a lot of interest quite quickly. The higher figure we would consider is the maximum possible price at which to test the market.

Sometimes we recommend starting out with a guide price. Generally this would be for a property with plenty of character that requires a substantial amount of work.

Whilst we give *advice* on an asking price, the final decision is yours.

## Preparing to Market

Once the decision is made to go ahead and place the property on the market we will need to revisit in order to prepare the sales particulars. (Often this is possible immediately following the market appraisal if required.) For this we are best left alone, to compile the details and take accurate measurements. The Property Misdescriptions Act insists that the details must not mislead and therefore accuracy is paramount. The particulars are sent to you for approval prior to distribution. This gives you an opportunity to confirm the accuracy and change words or layout if desired.

At the end of the 'measure up' is the time to sit down and talk about the finer points such as the asking price, convenient times for people to view, and whether we are to hold a key to show prospective buyers around when you are not home.

One of the most important factors will be time scale. This is determined by your personal circumstances. Some people prefer to sell first and then find, whilst others will have found somewhere else to live first and will need a buyer as quickly as possible.

Next we will ask you to give us written permission to market the property on your behalf. We do this by preparing a form that lists down the relevant information such as asking price, fees and start date. We will normally ask you to appoint us as your sole agent but we will not ask you to commit yourself for an excessively long time. We believe that 12 weeks should enable us to sell your property and if we have not been able to do so by the end of that time, then you should be free to appoint someone else if you wish.

When conditions are suitable, we will take a number of high-quality digital photographs. When we return to the office we shall review all the pictures taken and we'll only consider using those that compliment the property. If we are unhappy with the results we will visit again when appropriate to do so.

Floor plans can be created for any property and the cost of these will be discussed at the outset if we recommend one for your home.

Whilst the written particulars are prepared we shall also be preparing the marketing programme.

## Home Information Packs

Home Information Packs were introduced with the intention of improving the house-buying process in England and Wales. Since the general election in May 2010 these packs have been abolished and the only part that remains is the EPC or Energy Performance Certificate. This needs to be shown on the details when marketing a property. The cost of the EPC is in the region of £50 and this is something Bells Potter can arrange for you.

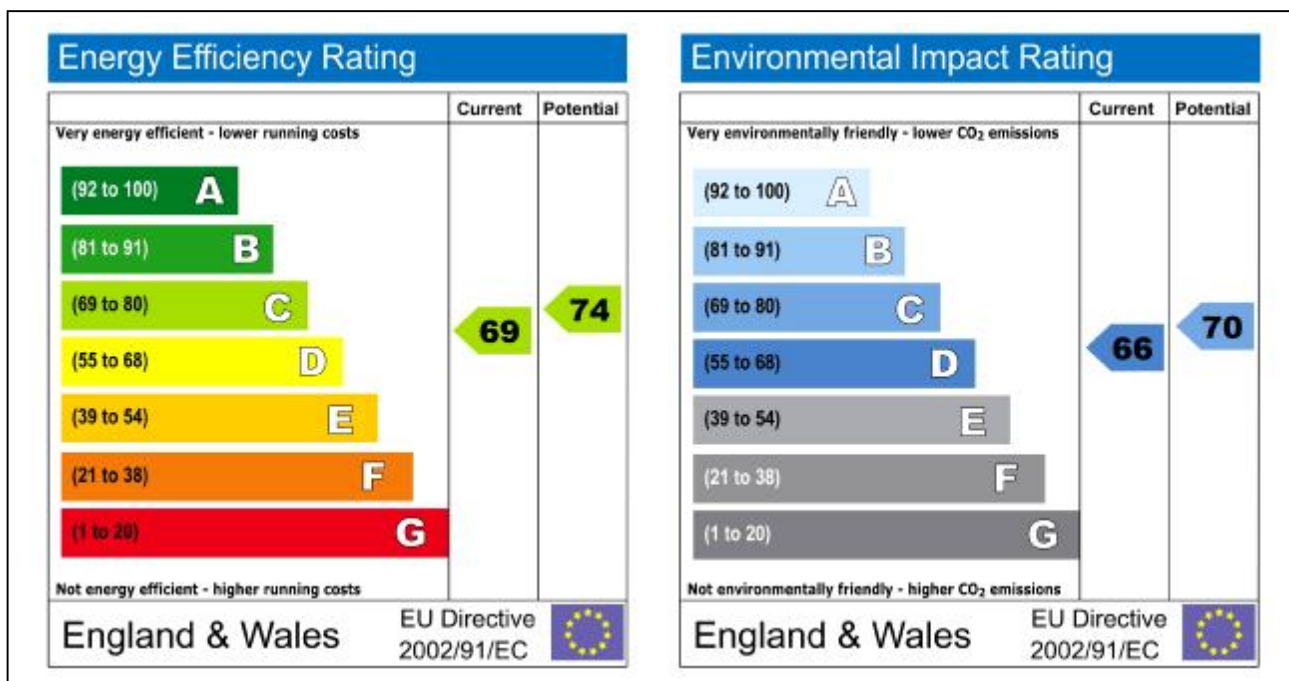
### What is an Energy Performance Certificate?

