

# RESIDENTIAL PROPERTY PURCHASE GUIDE



**M** **MONARCH**  
**S** **SOLICITORS**



Dear Property Purchaser,

The United Kingdom is renowned for its robust and secure investment environment. Among the myriad investment avenues available, real estate emerges as a preeminent choice. For individuals navigating the intricacies of property acquisition, particularly first-time buyers or those hailing from overseas jurisdictions with dissimilar purchasing protocols, the legal proceedings may appear complicated and time-consuming.

In recognition of this potential complexity, we have meticulously curated this guide to illuminate and streamline your journey through the property acquisition process in England and Wales. This resource is tailored to offer insightful direction and demystify the procedural intricacies that may confront buyers. Should any queries or clarifications arise during this process, we invite you to engage with our seasoned Property Team, who stand poised to provide dedicated support.

Should you have any additional queries as you embark on your property investment journey, we encourage you to reach out to our esteemed Property Team. Their wealth of experience and expertise is at your disposal, and they stand prepared to offer personalized guidance tailored to your unique circumstances. Trust in our commitment to facilitate a seamless and informed property acquisition process, reaffirming the United Kingdom's reputation as an exemplary destination for discerning investors.

Yours sincerely,

*Monarch Solicitors*



# 1

## LEGAL PROCESS

INITIAL  
INSTRUCTIONS



IDENTITY  
CHECKS & TERMS  
OF ENGAGEMENT



ANTI MONEY  
LAUNDERING  
CHECKS



VALUATION &  
SEARCHES



TITLE  
INVESTIGATIONS



CONTRACT  
SIGNATURES



COMPLETION  
FUNDS



EXCHANGE OF  
CONTRACTS



PURCHASE  
COMPLETION



LAND REGISTRY  
REGISTRATION

- ✓ Once you have agreed a purchase price for your chosen property, please complete the attached Instruction Form and either provide your original or certified copies of your identity documents (ideally a passport and driving license) for yourself and any joint purchaser.
- ✓ We will then send our Terms of Engagement for you to sign and return and ask you to deposit our fees and disbursements on account.
- ✓ We shall then contact the sellers solicitors to request the contract pack and order the usual conveyancing searches. These can take up to 2-3 weeks to arrive.
- ✓ To comply with the Anti-Money Laundering laws we will ask you to send us evidence for the source of your money. If you are taking a loan or a gift off a family member, ensure that you have their proof of identification and address certified and that you have proof of their funds along with the evidence showing how those funds have accrued.
- ✓ Once we receive the contract pack and search results we shall investigate the title of the property, raise enquiries and send you a report on the property. You must read all the documentation sent to you and let us know if you have any concerns.
- ✓ We shall then ask you to sign the draft contract, transfer deed (and mortgage deed if you have a mortgage) and approve the Stamp Duty Land Tax Form in readiness for completion. If the property is subject to a new lease you will also have to sign a lease or deed of covenant.
- ✓ If our AML checks have been satisfied, we shall provide you with a completion statement outlining all the fees, disbursements and costs for you to transfer monies to our client account. If you have a mortgage, we shall report to your lender and request the mortgage advance.
- ✓ We shall then proceed to exchange contracts. From this point you are liable to pay a 10% deposit and are contractually bound to purchase the property.
- ✓ To complete the purchase of the property we shall transfer the balance of the purchase price to the sellers solicitors. Completion can be simultaneous with exchange or a later agreed date. Keys will only be released on completion.
- ✓ We shall then proceed to pay the Stamp Duty to HMRC, and register your ownership of the property with the Land Registry. This process can take between 4 - 8 weeks (or 3 - 6 months for new builds or new leaseholds).

The first step in signing you up as a client is to ascertain your identity and address.

In order to confirm your identification, we require to see one of the following:

- ☑ Your passport (this must be in date);
- ☑ National identity card bearing a photograph of you;
- ☑ Your driving licence (this must be in date) or;
- ☑ Original birth certificate.

