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## **Frequently asked questions about property**

Answers given by Alex Preshaw, partner heading up Phillips' residential property team.

Call Alex on 01256 854635 or email your questions to [apreshaw@phillips-law.co.uk](mailto:apreshaw@phillips-law.co.uk)

### **Question:**

**Why does the conveyancing process take so long?**

### **Answer:**

We all know how exciting it can be to sell your house or buy a new home. Naturally you want everything to move quickly, but this is a huge transaction and there are a lot of different parties involved. Solicitors, estate agents, domestic energy assessors, local authorities, lenders, the Land Registry, the Inland Revenue and sometimes landlords, are all required to supply information and work towards getting everything ready for exchange of contract. If buyers and sellers change their minds, then the chain can fall apart and the negotiations have to start all over again. Finally, says Alex Preshaw, there are many chances for things to go wrong and we cannot always prevent the delays and difficulties that arise but, when the unexpected does crop up, we use our considerable breadth and depth of experience to come up with the right solutions and help you move as quickly as possible.

### **Question:**

**I'm confused by all the different types of ownership – what's the difference between freehold and leasehold?**

### **Answer:**

Freehold is the most common type and means that you have full ownership of the property and the land on which it stands until you decide to sell it. Very often freehold properties are houses with gardens. If you buy a leasehold property, it means you have the right to live there for the time fixed by the lease, so check how long the lease has to run before you decide. Your landlord will own the freehold of the building, but there are many more restrictions on leasehold properties than on freehold, so it's best to ask your solicitor to check how much any extra charges may be, such as service charges and who's responsible for repairs and building maintenance. Leaseholders may buy out the landlord and convert to commonhold but this is quite rare.

**'Whichever type of ownership you go for', says Alex, 'always check it out with your solicitor who'll make sure it's watertight!'**

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### **Question**

**What is shared ownership and what are the benefits?**

### **Answer**

Shared ownership is a scheme for helping people who cannot afford to buy a home outright or who don't want to pay high rents to private landlords.

When you buy a shared ownership property, you only buy a percentage stake in the property – typically from a housing association, or the government's scheme if you are a key worker. You pay the shared ownership mortgage, for the percentage of the property you will own, **and** the rent payable to the housing association for the lease on the remainder.

The main benefit is that you won't have to take out a huge mortgage, because you will only be purchasing a certain percentage of the property. It can be complicated so choose a firm like Phillips who have lots of experience.

### **Question**

**My partner and I are first time buyers and my parents are contributing £15,000 to the deposit. Can I protect my share, in case my partner and I split up?**

### **Answer**

Indeed you can and this is how.

Two people can own a property in one of two ways. Firstly, if you own the property as 'joint tenants' it means that both of you own the entire property and, upon the death of one party, the share automatically passes to the survivor.

If you own the property as 'tenants in common', it means that your specific share is treated as separate, which may take into account any inequality of contributions you've each made. However, in exceptional circumstances, the Court can disrupt this if there's an argument.

The best safeguard is to enter into a Declaration of Trust which shows evidence of the shares that you have each contributed towards the purchase. This is a legal document which may be relied upon should your relationship unfortunately break down.

ENDS