The idea of the Certificate is that, at a glance, would-be buyers can see the property's energy efficiency - a bit like when buying a fridge. The home-owner will also be presented with some tips on how the energy efficiency of their home might be improved. Energy Performance Certificates will provide information for home buyers to ensure the UK complies with the European Directive; this is aimed at controlling greenhouse gas emissions. Under the Directive all homes have to be energy rated once every 10 years.

### When should I sell my property?

The answer to this will generally be, NOW! This is because the market is constantly changing and advice given relates to present conditions.

### Example of an Energy Performance Certificate



## Marketing

The marketing programme begins immediately. All colleagues in the office are given a verbal detailed report on the property. When possible, at least one other member of the sales team will 'view' the property. This ensures that someone in the office can describe the dwelling in detail to prospective 'viewers'.

Our computer database has been designed to maintain a vast number of prospective buyers. Our mailing list is up-dated daily and averages between 300 and 700 individual buyers at any one time.

Once approved the particulars are mailed to all potential buyers. We may telephone specific buyers about the property in advance, concentrating on those whose time-scale will most accurately match yours. These buyers get the first chance to view the property but without the benefit of sales particulars. This is all within the first working day.

All properties are prepared for advertising for the next available space in the Farnham Herald. We will seldom advertise any property more than once in three weeks. It can be damaging to the property to be over exposed. A property advertised week in - week out will create the wrong impression.

The Internet has become a very popular advertising medium. As well as our own web site, [www.bp-estate-agents.co.uk](http://www.bp-estate-agents.co.uk) we also advertise our property on [www.rightmove.co.uk](http://www.rightmove.co.uk). We update our property information on a daily basis. These are our windows to the world and produce enquiries from every continent.

Our prominent window display is illuminated until late at night and faces the flow of traffic in South Street, which is often slow moving. We have a tremendous advantage over other agents with a car park right across the road and adequate pavement area for our window shoppers. Coming into Farnham from London and the north of town, buyers call in to our office *first*.

For Sale Boards are still the best form of advertising for every property. Some clients prefer to forego this advantage and this is a matter for you. A board really is a useful sales aid and may be the one thing that brings in the buyer willing to pay the best price. It is advertising 24 hours a day and helps prospective buyers to find your property. Often the postman and milkman are asked to keep their eyes open for something coming up in specific roads, especially quiet cul-de-sacs with no passing traffic. A For Sale board will let them know.

## Presentation

First impressions are lasting; most buyers decide within a few minutes of walking through the door whether the place is right for them or not. Follow these simple guidelines and you won't go far wrong.

### *Helpful tips*

- ✓ **Smile!**
- ✓ **Tidy up, and put clutter out of sight in drawers etc.**
- ✓ **Switch on the heating or light the fire during cold spells.**
- ✓ **Fresh flowers are always homely.**
- ✓ **Some aromas are a pleasure such as freshly baking bread or fresh coffee. Some smells are a definite turn-off. Heavy cooking smells should be avoided if at all possible. Use an air freshener if all else fails.**
- ✓ **Remember that some people do not like or are even allergic to pets. Pets can also be distracting. Keep them out of the way or under the control of someone who is not concerned with the viewing.**
- ✓ **Fresh air circulating is always a good idea so open a few windows before the appointment. If it's a cold day close them again just before the appointed hour.**
- ✓ **Sparkling windows are a tremendous asset, especially if an attractive outlook is a selling point. It does not need to be a view of the hanging gardens of Babylon to be enticing. Any pleasant outlook will be improved through clean glass.**
- ✓ **Do all those little jobs you've been meaning to do for ages. A drop of oil on the squeaky door or gate will be beneficial. A new battery in the doorbell or replacing the knocker so it doesn't come off in your hand is a good idea!**
- ✓ **The garden can be an asset or a liability. Keep it clean and tidy and clear up any mess. Try to have some tubs of flowers by the front door.**

# The Viewing

Some people love showing their home and others hate it. At bells potter we offer to accompany viewings whenever required.

Owners usually know their home better than anyone else and are probably the best people to show the property. However the property will sell itself. It is either right for the people viewing, or not.

