

Selling

Common Questions and Answers

WHO PAYS THE AUCTIONEERS FEES?

If you instructed the Auctioneer and he introduces a purchaser you will be responsible for a commission fee, VAT and advertising costs.

Suggestion: It is advisable to agree the Auctioneer's fees in advance.

AM I BOUND TO GO AHEAD WITH THE SALE AFTER I AGREE TERMS WITH THE BUYER?

The general rule is that you are not legally bound to go ahead until you sign the contract. However, if the Buyer relied on the verbal agreement and, for example, sold his existing house, got loan approval and planning permission and you stood by and allowed him to do so he may be able to enforce the verbal agreement. Furthermore, if an agent (e.g. Auctioneer or Solicitor) puts the terms in writing you may be bound.

Warning: This is a very thorny area and the individual circumstances of each case must be considered.

WHEN IS THE DEPOSIT PAID?

Usually a deposit equivalent to 10% is payable by the Buyers when they sign the Contract. The deposit is returned with the Contract to the Seller's Solicitors.

An Auctioneer may have obtained a booking deposit from the Buyers when the terms of the sale were agreed. The booking deposit may be small, e.g. 3% of the purchase price or may be the total 10% deposit. As a general rule a total deposit of 10% payable by a Buyer, i.e. if the Buyer has paid a booking deposit he should be given a credit for this.

Suggestion: You should make sure that the Auctioneer confirms that he holds this deposit as stakeholder.

DO I GET THE DEPOSIT?

No. The Deposit must be retained by the Solicitor acting for the Seller on behalf of both parties until the sale is closed. We cannot release it to you until the transaction is completed.

WHO PREPARES THE CONTRACTS?

We prepare the Contracts and send them to the Buyer's Solicitors.

WHAT DO WE NEED IN ORDER TO PREPARE THE CONTRACTS?

- (a) Your written authority to take up your title documents from your Bank/Building Society, and
- (b) Vendor Query Sheet completed and signed by you.
- (c) A signed Authority and Retainer

WHO SIGNS THE CONTRACT FIRST?

The Buyer sign the Contract first and both copies of the Contract are returned to us to arrange your signature

HOW LONG DOES IT USUALLY TAKE FROM THE VERBAL AGREEMENT TO SELL BEFORE I SIGN?

The procedure is that we get your title documents from the Bank or Building Society, prepare the Contracts and send them to the Buyer's Solicitors. The Buyer's Solicitors return the contracts signed and you then sign. This can take as short as 1 week or as long as 8 weeks (or even longer).

HOW LONG WILL IT TAKE BEFORE I HAND OVER THE KEYS?

Again the time varies. The average sale takes about 6 weeks to process from the time you agree to sell. The following factors will be relevant:

- how long it takes the Buyers to get loan approval
- you may be buying another property and progress on this transaction may affect you sale.

IS THE CLOSING DATE "SACRED"?

The closing date may have to be changed even in the best planned transactions. It is important that the parties cooperate in this respect. For example, there may be a few day's delay in the issue of the Buyer's loan cheque or you may want a few extra days to arrange alternative accommodation or your new house may not be ready.

WHAT DOES "SUBJECT TO LOAN APPROVAL" MEAN?

Sometimes a Buyer will sign the Contract before getting written loan approval. A condition "subject to loan approval" may be inserted in the Contract. This means that if the Buyer does not get written loan approval within a specified period (or such further period as agreed) the contract is at an end and the Buyer is entitled to get the deposit back.

CAN I CANCEL MY HOUSE INSURANCE AFTER THE CONTRACT IS SIGNED?

No. You continue to carry the risk between contract and the closing of the sale. If the house burns down the Buyer is not obliged to complete the purchase and is entitled to the return of the deposit. Also, under the terms of your mortgage you have to keep the property insured until the Bank/Building Society has been paid off.

CAN I TAKE AWAY THE CARPETS, CURTAINS AND LIGHT FITTINGS ON THE CLOSING DATE?

The terms of the signed contract usually state what is included in the sale price. Normally if the Contract states that carpets, curtains and light fittings are included you cannot remove them.

If you have agreed with the buyer that you can keep certain items, e.g. curtains in the living room, you should draw our attention to this before the Contracts are signed. Otherwise there may be difficulty on the closing date.

Suggestion: You should give us a written list of items to be attached to the Contract.

WHAT DOCUMENTS SHOULD I GIVE TO MY SOLICITOR PRIOR TO THE CLOSING OF THE SALE?

- (a) If you are married a copy of your State Marriage Certificate (not your Church Marriage Certificate)

- (b) Divorce/Separation agreement
- (c) Up-to-date receipts for all outgoings i.e. water charges, ground rent and piped T.V.
- (d) On the closing date we will need the keys.

WHAT ARRANGEMENTS ARE MADE ABOUT THE OUTGOINGS AS OF THE CLOSING DATE?

Outgoings, e.g. water charges, service charges and rent are shared between you and the Buyer as of the date of the closing of the sale.

For example, if the sale closes on the 1st of October you should discharge all outgoings up to the 1st October and give us the receipt.

WHEN DO YOU PAY FEES?

All fees and outlay are paid on the closing date. We normally deduct the agreed fees from the proceeds. However, we have no difficulty with any other arrangements that may suit you.

WHEN DO I GET THE MONEY?

On the closing date the Buyer's Solicitor gives us a bank draft for the balance purchase monies and we hand over the keys and title documents.

We then pay off any loans on the property and deduct fees and outlays. We should be able to give you a cheque for the net proceeds of sale within 24 hours of the sale closing.