



## Selling a home

This information applies to England, Wales and Northern Ireland

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## Home Information Packs and Energy Performance Certificates in England and Wales

If you put your home on the market after 21 May 2010 you don't have to buy a Home Information Pack (HIP). But you can still provide one if you want to.

You still need an Energy Performance Certificate (EPC). You have to have commissioned this before putting your home on the market, but you don't have to have received it before you put your home on the market.

You can find out more about EPCs on the Directgov website at: [www.direct.gov.uk](http://www.direct.gov.uk).

You can also find out more about the previous requirements for a HIP before they were suspended on the Directgov website at: [www.direct.gov.uk](http://www.direct.gov.uk).

## Energy Performance Certificates in Northern Ireland

In Northern Ireland, you will need to have an Energy Performance Certificate (EPC) if you are selling a property. An EPC:

- must be provided as part of the completion of sale
- must be provided by an accredited energy assessor
- is valid for ten years and can be used several times during this period.

# Using an estate agent or selling the property yourself

If you wish to sell your property you can find a buyer yourself or use an estate agent. Before making a decision you should consider how much each method would cost and how much time you have available. If you use an estate agent, it will be more expensive but the estate agent will take responsibility for advertising, showing potential buyers round, and negotiating a price for the house. If you wish to find a buyer yourself, it will be cheaper but you will need the time to make all these arrangements and deal with any problems.

## Finding a buyer yourself

### What price to ask

If you wish to find a buyer yourself, you must first decide what price you want to ask for the property. Many estate agents do free valuations so it is always possible to arrange for two or more local estate agents to provide this information. If you want a formal valuation, you could arrange for an estate agent to provide this but you would have to pay a fee.

In addition, you can find out about the cost of houses locally by looking at local papers, estate agents' windows and similar houses in the area.

Before deciding on a price, you may wish to consider:-

- doing any repairs or decorating if this would make it easier to sell the house
- arranging for a survey if you think there are any major problems that might affect the value of the house, for example, a roof in a bad state of repair.

You should also decide in advance if you are prepared to include any extras in the sale, for example, curtains and carpets. These are known as fittings. A price for these can be included in the asking price or a separate price can be asked in addition.

There are some items that you must sell as part of the house unless you make it clear to the buyer that such items are not included in the sale. These are known as fixtures and include such items as fireplaces and a central heating system. However, in some cases it is not always clear whether something is a fixture or fitting so it would be useful for you to draw up a list of any items you intend to remove or are prepared to sell to avoid problems later.

It is normal practice for a potential buyer to offer a lower price for the house than the seller is asking. You might therefore want to allow for this by setting your price a little higher than the amount you would like to get.

### Advertising the house

You should first of all find out how much the local papers charge for house advertisements and then draft the advertisement on the basis of how much you want to spend. You could use existing advertisements as a guide to the format and wording. It is also possible to advertise

very cheaply in shop windows. It is advisable for you not to give the address but to provide a telephone number instead.

Finally you could consider drawing up details of the house in a similar way to that of an estate agent, for example, giving details of room sizes, community charge/council tax, local facilities and fixtures and fittings. These details can then be given to potential buyers, either before they call, or at the time they view. You could also consider advertising the property on the internet.

## **If you wish to use an estate agent**

If you wish to use an estate agent, you should find out about local estate agents and find out the following information:-

- what type of property the estate agent specialises in
- how much the estate agent will charge
- the reputation of the local estate agencies, if possible.

### **Estate agents' charges**

Nearly all estate agents calculate their fees as a percentage of the final selling price of the property, usually between 1½ - 2½%. This is known as the rate of commission. You should also check if the following are included in this percentage fee or have to be paid for in addition:-

- advertising costs
- costs of preparing details of the house including photographs
- a 'For Sale' board
- VAT.

If you decide to use an estate agent, the estate agent must confirm the charges and rate of commission that will be made. The estate agent must do this when they agree to act for you.

### **What type of agreement can you have with the estate agent**

If you use one estate agent to handle the sale this could be on the basis of a 'sole agency' agreement, or the agent may have 'sole selling rights', depending on the contract that you have signed. Both of these terms must be explained in writing if they are used in a contract.

Sole selling rights means that the estate agent will have the exclusive right to sell your home and you will still have to pay the estate agent even if you find a buyer yourself.

A sole agency is still only using one agent, but if you find a buyer yourself you don't have to pay commission to the estate agent. A sole agency agreement should be agreed for a specific period of time.

If you appoint two estate agents to act together for you in selling the property, this is known as 'joint agency' or 'joint sole agency'. A joint sole agency contract is where the estate agents

involved share the commission when the property is sold regardless of which estate agent actually finds the buyer. The commission is usually higher for this type of arrangement.

If you appoint more than two estate agents on a 'multiple agency' basis, only the estate agent who sells the property will be entitled to the commission. Again, the rate of commission is usually higher than for a sole agency.

## **What does the estate agent do**

The estate agent first of all visits the house in order to value it and decide on an asking price with you. You may wish to ask more than one estate agent to call and value the house. It is also advisable for you to check the price that the estate agent suggests by comparing it to similar houses in the area.

