

Benest & Syvret

How to sell a property

A guide for people looking to sell
a home in Jersey



Contents

- 04. **Introduction:** Who is this guide for? How to use this guide and understand your finances
- 05. **Before you market your home:** Get 'sale ready'
 - Paperwork
 - Other paperwork
 - ID checks
- 06. **Making your home 'sale ready'**
 - Share Transfer
- 07. **Valuations and price**
 - Selling a rented property
 - Selling in special circumstances-inherited property:** Probate, specialist & retirement properties selling under power of attorney
- 08. **Selling under Lasting Power of Attorney**
 - How to choose an estate agent
 - Instructing Benest & Syvret
- 10. **Fraud**
 - Showing your property
 - Choosing a buyer
- 11. **Negotiating**
 - Enquiries
 - Accepting an offer
- 12. **What if you get no offers?**
 - What to do if there are problems in your chain
 - Passing Contract
- 14. **Choosing a removal company**
 - Preparations for moving
- 15. **Moving**
 - Post-move
 - Buying and selling at the same time
- 16. **Annex: Key milestones**

This information is frequently updated. Search on www.benestsyvret.com to ensure you have the latest version. The online version contains links you can click on to get more information.





How to sell – A sellers guide

Introduction: Selling a home can be a big undertaking, and the process is often unfamiliar. It is really important you are able to get advice from the right people at the right time.

You can avoid stress and speed up the process by understanding what questions to ask, what your rights are, and what responsibilities you have as a home seller.

This guide is for people who are thinking of selling a home in Jersey. First-time sellers may find it particularly useful, but even more experienced sellers need to know what processes or requirements have changed since their last sale.

Who is this guide for? It is intended as a helpful overview of the process; it is not a definitive statement of the law and not all of the steps are mandatory for all cases. If you are thinking of selling a property, contact the property team at Benest & Syvret on **01534 875875** or via **info@benestsyvret.com**.

This guide is best viewed online as it contains hyperlinks.

How to use this guide If you are reading this on a computer or tablet, you can click on the links to go to other websites which provide more detailed information.

Hyperlinks are coloured and underlined like this. On Android and Windows devices, links work better if you download Acrobat Reader.

When you sell your home, you will need enough money to pay off the remainder of your mortgage, if you have one. You should speak with your lender or broker to find out how much you owe, including any possible penalties for early repayment.

In addition, when selling, you may also need to pay:

- Any other outstanding debts secured against the property.
- Estate agent fees.
- Legal fees.
- Stamp duty on cancellation of your mortgage.
- Removal costs.
- For essential home repairs or improvements to prepare the property for marketing.

It is therefore very important you know how much your property is likely to be worth so you can compare it to the outstanding balance on your mortgage and the other costs of moving. When you know how much money you are likely to release from selling your property, you can budget for your next move. It is important to do this early on so that the sale is not delayed.

While it is currently a rare problem, you may find that you are in negative equity. This means your home is worth less than the amount you owe your mortgage provider, and so you may not want to sell your home as you will still be liable for the outstanding balance. If you still want to move, lenders may consider allowing you to transfer the debt to a new property, but you must speak to them as soon as possible and tell your legal representative what has been agreed.



How to sell – A sellers guide

Before you market your home – Getting 'sale ready'

Before you begin to think about putting your property on the market, you should spend some time getting your paperwork together and making your home 'sale ready'.

Paperwork

Both Benest & Syvret and your estate agent will ask for various pieces of information throughout the selling process. You are likely to have received some of it when you purchased your property. If you gather together the relevant documents at this stage, you can avoid future delays and provide your estate agent with key information to share with prospective buyers from the outset.