Let the person see what is for sale. Walk to the furthest point in each room and keep conversation friendly but limited. Point out aspects of the property that you like. Don't be tempted to point out the negative factors. Answer all questions honestly - it really is the best policy.

If we are conducting the viewing it would be appreciated if we are left to do the job on our own. If you follow along it can create an uncomfortable feeling of a guided group tour.

Keys can be left with us at all times and instructions given as to their use. For example some clients leave us keys and if we telephone and receive no reply we are free to accompany people around the property. The keys are coded and should these ever be mislaid could not be identified as belonging to your property.

We will always endeavour to feed back information after viewings. We call the people who have viewed and seek their comments. We retain these comments on file for the marketing review which is usually at the four to six week stage.

Most of those interested in taking matters further will want to have another visit, although some people know straight away when they have come across their next home.

Should anyone try to make an offer direct, refer them back to us. This is one of the main reasons for using an estate agent. Once negotiations begin it is best to keep both parties apart. We will negotiate the best deal for you.

**NEVER ADMIT ANYONE TO YOUR HOME WHO DOES NOT HAVE AN APPOINTMENT.** We have certain security procedures that will prevent bogus people getting beyond our office. Whilst it is extremely rare, there are known instances where con artists can portray themselves as bona fide buyers. To avoid any chance of this always refer people back to us before letting them through the door.

## Offers

An offer can be made at any time. Often the person showing least interest at the viewing stage is the one who returns with the best offer. We are obliged by law to forward any offers we receive. Before we do so, however, we will find out:-

- Whether your buyers need to sell another property in order to buy yours.
- If so whether this property is on the market or under offer.
- Whether they require a mortgage, and if so, whether they have a firm mortgage offer in principal.

We will talk to the other estate agent and check out the length of chain and status of any other buyers. If the chain goes beyond the immediate buyer we will endeavour to talk to all links to ensure we know what we are dealing with.

Once we have this information we will call and discuss with you the full details. We will advise you on the time scale to which the chain is working. This might be an important consideration with your related purchase.

We will advise in any way we can and help you to make a decision but ultimately it will be your decision. We will respect that decision and carry out your instructions to the letter.

If we agree a sale it can be subject to your finding another property to buy and we will ensure that no pressure is put upon you to do anything that is not in your interests. If your buyer will not wait then we can restart the marketing, advising all parties accordingly.

Once an offer has been accepted we send out our sales memorandum and confirmation letters to all parties. This sets out for everyone's information the names of all involved e.g buyer, seller and both solicitors, the agreed selling price and what is included in the price such as carpets and / or curtains etc.

### *Helpful tip*

- ✓ ***Fittings such as carpets, curtains, fridges and freezers are called "chattels" in legal jargon. Buyers do not pay stamp duty on chattels so there is an opportunity for saving money by splitting the purchase price between the property itself and any chattels. The figure paid for chattels must be realistic otherwise the Inland Revenue may take issue with it. Remember this when it is your turn to buy. Don't wait until exchange of contracts to discuss this - you may then require the consent of your mortgagee.***

## **From Offer to Exchange of Contracts**

After the issue of the sales memorandum it is best to cease marketing. If you instruct us to continue promoting the property to other interested buyers, then we must advise the buyers of this. They may then choose to continue to look at other properties. A recipe for trouble all round.

The other main advantage of suspending marketing is to rest the property from the market place. Should a re-launch be required interest can be generated like a new property. We will keep an eye on progress and make sure that everything is progressing to schedule.

We normally aim for 4 weeks between offer and exchange of contracts. This is eminently possible if you are using our inclusive conveyancing package because your lawyer will have started preparing the legal paperwork when we commenced marketing. Therefore when a sale materialises the contract of sale is ready to go out straight away. Your lawyer will let you know what is required thereafter.

Most buyers will need to apply for a mortgage. Mortgage lenders will want to have a valuation survey and this should be booked with us within about 2 to 3 weeks of the sale being arranged. If not we start to make calls to find out the reason for delay.

Many buyers will wish to have a more detailed survey. The valuation is really only of benefit of the lender. They just want to know that the money they are lending is protected in the value of the property.

There are two further types of survey - a "Homebuyers Report" and a full structural survey. A Homebuyers Report is probably satisfactory for the majority of buyers and will take the surveyor about 2 or 3 hours. This will look at most parts of the property and will give an opinion on the condition of things like the roof, the electrics, plumbing etc.

A full structural survey will go into more detail. It is not uncommon for this surveyor to be accompanied by other trades people such as an electrician, plumber and drains specialist to advise on the condition of all services. If he suspects any serious problems with the structure he may suggest that a structural engineer visit the property. If this is necessary he will probably want to look at the foundations and this might involve digging a trench around the base of the property to a depth of up to a metre. This is very rare.

