



JOINT MEMORANDUM ON IMPROVING COMMUNICATIONS BETWEEN THE PROFESSIONS



Buying, selling, completing -
making the conveyancing process easier for consumers

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The Law Society of Northern Ireland, the Royal Institution of Chartered Surveyors (NI) and the National Association of Estate Agents (NI) have agreed the following in the interests of facilitating the smooth operation of the residential property market in Northern Ireland and the related necessary formal contractual and financial arrangements between Vendors and Purchasers and their Lenders:

SELLING AGENT

1. When a Selling Agent receives instructions from a Vendor they should immediately inform the Vendor's Solicitor and provide a copy of the brochure as soon as possible. This should not be left until the property is sale agreed. The Selling Agent should suggest that the Vendor should liaise with the Vendor's Solicitor and give instructions to immediately begin the process of requisitioning title deeds from the Vendor's lender (if appropriate).
2. If the Vendor or Purchaser do not have a Solicitor, they should be advised by the Selling Agent to appoint one as soon as possible.
3. Once the property is agreed for sale, the Selling Agent should send the sales advice note to both the Vendor's Solicitor and the Purchaser's Solicitor as soon as possible with a target completion indicated of approximately between 6 and 8 weeks later (if appropriate).
4. If the Selling Agent is to be paid by the Vendor's Solicitor from the net sale proceeds, the Selling Agent should capture this in their Terms and Conditions and supply confirmation to the Vendor's Solicitor that agent's fees are to be paid from the net proceeds of sale (subject to unforeseen expenses) and a form of authority for payment signed by the Vendor should be provided to the Vendor's Solicitor.
5. The Selling Agent should include details of the ground rent, the nature of the title (i.e. freehold or leasehold) and any service charge details, if known, as soon as possible.
6. The Selling Agent should advise the Vendor to procure Gas Safety Certificates (for each separate device) as soon as possible. The Selling Agent should also provide the EPC to the Vendor's Solicitor as soon as possible.
7. It is the responsibility of the Purchaser to secure finance to purchase the property. The Selling Agent should liaise with the Purchaser to ensure that finance is being arranged and provide access to the property to an independent valuer for the valuation for lending purposes.

8. It is at the Purchaser's discretion as to whether they choose to have an independent survey carried out. If they choose to have this done the Selling Agent should advise the Vendor and the Vendor's Solicitor and then provide access to the property for the Purchaser's Surveyor.
9. The Selling Agent should not, under any circumstances, take a deposit from the Purchaser other than a reservation fee of up to a maximum of £500 for a site in a new-build development.
10. The Selling Agent should at an early stage seek confirmation from the Vendor as to the status of any Planning Permission or Building Control approvals that may be outstanding for any alterations or extensions carried out to a property or any statutory Consent to Discharge approvals that are required. The Selling Agent should use their knowledge and experience to identify any potential issues to the Vendor.

PURCHASER'S SURVEYOR

1. The Purchaser should be encouraged to obtain a survey of an appropriate type as early as possible.
2. If the Purchaser obtains a Home Buyers Report, the Purchaser's Surveyor should recommend to the Purchaser that the Report be shared with the Purchaser's Solicitor as soon as possible.
3. The Purchaser's Surveyor will consider whether there is any current and potential future flood risk and they will consider topography, proximity to water courses and refer to maps including Flood Maps NI (if appropriate to do so).
4. For alterations or extensions, the Purchaser's Surveyor is required to check if there are any material defects but nothing further beyond that is required. If there have been works carried out, the Purchaser's Surveyor should state what those works are and how old they are likely to be.

VENDOR'S SOLICITOR

1. At the point of instruction, the Vendor's Solicitor should seek the Vendor's approval to requisition the title deeds so that they are available to dispatch to the Purchaser's Solicitor as soon as the sale is agreed.
2. The Vendor's Solicitor is to send the contract and title deeds to the Purchaser's Solicitor as soon as possible.
3. The Vendor's Solicitor should send the Fixtures and Fittings List to the Vendor as soon as possible after the sale is agreed and request that the Vendor complete it as soon as possible.
4. Replies to Pre-Contract Enquiries should be completed and Property Certificates and searches should be requisitioned promptly by the Vendor's Solicitor after instructions are received (notwithstanding the fact they expire after 3 or 6 months).
5. The Vendor's Solicitor should add to their Terms and Conditions:

"We will discharge your Selling Agent's fee and outgoings from the net proceeds of the sale, if available, in accordance with the Terms and Conditions provided by the Selling Agent".

The Vendor's Solicitor should seek to obtain the consent of the Vendor to discharge the Selling Agent's fee and outgoings from the net proceeds of the sale, if available, in accordance with any Terms and Conditions provided by the Selling Agent.

6. For works less than 10 years old and which would require a Building Control Regularisation Certificate, the Vendor's Solicitor should request that the Vendor obtain the Certificate as soon as possible. The same request should be copied to the Selling Agent so that they can assist in procuring the Certificate.
7. The Vendor's Solicitor should keep the Selling Agent reasonably advised as to the progress in the sale.
8. The Vendor's Solicitor should seek to identify a target completion date with the Purchaser's Solicitor of approximately 6 to 8 weeks (or such other period as may be reasonable in the circumstances of the transaction) after the sale is agreed. As soon as the contract is accepted by the Vendor, the Vendor's Solicitor shall notify all parties to enable a reasonable time period for all parties to deal with their practical moving house arrangements.

PURCHASER'S SOLICITOR

1. Title and any other enquiries should be made by the Purchaser's Solicitor as soon as possible after the contact and title deeds are received from the Vendor's Solicitor.
2. Where appropriate the Purchaser's Solicitor should encourage the Purchaser to obtain a Home Buyers Report.
3. The Purchaser's Solicitor should advise the Purchaser that a mortgage valuation is for the benefit of the lender and not the Purchaser.
4. The Purchaser's Solicitor should make the Purchaser aware that the lender sometimes does not pass on a copy of the mortgage valuation to the Purchaser's Solicitor.
5. For Building Control Regularisations, the Purchaser's Solicitor should discuss with the Purchaser whether any Regularisation Certificates are required and if so he should notify the Vendor's Solicitor as early as possible.