Other paperwork

You may already have these items which will assist in the sale:

- Copy of your contract of purchase.
 - Gas checks completed by a Gas Safe registered engineer (or Corgi-registered engineer prior to 2009).
 - Electrical checks – an Electrical Installation Condition Report (EICR) or a NAPIT or NICEIC certificate /report from a registered electrical competent person.
 - FENSA or CERTAS certificates for windows.
 - Planning permission for any major work carried out.
 - Building regulation completion certificates and builder's guarantee certificates for alterations or additions.
 - Subsidence guarantees/warranties.
 - Damp guarantees/warranties.
 - If a listed building, listed building consent for interior and exterior works.
 - Specialist asbestos surveys (if relevant).
 - Any title defect insurance policies you may have taken out to solve title defects.
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ID checks

When you come to sell, Benest & Syvret will ask you to complete a Seller's Questionnaire. Take a look at a draft version on Benest & Syvret's website and start to gather any information you have access to now. You can instruct Benest & Syvret to prepare a draft contract of sale as soon as you decide to sell. It can save a lot of time as we can resolve any issues before you even find a buyer.

All estate agents, lawyers and mortgage lenders are required by law to check your identity in order to protect against money laundering. You will need to provide them with proof of identity (including photographic ID) and proof of address.

Get the documentation that you will need together now to speed up your purchase:

- Proof of identity document – e.g. passport or driving licence. A full list of official identification documents is available on the Benest & Syvret website.
- Proof of address – e.g. driving licence, bank statement or utility bill (not more than 3 months old). A full list of proof of address documents is available on the Benest & Syvret website.

How to sell – A sellers guide

Making your home 'sale ready'

Before you instruct an estate agent and begin viewings, make sure your home is looking its best. Investing a little time and money now could improve your chances of selling at a better price. Consider the following:

- **Kerb appeal** – when potential buyers arrive at your property, what will they think? Does the property need a lick of paint, or the front garden need tidying up?
- **Snags** – you might not notice an unfinished D.I.Y project, but it might put off a potential buyer. Try to fix any snags.
- **Tidy, de-clutter and clean** – you should aim to make your home look inviting.
- **Consider having the boiler serviced** and an electrical installation condition report carried out.

You should be prepared to tell your estate agent all the relevant material facts about your property. Your estate agent will provide more guidance, but broadly material facts are things which may have a major impact on whether a buyer decides to purchase your home. Estate agents are required to share this information with potential buyers.

While you want to present your home in the best possible light, you should not mislead potential buyers by covering up any defects; for example by painting over damp patches. Any problems are likely to come up in the buyer's survey, which could then lead to avoidable price negotiations. If you are particularly concerned about an aspect of your property, you may wish to have the problem assessed by a suitable professional in order to determine the likely cost of remedial works, which you can then present to potential buyers before an offer is made.

If you know there is a significant issue with your property that can be addressed with appropriate work, such as damp, it may be worth having the work done to rectify it in advance of putting your home on the market. If you decide against remedial works you should factor that into the price of the property, and let your estate agent know you have already accounted for the existing issue. This means potential buyers will have better information up-front and will be less likely to ask for a price reduction at a later date.

You should also consider whether there are any fixtures or fittings, or even pieces of furniture, that you do not want to take with you to your next home and which you will include in the sale or offer to the buyer for a fee.

Share Transfer

If you own your property by way of shares in a company, commonly known as share transfer, there are a number of key pieces of information your buyer will need to understand. These might include:-

- The name of the company that holds the property.
- The name and address of the company secretary who administers the company's records.
- The key terms of the articles of association which regulate your occupation of the property.
- All documents you have relating to service charges including a copy of the accounts, share certificate, memorandum and articles, building insurance and recent correspondence from the managing agent. If you do not have these, your legal representative can obtain copies from the company secretary or managing agent.
- Whether there are any major works planned at the property. For example, the replacing of the roof.

How to sell – A sellers guide

Valuations and price

When it comes to putting your property on the market, the price at which you list it should be informed by your own research and the opinion of local estate agents, but remember that the final decision is yours. A property's valuation is not necessarily the same as the price it will eventually sell for – this will ultimately be decided by how much your buyer is willing to pay. This can be either more or less than the initial valuation and will be influenced by market conditions.

Your first step is to do some research on property websites and/or by looking in estate agent windows to give you a feel for the asking and sold prices for similar properties in the area.

