

GUIDE TO BUYING TO BUILD OR DEVELOP

The purchase of property for development purposes is a considerably more complicated legal transaction than the traditional purchase transaction which we all experience when we move home. The purchase of land for building purposes and Conversions and/or renovations of existing buildings inevitably involve additional considerations that must be addressed if problems and unpleasant surprises are to be avoided. Mistakes are costly and it is therefore essential that any Buyer not only takes legal advice but also chooses to instruct a qualified Solicitor who is extensively experienced in such type of transactions. Many conveyancers will have dealt with the occasional transaction of this sort but only a limited number will have dealt with sufficient cases to have gained the experience that leads to true expertise.

ACQUISITION

- **Contracts/Options** – We can advise on the type of agreement most suitable for you and negotiate the best terms. This is particularly important if you wish to enter into a conditional contract where such matters as ground investigation or obtaining a satisfactory planning permission need to be dealt with before you are prepared to complete your purchase of the property. We have experience of both Put and Call Options.
- **Title** – Special care has to be taken to ensure that any covenants or restrictions affecting the title will not prejudice the proposed development – many properties are affected by old provisions limiting building works or requiring consent from a third party to any development. We will advise you on the future marketability of the title to the property after development – there are various qualities of title including Freehold, Leasehold, Good Leasehold and Possessory. We can arrange title indemnity insurance in respect of defects in the title to the property.
- **Boundaries** – It is important that you know who owns and has responsibility for maintenance of the boundary structures. Plans must also be checked carefully to ensure that the Seller owns the full extent of the property you believe you are purchasing. Horror stories are told where a Buyer is subsequently held to ransom over an area of land essential to the development which was not identified as falling outside of the terms of the sale.
- **Planning Permission** – We can advise you on planning conditions and give support in relation to both new applications and also appeals against refusals.
- **Planning Obligations** – The Local Planning Authority may ask you to enter into a planning obligation before granting a permission to you – we can advise you on this and approve the Planning Agreement on your behalf
- **Searches** – Many conveyancers keep their apparent costs down by neglecting to recommend all relevant searches on property transactions. This is a false economy particularly where land is being purchased for development. We will advise you of all searches that can be procured so that you can ensure that you have as much information available to you as is possible and advise you of the outcome of those searches. Copies are provided where relevant.
- **Contaminated Land and Environmental Issues** – We will procure a commercial report and advise you on the certificate granted by our search agents. We will also make our recommendations as to any further enquiries that should be made.
- **Easements** – It is essential that your land has all easements necessary for its development including rights of access and drainage. It is also essential that you are made aware of any easements that burden the land – you will be less than pleased if only after purchasing you find out that there is a right of way through the plot that was not apparent from inspection. We will investigate this for you.
- **Roads and Drains** – If the development is a new building estate we can advise on any agreement required by the Highway Authority under Section 38 of the Highways Act 1980 and/or any agreement required by the Drainage Authority under Section 104 of the Water Industry Act 1991.
- **Insurance against Structural Defects** – We can advise on the alternatives available including NHBC, Zurich Municipal, Premier Guarantee etc. If such a warranty is not proposed and you intend to rely on the monitoring of the building or conversion works by a professional we will advise on this with particular regard to the future marketability of the property on resale taking in to consideration the current requirements of the Council of Mortgage Lenders which provides the established benchmark.
- **Purchase Reports** – All our clients receive a written property purchase report prior to exchange of contracts – this can be provided in electronic format if so required.

DISPOSAL

- **Sales** – We act for Developers on disposal by sale after development has taken place irrespective of whether or not we acted on the acquisition of the Property.
- **Estate Development** – We provide a full conveyancing service to our Developer clients for their plot sales irrespective of the number and type of units on the site. We can obtain Land Registry approvals to plans and sale deeds and are comfortable with sales by either freehold transfer or new lease. Advice is available on the creation of escalating ground rents if required.
- **Apartments** – We can deal with sales by lease for both new build and conversions with or without a Management Company. If the developer does not wish to participate in the long term management of the site we can provide a Management Company for ultimate handover to the residents or advise on agreements with professional Management Companies depending upon the Developers preference.
- **On-Line Case Tracking** – We can provide a 24:7 facility which allows the Developers sales staff to view the progress of individual plot sales on a web site. This includes case notes and is not limited to purely milestones as is the case with some software. Our staff is committed to updating the system promptly when an event occurs on each transaction and they also add regular review notes.

WE ARE ALREADY EXPERIENCED ON ALL THESE ASPECTS OF PROPERTY DEVELOPMENT

CHOOSE A QUALITY SERVICE FROM A QUALITY FIRM OF SOLICITORS

KOOLMOVE @ RUSSELL & RUSSELL

01204 375375