In order to confirm your address, we require one of the following:

- ☑ Driving licence (only if not being used to prove your identity);
- ☑ Bank statement dated in the last 3 months;
- ☑ Utility bill dated in the last 3 months or;
- ☑ Council Tax bill.

You will also be required to complete online identity and address verification checks, also known as KYC Checks. You will need to use a smartphone with a selfie camera. We use Credas as our online KYC checker. Once you receive the invitation link in your email, please follow all the steps to complete the online KYC checks.

Once that is completed, we will send you our Terms of Engagement and Terms of Business. Those set out the legal basis for our retainer with you as the client.

It is important that you read those terms as they will outline our legal fees, disbursements, scope of work, background to your case, instances of termination, etc.

You only need to sign the Terms of Engagement (TOE) and send us a scanned copy via email. Once the terms of engagement are signed, the legal fees should also be paid. At this moment, we are officially instructed and you now have legal representation.



### **How we can help**

The property purchase process can differ quite heavily compared to other countries.

Monarch Solicitors can help you with understanding every step of acquiring your new home.





Most professional organisations are required under UK law to verify their clients' sources of funds. The purpose for doing this is to assist in fighting financial crimes such as money laundering.

Money laundering is generally defined as the process by which the proceeds of crime, and the true ownership of those proceeds, are changed so that the proceeds appear to come from a legitimate source.

If you are buying a residential or commercial property, or taking a lease on a property, we must ask where the funds to finance the purchase are coming from to ensure that the funds are not from the proceeds of a crime.

We may carry out an electronic Anti-Money Laundering check at the beginning of the process.

Generally, your bank statements will suffice as the source of funds, however we may need to ask for further evidence if the balance in your bank account requires further investigation.

If you are being gifted money from a family member or being loaned that money, we must verify that person's identity and address, and also see a copy of their bank statements.

The purpose for doing this is to show a paper trail of the funds being accrued and transferred.

In some cases, the paper trail for the source of funds can take time to put together so we would advise you to collate your evidence as soon as possible in order to prevent any delays.



### **How we can help**

Monarch Solicitors can carry out AML checks for you to ensure you have no issues with your funds.

Our experienced solicitors can even assist with processing funds generated from cryptocurrency and overseas.



To protect your investment, it is vital to ensure that there are no hidden issues that affect the property.

Whether you are buying with the aid of a mortgage or in cash, you should undertake a survey and the recommended property searches.

### **Valuation**

Valuation assessments may include:

- ☑ **Mortgage Valuation:** If you're obtaining a mortgage, the lender will conduct a valuation assessment to confirm the property's value meets their lending criteria.
- ☑ **Homebuyer's Report:** This report provides a more detailed assessment of the property's condition, highlighting any significant defects or issues that may affect its value or require attention.
- ☑ **Building Survey:** For older or non-standard properties, a comprehensive building survey offers a thorough inspection, identifying structural concerns, defects, and necessary repairs.

### **Searches**

The Usual Property Searches are:

- ☑ **Local Authority:** This search reveals crucial information such as planning permissions, building regulations, conservation areas, and proposed developments in the vicinity.
- ☑ **Environmental:** An environmental search assesses potential risks such as contaminated land, flooding, subsidence, and other environmental hazards that may affect the property.
- ☑ **Water and Drainage:** This search examines the property's water supply, drainage connections, and any water-related issues, ensuring you are aware of any potential concerns.
- ☑ **Chancel Repair Liability:** This search determines whether the property is liable for contributing towards the cost of repairs to the local church chancel, a historical liability in some areas.
- ☑ **Coal Mining:** A coal mining search assesses whether the property is situated on or near land historically used for coal mining activities. This search helps identify any potential risks associated with coal mining subsidence or other issues that may impact the property's stability.

### **Insurance**

Consider the following insurance measures:

- ☑ **Home Insurance:** Home insurance combines buildings and contents insurance into a single policy, offering protection against a wide range of risks, including fire, theft, natural disasters, and accidental damage.
- ☑ **Indemnity Insurance:** Indemnity insurance offers protection against legal defects or issues that may arise during the property purchase process, such as missing building regulations certificates or rights of way disputes.