## Exchange of Contracts

Once all outstanding matters have been addressed to everyone's satisfaction, it is time for contracts to be exchanged.

You are not legally bound to complete a sale or purchase until the written contracts have been "exchanged" with the other contracting party i.e. you have theirs and they have yours. Your solicitor will have asked you to sign the contracts in advance, to save time, but will hold them as your agent until exchange. The fact that you have signed the contracts does not therefore mean that you have entered into a binding contract.. In legal terms, the contract is said to be held "*in escrow*".

On exchange of contracts your buyers will typically have to pay between 5 and 10% deposit. If they pay less than 10% they will still ordinarily be liable for the full 10% of the purchase price should they default on the contract (extremely rare).

It can be a frustrating experience waiting for everyone in the chain to be ready for exchange. The chain will move as fast as the slowest link. The old enemy - lack of communication - bedevils this step of the process more than any other. Accordingly, a process which should take a few minutes can last all day.

There cannot be an exchange of contracts until a completion date has been agreed. Once contracts are exchanged the completion date is 'carved in stone'. But before entering into this commitment all parties have to secure removals. The catch is that you can't commit to removals until you have exchanged contracts!

### *Helpful tips*

- ✓ ***Telephone your chosen removals firm and ask to book some provisional dates as soon as possible. Double-check availability just prior to exchange.***
- ✓ ***You can often use the bulk of your buyers' deposit as the deposit on your related purchase, so you won't need to raise as much capital as you may think. Your solicitor can explain this in more detail.***

# Completion

These days exchange and completion are about 2 weeks apart. You will be asked to sign another document - either a conveyance or, more usually these days, a Transfer deed. Again, this will be held on your behalf until actual completion. We now move from a period of anxiety to a period of hectic activity, which is far more enjoyable!

## *Helpful tips*

- ✓ *Arrange for last day meter readings, gas, electric & possibly water.*
- ✓ *Tell your neighbours. Make sure that they know what is going on and pave the way for possible disruption. You may need them to assist with access for your removals lorry e.g. by parking their cars away from the road.*
- ✓ *Current telephone and next telephone, are the people you are buying from taking their number with them, could you take yours with you?*
- ✓ *Tell the milkman.*
- ✓ *New address information to friends, family, credit card suppliers, DVLC, insurance companies, banks.*
- ✓ *Tradesman to disconnect or reconnect appliances such as cookers or light fittings. Remember it is illegal to interfere with gas supplies, dangerous and illegal to leave bare wires.*
- ✓ *Redirect your post. Forms are available from the Post Office but must be submitted 10 days before moving.*
- ✓ *Plan to borrow boxes from your removal company. If moving yourselves start collecting boxes from the supermarket around about the time of agreeing the sale. You will be astounded by how much you have to acquire over the years.*

Completion day will arrive before you know it. Please do not be tempted to leave everything to the last minute. On the day of moving...

- ✓ *Pack a travel bag. This should contain washing things and tooth brushes. Kettle, sugar, tea, coffee a saucepan some sandwiches and a couple of tins of soup. A flask full of hot or cold drink (dependant on the season) is also a good idea. Every one works better when fed and watered.*

- ✓ ***Remember not to pack anything that you have included in the sale. Your solicitor will have sent you a fixtures and fittings list. In this you said what you were leaving and what you were taking. This formed part of the legal contract and you are obligated to leave what you said you would leave.***
  
- ✓ ***Ensure that you take everything with you, including your rubbish.***

Completion officially takes place when your solicitor receives the money from the purchasers' solicitors. Money usually starts its journey around 10.00am and can take ages going from one solicitor to another. It is not unusual for your sale to have completed but your purchase hasn't because the money is in a log jam somewhere. Many solicitors still rely on telephone communication with their bank to move money. Again, communication is the issue. At Bells Solicitors they have their own electronic banking terminal which means they have total control over funds going into and leaving their account. The difference this makes can mean a lot when you are waiting with your removers for the all-clear.

We will be happy to hold the keys for your buyers. We will not release keys until your solicitor tells us to.

The contract normally allows sellers to stay in the house until 2.00pm even if completion has taken place earlier. So be prepared to be out of the house by then. If your buyers turn up early DO NOT give them a key or allow them to start moving in until your solicitor advises you to do so. In reality the risk is minuscule but better to be on the safe side.

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We hope you have found this short guide useful. May we take this opportunity to thank you for considering us as your estate agents and to wish you every success with your move.

*bells potter*