

Advice Guide: Buying and Selling in Scotland

The system of property sale and purchase in Scotland is different to the process south of the border and whilst the basics are the same, there are some fundamental differences. Probably the best way to overcome the differences in the English and Scottish system is to use a solicitor and estate agent with a good understanding of the conveyancing process in Scotland, like Relocation Agent Network members.

Buying property

The process of buying and selling property in Scotland moves quicker than under the English system. Sellers will usually not accept an offer 'subject to finance'.

It is essential to appoint a solicitor with a good understanding of the conveyancing process in Scotland, from the outset. Some Relocation Agent Network members in Scotland are also established firms of solicitors, with lawyers specialising in the residential property purchase and sale market. Once you identify a property is suitable for you, you can note interest in that property. Selling agents prefer you to do this through your solicitor.

Noting interest in a property does not oblige you to offer, nor does it cost anything and you can note your interest in more than one property. The seller can accept any offer, any time they like but by noting your interest you can normally ensure that the selling agent will give you an opportunity to offer. Closing dates are fixed where there are multiple notes of interest in the same property and takes the form of a sealed bid.

Contracts are generally concluded much more quickly in Scotland than in England. Offers are normally made subject to survey. It is normally your solicitor who will instruct the survey, choosing a surveyor from the approved panel of your mortgage lender. Missives are expected to be concluded within a maximum of two weeks after the results from the survey; binding the seller and buyer into the deal. In all but new build properties, it is unusual for purchasers to be asked to pay a contractual deposit on conclusion of the missives. The whole price is paid on the date of entry specified in the contract.

Offered for sale

Properties in Scotland can be offered for sale in a number of ways:

- **Offers over.** This is the most widely used option. Generally the seller hopes to achieve a



final sale price that exceeds the offers over figure by anything between five per cent and up to and sometimes beyond 30 per cent over the asking price. This can make it very confusing for would be buyers to know exactly what they might require to pay for a given property.

- **Offers around.** A seller using offers around may be willing to accept less than the quoted figure. This may be the case if the property has been valued under the price the seller is asking for offers around.
- **Fixed price.** The seller is indicating that they will accept an exact figure, but it is worth noting that this is not a legal obligation on the seller.

Property survey

Having registered your interest, your solicitor will advise whether it will be appropriate to have a survey done first or to offer subject to survey. The type of survey depends on the level of detail you

the connection is the difference

require and again your solicitor can help with advice here. There are three types of property survey:

- professional valuation
- home buyers report
- building survey.

Making an offer

The offer will consist of what you wish to include in the price, moveables, things like curtains, cookers or carpets, and your preferred date of entry. When all the offers have been received, after speaking to the seller, the seller's agent will contact the successful buyer's solicitor and verbally accept the offer. The seller's solicitor will then issue a qualified acceptance along with property titles and planning papers. At this stage, there is no legally binding contract. When your solicitor and the seller's solicitor have agreed the terms of the qualified acceptance, they conclude a contract for the purchase. This is called the Conclusion of Missives.

Once missives have been concluded there is a binding contract on both the seller and the buyer, with a certain date of entry, certain price and certain number of items in the price. Neither party can depart from the contract without the consent of the other. Between the Conclusion of Missives and the date of entry, your solicitor will carry out all conveyancing formalities, including investigation of searches with the local authority. On the date of entry, providing all the conditions have been met, your solicitor will send the seller's solicitor the purchase price. In exchange, your solicitor will receive the title deeds and keys.

Selling property

Discuss the price you want to achieve for the property with your estate agent because they will have a good knowledge of the local property market and have successfully sold properties like yours. Relocation Agent Network agents have extensive experience selling properties, so much so that collectively Network members around the country sell a property every three minutes.

The agent can also advise you on which methods you can use to sell your home, offers over, offers around or fixed price. If your property is small, and likely to attract first time buyers, it is important to set a realistic price because they may only be able to borrow what a surveyor says the property is worth.

Receiving offers

Your solicitor will receive offers from prospective buyers' estate agents. If two or more prospective buyers have shown sufficient interest in the property to have it surveyed, then it is a good idea to set a closing date for the interested parties to make an offer. On the closing date, you can then review the offers and choose the one that is most suitable for you. You are not obliged to choose the highest one. A buyer may also submit an offer subject to survey. This means that they are interested in the property but want to have negotiated a price for the property before paying for a survey.

Accepting an offer

An offer for a property includes basic terms such as a price, a proposed date of entry, and technical clauses, for example responsibility for common repairs. You may be advised by your solicitor not to accept the highest offer because there are other terms that are not suitable. You must involve a solicitor in the process of accepting an offer. Once the offer has been accepted, there tends to be a period of negotiation about the terms of the offer.

Completion

The sale is completed on the date of entry to the property, by this stage you must have left the property and handed the keys over to your solicitor. Your solicitor will then give the keys to the buyer's solicitor along with a formal document called a Disposition. This transfers ownership of the property. In exchange the buyer's solicitor must send a cheque for the full amount of the agreed purchase price to your solicitor.

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