### Freehold

A freehold ownership means that you will own the property and the land upon which it stands without any time limit. Historically, this is the most common method of owning a house. Some freehold houses are subject to a ground rent.

### Leasehold

A leasehold ownership means that you will hold the property for a specified time (between 80 - 999 years). This is subject to the payment of a ground rent (anywhere from £5 - £500 per year). You will also promise to abide by the covenants in the lease. The property will revert back to the freeholder at the expiry of the lease or if the lease is forfeited due to a breach of covenant.

Flats are always leasehold and there are also houses that are subject to a lease. If there are less than 80 years on a lease, this is a cause for concern. You can buy the freehold to a house either on a voluntary or statutory basis. (Please see our Guides on Freehold Enfranchisement or Lease Extensions for more details).

### Estate Charges

Both freehold and leasehold houses can be subject to an estate charge which is collected either by a freeholder or management company to maintain common areas such as unadopted roads, pavements, drains, sewers or landscaped areas.

### Service Charges

Both houses or flats can be subject to service charges, but it is more common for flats. They are either collected by the freeholder or a management company for services they are obliged to provide under the lease. These are usually variable amounts depending on the costs incurred in a particular year.

Service charges usually cover the cost of maintaining shared facilities such as roofs, foundations, exterior structure of a building, communal areas and insurance. A management company usually charges a fee for providing these services.



Newbuild properties are sold by development companies or housing associations.

There are additional legal issues that need to be given special consideration.

With newbuild properties, you will enter into an 'agreement of sale' of the property, as opposed to a contract of sale. A deposit is paid at the point of exchange of contracts.

This is a bespoke contract usually prepared by the developer's solicitor. This contract is far more extensive than the Law Society's Standard Contract for Sale, although many of the Law Society's standard conditions will still be incorporated. Many aspects to consider are events of default, delays in the project, rights to assign the contract, rights to terminate, how the deposit is going to be held, who bears the risk of the property on exchange of contracts, etc.

Moreover, if the property is a leasehold (see Section 7 for more information on leaseholds), special care and attention will need to be taken when reviewing the lease. We will have to ensure that no provisions therein are onerous or unreasonable. Examples of onerous/unreasonable provisions include payment of a premium to the landlord on every sale of the property, specific forms of restrictions on how you can decorate the interior of your property, exclusions of certain aspects of the interior of your property from the demise, limitations on rights granted, onerous requirements for landlord's consents, etc.

Lastly, considerations have to be taken in relation to the wider newbuild estate. Those include but are not limited to, any specific planning conditions imposed by the Local Planning Authority, clarifications on whether s.106 (planning obligations), s.38 (road construction and adoption), s.104 (sewer adoption) agreements have been entered into, EWS1 is satisfactory, etc. We also carry out the necessary legal checks to ensure that building regulations have been complied with and the property is practically complete by the appointed surveyor/engineer.





**PROPERTY INFORMATION**

Full Address:	
Flat or House:	
Newbuild / Off Plan?	
Purchase Price:	
Reservation Fee:	
Exchange Date Agreed:	

**ESTATE AGENT**

Name:	
Contact Number:	
Email Address:	

**PURCHASER 1 DETAILS**

Full Name:	
Correspondence Address:	
Email Address:	
Mobile Number:	
ID 1 – Passport	Enclosed? YES/NO
ID 2 – Driving Licence	Enclosed? YES/NO
ID 3 – Other:	

**PURCHASER 2 DETAILS**

Full Name:	
Correspondence Address:	
Email Address:	
Mobile Number:	
ID 1 – Passport	Enclosed? YES/NO
ID 2 – Driving Licence	Enclosed? YES/NO
ID 3 – Other:	

**GENERAL INFORMATION**

Amount of cash to be used?	
Will you buy with a mortgage?	YES/NO Mortgage Lender:
Mortgage Amount:	£ _____ GBP
Are you a first time buyer?	YES/NO
Do you own other property?	YES/NO
Property searches required?	YES/NO
Valuation required?	YES/NO

## ABOUT US

Monarch Solicitors are a highly accredited commercial law firm boasting offices in Manchester, London, Hong Kong, Turkey and Dubai to serve a diverse client base across both domestic and international clients, with proven success in several international markets.

