

Newbuild Purchase Procedure

RESERVATION /BUYING OFF PLAN

Once you have chosen your 'dream home' and reserved the plot you will be required to pay a reservation fee to the Developer. This will be deducted on completion unless informed otherwise. It is usually non- refundable if you do not proceed. Following reservation, you have 28 days to progress your purchase through to exchange.



CONVEYANCING

It is advisable to instruct a solicitor whom will ensure that the following documentation is obtained;

- Planning Permission
- Building Regulations Consent
- Structural Guarantee
 - Estate Roads
- Drains and Sewers
 - Easements



THE PURCHASE PROCEDURE

1. You will need to instruct a solicitor and mortgage broker (Financial Advisor FA – if required)
2. We will send out our terms of business and costs and disbursements for the transaction. We will also require certified Identification (ID) and monies on account for searches. Once your signed terms of business have been received, it is at this point that we are formally instructed to act on your behalf.
3. We will require the money for searches as soon as possible to apply for searches to ensure the results are received within the 28 days reservation period.

4. We will then request searches while your Financial Advisor will sort your mortgage application and complete/submit your Property Information Form (PIF) to Help to Buy (HTB) if applicable.
5. We will carry out Anti Money Laundering (AML) checks and bankruptcy searches on each applicant.
6. The Developers legal department/solicitor will send to us the contract pack once the Authority to Proceed (ATP) has been issued from Help to Buy (HTB) if applicable.
7. We will now be in a position to report to you on the title, searches and mortgage offer and will send you the report and supporting documentation together with the contract paperwork to sign and return
8. We will also request the Authority to Exchange (ATE) from HTB at this stage – if applicable.
 9. Once in receipt of the ATE and contract papers we will require proof of funding (e.g bank statements or gifted deposit information). It is at this point you will need to transfer your deposit. Usually you will be required to provide a 10% deposit however, it will be 5% if you are using help to buy scheme.
10. Before exchange can take place, you will need to provide written authority to exchange. This is confirming that you are happy with the information provided to you in the report and completion dates proposed.
 11. When purchasing a new build property, buyers will often be asked to exchange contracts and commit to the purchase even before the house is built. In these circumstances, you will be asked to exchange on notice with an anticipated build completion (ACD) date and longstop date. The longstop date gives the Developer a safety net as builders having to rely on various factors such as supply of materials and weather conditions. Therefore, there is the possibility of a delay with build. On exchange you do NOT have to insure the property as this is covered by the Developers under a block insurance policy.
12. Builders are usually members of the National Building Council (NHBC). New build houses normally have a warranty from NHBC, Premier or Zurich Municipal – these companies all provide a 10-year warranty. The builder will be responsible for putting things right in the first two years.
13. Once the property is build complete an inspector will view the property and issue a Cover Note/ New Homes Warranty
14. Once a Cover Note has been produced this means that the property is fit for occupation and is structurally complete. In the instance where you have exchanged on notice the Developer then serves notice that the property is ready, and that completion must take place within the period specified in the contract which is usually 10 working days
15. We are responsible for requesting funds from your Lender and arranging Help to Buy. Prior to completion you will be required to do the following:
 - a. Pay any outstanding balance shown in a completion statement

b. Arrange building insurance which commences from the date of completion.

16. You will be invited by the builder once your new home is ready and been signed off by the NHBC inspector, to have a home demonstration of your new home prior to legal completion

17. On the day of completion funds will be transferred over to the Developer. Once the developers have confirmed receipt of funds, we will confirm legal completion has taken place and keys have been released. Keys will be collected from site.



POST COMPLETION

- Following completion, we will take steps to register your property with the Land Registry. As the majority of New Builds are first registrations these take up to 16 weeks to be processed with the Land Registry.
- Upon receipt of the title documents you will also receive all the original documentation relating to your purchase such as contract, Lease/Transfer Deed.

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Building Your Dream...