You should ask 3 different estate agents to value your property. Use this link to www.places.je to find an agent to help you. This is not a formal valuation – a qualified valuer or **surveyor** will charge you for this service – but it will give you a better idea of what your property is worth. Ask the estate agent for evidence to support their valuation; for example, similar properties they have recently sold. A high valuation does not necessarily mean you will secure this price. If you decide to put your property on the market for a price which is much higher than the estate agent's valuation it may take a long time to sell or you may not get any offers at all.

Selling a rented property

Selling a property you currently let to tenants gives rise to a number of additional matters which are beyond the scope of this guide. Speak to Benest & Syvret in advance of marketing as there are a number of factors to consider.

Selling your rented property to a buyer who intends to live in it themselves involves many of the same steps as selling a home you live in yourself. You must ensure you are mindful of your tenant's rights and consider the timing of the property sale to coincide with the appropriate point in the tenancy agreement. More information on ending tenancy agreements is available on request.

Selling in special circumstances - inherited property

There are some things to bear in mind when selling a property that has been inherited:

- Application for registration of the Will can be easily achieved, but you can market the property while you wait for registration.
- You will need to organise a separate valuation to determine the stamp duty payable on the registration of the Will.
- You should consider how you will keep the property safe while it is uninhabited; for example putting the heating on during the winter to prevent damp and paying for home insurance.
- Check the property is insured if empty as many policies won't cover you if the property is empty for more than 30 or 60 days.
- If you sell the property within a year and a day of the registration of the will, you will need to pay for insurance against the risk of the Will being challenged or set aside.

Call Benest & Syvret for more advice on selling a property which has been inherited or speak to our team on 01534 875875.



How to sell – A sellers guide

Selling under Lasting Power of Attorney

A Lasting Power of Attorney gives an individual the power to make or help make decisions about someone else's property, including selling their home. Lasting Power of Attorney can be used before and after the donor loses capacity; according to their wishes.

Selling property under power of attorney is complex and will depend upon the particular type of power of attorney in place. You should consult Benest & Syvret well in advance if you are considering selling a property on behalf of someone else in this way.

How to choose an estate agent

An estate agent acts on your behalf to negotiate the sale of the property between you and the buyer, and is able to list your property on property portal websites. You may be tempted to select the agent who valued your property the highest but you should remember that a valuation is not a guarantee of sale price; they may advise that you drop the price at a later date. There are a range of factors you should consider when choosing an estate agent:

- **Fee transparency** – most agents charge a percentage of the sale price while others charge a fixed fee. Make sure you know what you are paying for – will you be charged if your home doesn't sell? Will you pay extra for post-sales progression? Are there any penalties? Don't be afraid to try and negotiate on the fee.
 - **Online reviews** – are other customers pleased with the service received?
 - **Sole selling rights** – if your contract gives the agent sole selling rights then you will pay the estate agent even if you find your own buyer during the period agreed. Make sure you know what happens after 3 or 6 months – can you engage another estate agent without any penalties? Do you have to give notice to your first estate agent? If you change agents, will you end up paying fees to both when you find a buyer?
 - **Membership of a representative body** – membership requires estate agents to sign up to a code of practice or membership rules. Example bodies include the Jersey Estate Agent Association and the National Association of Estate Agents (NAEA) and the Royal Institution of Chartered Surveyors.
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Instructing Benest & Syvret

The legal work in transferring the ownership of your home and passing a contract before the Royal Court means that you must instruct a lawyer. Numerous firms undertake conveyancing work in the Island. Benest & Syvret have an unrivalled reputation for quality of service and attention to detail. Above all, we recognise that the sale of a house is one of the most important transactions that you will ever enter into.

Accordingly, at the outset of the process we will provide you with a draft completion statement setting out in detail all of the costs involved so you have a clear understanding of the financial position at completion. We will communicate with you regularly throughout the sale process and ensure that you understand each step that is involved. To provide us with instructions you simply need to give us a telephone call on 01534 875875 or arrange a time to call in for a free no obligation appointment to discuss your proposed transaction.