As a multi-disciplined firm we offer expertise across all areas of law for your personal or business needs and provide a world class service and deliver the best possible results. We have established expertise in the legal disciplines of real estate, corporate, contract, mergers & acquisitions, investment & finance, regulatory and disciplinary, tax, commercial litigation, employment, private client, family law and immigration.

As recognised leaders in our field we hold numerous sector relevant accreditations and received praise for our enviable success record and excellent client services. We pride ourselves on fighting your corner with passion and drive whilst delivering pragmatic, strategic and timely advice, protecting your interests and investments.

With a wealth of experience our highly qualified multi-lingual team (Mandarin, Cantonese, Arabic, Turkish, Hindi, Punjabi and Urdu speaking) provide our clients with the best possible service and expert management of cross jurisdictional issues.

Our trusted team of legal advisors are aware of the commercial realities and provide bespoke advice to high net worth individuals (HNWI's), board level directors, multi-national corporations, local companies through to private clients.

We pride ourselves on ease of communication and apart from the traditional contact methods of telephone and email we also use instant messaging services such as WhatsApp, WeChat, Telegram and IMO so that our clients can contact us with ease.

Contact us to discuss your requirements today.

**Award  
Winning**

**Excellent  
Service**

**Regulated  
Solicitors**



## OUR TEAM



**Serena Amani\***  
C.E.O. & Solicitor



**Alan Lewis**  
Director & Solicitor



**Ian Bowen**  
Director



**Zayn Ahmed**  
Director



**Mohammed Khizar**  
Solicitor



**Joseph Diver**  
Trainee Solicitor



**Saher Qarini**  
Trainee Solicitor



**Janice Cheung**  
Trainee Solicitor



**Charles Hancock**  
Paralegal



**Leah Whitehead**  
Paralegal



**Ellis Haworth-Bowyer**  
Paralegal



**Joanne Lau**  
Licensed Conveyancer



**Bethany Hawkins**  
Paralegal



**Andrew Truong**  
Accounts Manager



**Josh Omri**  
Technical Support

\*Shazda Ahmed is known as Serena Amani.



## ADDITIONAL SERVICES

### PERSONAL SERVICES



#### Employment

Bullying & Harassment, Constructive Dismissals, Discrimination, Employee Grievance



#### Property

Residential Conveyancing, Right to Manage, Equity Release, Compulsory Purchase Orders



#### Lease Extensions

Houses, Flats, Right to Manage, Missing Freeholders, Tribunal, Disputes



#### Wills, Trusts & Probates

Will Writing Service, Court of Protection, Inheritance Disputes, Power of Attorney



#### Litigation

Debt Recovery, Bankruptcy & Insolvency, Education Disputes, Injunctions, Landlord & Tenant Disputes



#### Immigration

Appeal & Judicial Review, British Citizenship & Naturalisation, BNO Passport Holders



#### Family Law

Divorce, Pre / Post Nuptial Agreements, Cohabitation Agreements

### BUSINESS SERVICES



#### Employment Law

Defending Tribunal Claims, Employment Contracts, Redundancy Procedures



#### Commercial Property

Commercial Conveyancing, Commercial Lease, Freeholder Duties, Construction, Compulsory Purchase Orders



#### Corporate

Mergers & Acquisitions, Business Sales & Purchases, Corporate Governance, Commercial Contracts



#### Commercial Litigation

Contract Disputes, Commercial Debt Recovery, Director & Shareholder Disputes, Defamation



#### Business Immigration

Business Visas, Long / Short Term Work Visas, Global Business Mobility Visas, Sponsor Licence



#### Finance

Corporate Finance, Bridging Finance, FCA Licensing, Insolvency



#### Regulatory & Disciplinary

Director Disqualification, Trading Standards Investigations, GDPR



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**UK Registered Company**

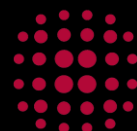
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**Solicitors  
Regulation  
Authority**