The estate agent will prepare details of the house for people who are interested in buying it. These details will include the number and size of the rooms and all the fixtures and fittings which will be left in the house. The estate agent also arranges for the property to be advertised.

You usually show potential buyers around the house yourself but, if this would cause problems, for example, if you are out at work or away a lot of the time, the estate agent usually is prepared to do this themselves.

## **Complaining about an estate agent**

All estate agents must belong to a redress scheme approved by the Office of Fair Trading (OFT). So far the OFT has approved two schemes - the Property Ombudsman scheme and the Ombudsman Services: Property. This means if you have got a complaint about the service offered by your estate agent, and the estate agent cannot sort out the problem, you can complain to the Property Ombudsman or the Ombudsman Services: Property.

For more information complaining about an estate agent, go to [Problems with buying and selling a home](#).

## **Deciding who to sell to**

Whether you have arranged to sell the house yourself or you have used an estate agent you may find that you receive more than one offer for the house. You can sell the house to whoever you want and do not have to sell to the buyer who offers the most money. You may wish to take into account whether the buyer:-

- is a first time buyer
- has found a buyer for their own property. If so, is it part of a chain of buying and selling and how long is the chain
- is paying cash or is likely to get a mortgage
- wants to move at the same time as you.

If you are using an estate agent, it is often easier for the estate agent to find out this information from the buyer.

It might be against the law for a seller to treat people unfairly. The following types of discrimination are against the law:

- sex discrimination
- disability discrimination
- sexuality discrimination
- discrimination because of religion or belief
- race discrimination.

For example, it is against the law to refuse to sell the property, or to offer it on less favourable terms, just because the prospective buyer is from a Black and minority ethnic community.

For more information about taking action about race discrimination, see [Taking action about race discrimination](#).

For more information about taking action about sex discrimination, see [Taking action about sex discrimination](#).

For more information about taking action about disability discrimination, see [Disability discrimination](#).

For more information about discrimination because of sexuality, see [Discrimination because of sexuality](#).

For more information about discrimination because of religion or belief, see [Discrimination because of religion or belief](#).

## **Deciding on the price at which to sell**

If you are using an estate agent, the agent negotiates with the potential buyer(s) about the price. The estate agent should try and obtain the best possible price for you. If you are acting alone, you must negotiate yourself. You do not have to accept the first offer put to you and should not be rushed into making a decision quickly.

## **Accepting the offer**

Even if you have accepted an offer, there is nothing in law to prevent you from changing your mind and accepting a higher offer from someone else. You should also bear in mind that when an offer is made and accepted the potential buyer can also withdraw, for example, they may not get a mortgage, or the survey may show up some structural problem.

If you are selling yourself it may be a good idea to keep the names and addresses of all potential buyers who make offers, in case the one you accept falls through.

## **Choosing who is to do the legal work (conveyancing)**

When you have accepted an offer you, or the estate agent, needs to inform whoever is doing the legal work. You can do it yourself - although this can be complicated – or you could:-

- use a solicitor; or
- In England and Wales only, use a licensed conveyancer.

### **Using a solicitor**

Most firms of solicitors offer a conveyancing service. Although all solicitors can legally do conveyancing, it is advisable to choose a solicitor who has experience of this work.

For details on choosing a solicitor, see [Using a solicitor](#).

### **Using a licensed conveyancer (England and Wales only)**

You can use a licensed conveyancer to do your conveyancing. Licensed conveyancers are not solicitors but are licensed by the Council of Licensed Conveyancers.

If you want to find out if a local conveyancer is licensed you can write to the Council of Licensed Conveyancers.

For the address of the Council, see [Buying a home](#).

### **Finding out how much it will cost**

Before making a choice as to who will do the conveyancing, you should find out the probable cost. It is important to contact more than one solicitor or licensed conveyancer as there is no set scale of fees for conveyancing. You should:-

- check whether the figure quoted is a fixed fee or will vary if more work is required
- check that the figure includes expenses and VAT and get a breakdown of these costs
- find out what charges, if any, will be made if the sale falls through before contracts are exchanged.

## **Exchange of contracts**

When contracts are exchanged, and before completion, the buyer may wish to visit the house, for example, to measure up for carpets or to get an estimate for building work. However, you should not allow any work to be done by the buyer before completion.

You should inform the fuel companies and phone company that you are leaving and ask for final readings to be made of the meters on completion day. You should also inform the person at the council responsible for council tax, or in Northern Ireland, the Rate Collection Agency responsible for rates collection.

If the buyer is paying a deposit, this will be paid to your solicitor at exchange of contracts. The solicitor will hold this deposit until completion.

## **Completion**

You must arrange to leave the house empty by completion day and to hand over all the keys.

Your solicitor will receive the rest of the purchase price from the buyer and will pass this, together with the deposit, to you.

*Source:*

[http://www.adviceguide.org.uk/index/your\\_family/home\\_and\\_neighbourhood\\_index\\_ew/moving\\_and\\_improving\\_your\\_home\\_index\\_ew/selling\\_a\\_home.htm](http://www.adviceguide.org.uk/index/your_family/home_and_neighbourhood_index_ew/moving_and_improving_your_home_index_ew/selling_a_home.htm)

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