How to sell – A sellers guide

Fraud Selling a home involves the transfer of large sums of money and can attract the attention of criminals. Though the risk of fraud is low, you should be vigilant about common scams.

Misdirection fraud is when you receive an email or phone call which seems to come from your legal representatives informing you of a change to their bank account details.

Benest & Syvret will not change its bank account details whilst dealing with a transaction for you. If in doubt call Benest & Syvret on a known number (i.e. not the number listed on the potentially fraudulent email) to check.

Think carefully about how you use social media – it is not uncommon for criminals to find the information they need to commit fraud from your social media profile. For example:

- If there are open groups on a social media platform such as Facebook containing you and the other people in your property transaction chain. This can also obstruct your legal professionals in their work.
 - If there are any types of open discussions with others involved in the process on an open online forum.
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Showing your property When showing your property, it is important that it looks and smells clean, tidy and welcoming. Make sure you tidy away any clutter and clean up before any viewings. It can be helpful to have a bed in the smallest bedroom in order to reassure viewers that a bed will fit.

Bear in mind that potential buyers may also wish to see the garden or inside the loft or garage, so make sure your agent has access to these spaces.

You should also ask your estate agent to collect feedback from viewings – this way you can rectify problems or adjust the asking price accordingly.

Open house viewings can be an alternative to the traditional model of separate viewings over the course of a few weeks.

Choosing a buyer Estate agents are legally required to inform you of all offers made, regardless of whether they are below the asking price or if you have already accepted another offer. Don't feel rushed into accepting an offer. You should take some time to consider the following:

- **The amount of the offer** – what would you be happy to accept? Do similar homes in the area seem to be selling for a similar amount?
- **If the offer is made by a cash or mortgage buyer** – securing a mortgage can take more time; have they already got a decision in principle from a lender so they know they can get the required loan?
- **If the buyer is part of a chain or not** – a chain is a number of linked property transactions, where a seller of one property is a buyer of another. A chain starts with a buyer who isn't a seller (for example a first time buyer) and ends with a seller who isn't a buyer (for example where a property is sold because the owner has died). If one transaction becomes delayed or fails it can have a knock-on effect on the other transactions in the chain. First time buyers or people living in rented accommodation don't have a chain, which means there are fewer opportunities for delays.

How to sell – A sellers guide

- If in a chain, the chain length, which means the number of buyers and sellers involved in the chain. The longer the chain the more potential for delays.
 - If in a chain, whether the chain is open or closed. A chain is closed when each buyer has also found a purchaser for their home. On the other hand, an open chain happens when one or more buyers haven't been able to sell their homes, and can add significant delays to the process.
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Negotiating

At this stage, while you and the buyer have agreed to a sale, the specifics of the agreement have yet to be decided. Remember that at this point, neither party is under any legal obligation to the sale. Only when you pass the contract before the Royal Court with your buyer is it legally binding.

Some things which might come up during negotiations:

- **Completion date** – this is the date on which you will pass contract before the Royal Court.
 - **Possession date** – this is the date when your buyer must move out of their current home when you and all your belongings must be out of the property. Timings can vary but must be agreed by all parties in a chain. You may wish to consider letting people know in advance of any holidays you have booked.
 - **Fixtures and fittings** – consider which things you definitely do and do not want to take with you to your new home, and on which things you can be more flexible. Make sure it is clear in the inventory what you intend to leave behind either for free or at extra cost, as this must be agreed with the buyer.
 - **Survey** – if the buyer's survey has uncovered significant issues they might ask you to pay to have them fixed; renegotiate their offer to take into account the cost of the work; or even withdraw their offer altogether.
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Enquiries

During the process the buyer's legal representative will raise enquiries. These are questions about the information which they have asked for or received e.g. the title, searches, the mortgage offer or general questions about the property or transaction. Enquiries are therefore raised at different points through the process, sometimes at the very last minute, and will need your input. These questions are important as the buyer's legal representative has to satisfy the lender's requirements. You are not required to answer questions on the property's condition; questions which are outside your knowledge; or questions which the buyer can find out the answers to themselves. Benest & Syvret will advise you on answering these enquiries.

