

# THE STEPS IN BUYING AND SELLING A HOUSE



As a Solicitor, I deal with buying and selling houses every day of the working week. Therefore, the whole process is second nature to me. However, for most of my clients, it will be their first time either buying or selling a house and will not be familiar with the process. It's important for my client to know when to get an engineer on board, which deposits are refundable and not refundable etc.

The following is a brief description of the process:

- The vendor is the person who is selling the house and the purchaser is the person buying the house.
- The vendor approaches an auctioneer to place the house on the market.
- The purchaser views the house, decides to buy it and places what is called a “booking deposit” with the auctioneer. The amount of the booking deposit varies depending on the price of the house but can range from €3,000 to €20,000.
- The booking deposit is totally refundable up to the date that both the vendor and purchaser sign the contracts. The purpose of the booking deposit is to show that the purchaser is serious about purchasing the house and the house can now be taken off the market. However, it is important to note that placing the booking deposit with the auctioneer does not bind the purchaser or the vendor to proceed with the sale and either party can decide not to proceed up to the date the contracts are signed.
- Once the booking deposit is paid, the auctioneer will send a Sales Note out to the solicitor for the vendor and the purchaser. This note will give details of the names of both parties, the address of the house, the purchase price, the deposit paid and the names and address of the solicitors acting for both parties.
- The vendor solicitor must now prepare Contracts and take a copy of all the relevant title deeds which he/she then posts to the purchaser solicitors' office. Two copies of the contract are sent.
- The purchaser solicitor must now read over the title deeds and raise any queries he or she may have to the vendor solicitor. This is to ensure that the purchaser is getting good legal title.
- While the purchaser solicitor is waiting for responses to those queries, the purchaser should be contacting the mortgage bank to have the loan offer issue to their solicitors' office. The purchaser should also be arranging to have an engineer inspect the house and surrounding site and boundaries.



- Once the purchaser solicitors' queries are responded to and the loan offer has arrived, the purchaser can arrange an appointment with their solicitor to have the loan offer and the two duplicate contracts signed
- The purchaser will need to bring with them to that appointment a 10% deposit. (minus whatever they have already paid to the auctioneer.) This deposit cheque is furnished to the vendor solicitor with the two signed contracts.
- The Vendor solicitor then arranges for the vendor to sign the two contracts, they are both dated and then one contract is returned to the purchaser solicitor. The contracts are **now legally binding** and should the purchaser decide not to proceed, they run the risk of losing their 10% deposit.
- The purchaser solicitor must then give to the vendor solicitor a draft deed of transfer (which is the document that will be signed by both parties and lodged in the land registry to complete registration after the sale is closed) and a set of Objections and Requisitions on Title, (which is a standard list of 43 queries based on title). This will also contain a list of the closing documents the purchaser solicitor is seeking on closing.
- The vendor solicitor must now get their closing documents prepared and signed by the vendor.
- Meanwhile the purchaser solicitor must liaise with the mortgage bank and the purchaser to arrange for the drawn down of the mortgage in advance of the closing date.
- On the closing date, the vendor furnishes the closing documents and original title deeds to the purchaser solicitor. The purchaser solicitor transfers the mortgage monies to the vendor solicitor and also carries out legal searches against the vendor and the property in order to ensure that there has been no judgement mortgages registered against the property.
- If the searches are clear, then the sale can now be closed and the keys are released to the purchaser.
- The vendor solicitor must now apply the purchase monies to any mortgage which the vendor had on the house.
- The purchaser solicitor must now pay the purchasers stamp duty to the revenue commissioners and send the deed of transfer and mortgage deed to the land registry to have the house transferred into the name of the purchaser and have their mortgage registered on the deeds



Contact Dunne Solicitors today if you are considering buying or selling.

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