Accepting an offer

Once you have accepted an offer, the buyer will instruct their legal representative to commission searches and review the title of the property. They may also get in touch for a mortgage valuer, surveyor or builder to have access to carry out property assessments. These are all good signs that they are committed to purchasing the property.

Remember that your property is not legally sold until you have passed the sale contract before the Royal Court. If you have accepted an offer but not yet passed contract your property is said to be 'sold subject to contract', which means that the paperwork has not been finalised. Although neither you nor the buyer is legally committed to the sale at this stage, you should bear in mind that pulling out after you have accepted an offer is likely to give rise to costs and frustration for both yourself and the potential buyer, and may jeopardise any property purchase you intend to make.

How to sell – A sellers guide

Accepting an offer

A few days after you have accepted the offer, check with your legal representative. If the buyer does not seem to be making any preparations for purchase, ask your estate agent and legal representative to check what is causing the delay. In order to signal your commitment to the sale, you should remove the property from the market once the offer has been accepted.

What if you get no offers?

It can be disheartening when you are struggling to get viewings, or when the viewings are not generating offers. You should speak to your estate agent and discuss the feedback they have collected from previous viewings. Ask a friend to do a mock viewing and be honest about the areas for improvement.

Get advice from your agent on the following:

- **Price** – the asking price should be similar to comparable properties. What you paid for it originally and how much money you want to make are not relevant to the value of the property now. Remember that a property is only worth what people are willing to pay for it. You may need to consider lowering the asking price.
- **Condition** – are there any problems with the property? You might find that investing now to fix issues such as damp problems or unfinished D.I.Y projects will result in more and higher offers from buyers.
- **Marketing** – do your photographs do the property justice? They should make the property look as bright, spacious and welcoming as possible. Buyers can find it hard to visualise the potential in empty rooms, so consider putting a single bed in the second bedroom or a table in the dining room.

You may also want to reconsider your estate agent – could a different agent offer an improved marketing package? Has a different agent sold a lot of properties similar to yours recently? If you are thinking of changing estate agents, make sure you understand the terms of your contract with your existing agent as you may end up paying fees to two separate agents when you sell.

What to do if there are problems in your chain

A property chain contains multiple people buying and selling homes at the same time. Chains can be tricky because if one transaction is delayed or fails the whole chain can be affected.

However it is important not to panic. Try to find out more details about your buyer – are they in a chain? If so, how long is it? Does everyone have a buyer, or are some people still waiting to sell their home?

You should also make sure you don't become the 'weak link' in the chain. Have your documents in order, sign and return paperwork promptly, and respond to queries from your estate agent or legal representative in a timely manner.

Passing Contract

You or an appointed attorney will go to the Royal Court on the completion day to pass the contract of sale. This is when you and the buyer are legally bound to the sale.



How to sell – A sellers guide

Choosing a removal company

You need to consider how you are going to move your belongings out of your home. You may be able to move yourself, or you might consider using a professional removals company. You can opt to pack yourself or have the removal firm do it for you. This service will cost extra, but can remove stress from the moving process. While being part of a chain may limit your ability to choose your own moving day, you may get better rates and availability if you try to avoid busy times such as Fridays and the first and last days of the month.

When selecting a removals firm you should consider price, quality of service and availability. They will be responsible for all of your possessions, so choose them carefully.

You should get more than one quote before selecting your removals firm. **Check:**

- ☐ Are they a member of a trade association such as the British Association of Removers?
- ☐ Do they have insurance in place and are your belongings covered throughout the move?
- ☐ How are their online reviews? If there are issues, how are they resolved?
- ☐ Check the small print for additional charges – a professional company will explain them to you.

If your property is difficult to access or you have unusual items to move, ensure the removal company visit before giving you a quote.

Preparations for moving

To prepare for the sale date you should:

- ☐ Inform your removal company of your removal date.
- ☐ Arrange buildings insurance for your new property. This is usually a requirement to obtain a mortgage and needs to be in place to exchange. You should also consider taking out contents insurance to cover your belongings.
- ☐ Contact your utilities, water and broadband providers to close or move your old accounts.
- ☐ Organise for your post to be forwarded to help protect you against identity fraud – Jersey Post offers a post forwarding service.
- ☐ Keep paying your mortgage right up until completion.
- ☐ Start clearing out unwanted objects – don't forget about the attic or garden shed.
- ☐ You are likely to have to move out of the property by lunchtime, so you should aim to be packed and ready to move the day before. The morning of moving day is rarely enough time to pack and clean a whole home, and this often causes delays for the rest of the chain. If you have a mortgage or loans secured

How to sell – A sellers guide

Preparations for moving contd..

against the property, Benest & Syvret will request your redemption figure. A redemption figure is the amount it will cost to pay back your mortgage early, which consists of the remaining unpaid mortgage, any early payback charges and a certain amount of interest. Your legal representative will pay off this sum upon completion, and you should be aware it may be slightly different to the initial redemption figure due to mortgage interest.

Moving

Before you leave you should ensure you have taken all of your belongings and any rubbish, and left behind anything that was agreed in the Inventory of Contents. You should leave your property in the condition you would wish to find your next home. Make a record of the meter readings and call your energy providers to close your account.

Money transfers take place on the Tuesday following passing of the sale contract on the Friday of the previous week. The purchase money will be transferred from the buyer to their legal representative, who will pass it on to Benest & Syvret. We will pay off the mortgage and any secured debts (if you have them), outstanding estate agent fees, service charges (if relevant), settle your legal fees and send the balance due to you to your account. Before funds are transferred a representative of Benest & Syvret accounts department will make a voice call to you as part of our anti-fraud measures.

Post-move

Once you have moved out of your home, Benest & Syvret will notify the parish in which the sold property is situated so the new owners will go on the Parish Rates List in your place. You should update the following with your new address:

- Utilities and water.
 - GP and other medical providers e.g. dentist.
 - Insurance company (for both buildings and contents insurance).
 - DVS (if applicable).
 - Any financial products you have (e.g. bank or building society accounts; pension schemes).
 - Mobile phone, TV and internet packages.
 - Vet, especially to change your pet's micro-chip details (if applicable).
 - Your new parish to be included on the electoral roll.
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Buying and selling at the same time

If you are buying as well as selling a property, check our guide on How to Buy.



How to sell – A sellers guide

Key milestones Length varies, if there is little interest in your property, ask your estate agent what you can do:

STAGE #1 – MARKETING

Get your home sale ready

- Check finances.
- Undertake repairs / home improvements.
- Gather paperwork.
- Research estate agents.

Get your property on the market

- Research local house prices.
- Get 3 valuations.
- Choose estate agent.
- Estate agent collects material facts relating to your home to inform potential buyers.

Property goes on sale

- Potential buyers view property.
- Research and choose a legal representative to handle the legal side of sale.

Offer(s) received

- Negotiate with potential buyer(s).
- Consider carefully which offer to accept.

STAGE #2 – SOLD SUBJECT TO CONTRACT TO MOVING IN

Completion and passing contract

- Payments to transferred legal representatives on Tuesday following completion.
- Provide sets of house keys.
- Post move notify Government of Jersey including tax dept, utilities providers and other relevant organisations of your address change.

Answer buyer's questions

- Agree completion moving date.

Property searches and survey

- Buyer's legal representative arranges property searches.
- Buyer arranges survey of your property.

Arrange mortgage

- Buyer arranges mortgage.
- Arrange to pay off your existing mortgage.
- Arrange a new mortgage if purchasing another.

This process should take approximately 12 weeks, although precise timing varies.



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How to sell a property

A guide for people looking to sell
a home in Jersey

