

SUMMARY OF INSTRUCTIONS TO CLIENT

Name: Jason Miller
Age: 25 - 35
Address: Ground Floor Flat, 2 Royal York Crescent, Bristol, BS8 6BZ. You live there with your fiancé, Alemka Novoselic.
Occupation: You are currently a director in PC Consult Limited, which is a small public relations and marketing company that you set up with your fiancé, who is also your co-director.
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You wish to receive some advice regarding the sale of an investment property which you own jointly with your sister (Miss Emma Miller). You need the sale completed as quickly as possible and expect the solicitor to get things moving quickly.

You need to complete the sale urgently because you need capital to invest in your company. As the solicitor is probably aware, in the current economic climate credit is hard to come by and you wish to sell your property (which is a "buy to let" investment property, not your home) as it has considerable equity and is an expendable asset.

You are always concerned about costs and you want to know how much the solicitors fees will be on the sale

Property address

You are selling

10 Polygon Road, Clifton Wood, Bristol BS7 9AL, which is a three bedroom semi detached property in a student area of the city with a small courtyard at the rear. It is in a decent condition and in any case, the buyer has accepted the property in the condition it is in

Ownership of the property with your sister, Emma Miller

You bought the house with your sister on a "50:50" basis, i.e. you both have a 50% share in the house and no one else has any share in it. You purchased 10 Polygon Road for £180,000.

Tenure - leasehold or freehold?

You bought it as a freehold property although you have let it to tenants in the past.

Who is living at the property/current use?

Since you bought the property with your sister 10 years ago it has been let out to tenants. Neither you nor your sister have ever lived there. The lettings have been on short term contracts, which your sister manages. However, 10 Polygon Road is currently vacant. Your sister has agreed to give you 2 months to complete the sale, otherwise she will let the property again. At the moment there are no lettings already agreed.

The property and the letting of it have been managed entirely by your sister up until now – you just receive 50% of the rental income from 10 Polygon Road. However, you have taken control of the sale as you are the one who really wants to sell it.

Date purchased

You bought 10 Polygon Road ten years ago . You believe it was April or May that year.

Estate Agents

10 Polygon Road was not marketed through estate agents – as a business person you marketed the property yourself through the internet and managed to find a buyer quickly (within a couple of weeks), which you regard as being a little fortunate.

Buyer

The buyer is Mr David Garner of 15 Stoke Road, Bishopston Bristol, BS38 9XL. He has told you he is buying the property to also let it out to tenants. Mr Garner has confirmed to you that he does not have a related sale and is a cash buyer – i.e. he does not need a mortgage – and will be ready to complete the purchase quickly.

Buyer's solicitor

Mr Garner has instructed Bowen and Bowen of 6 Cardiff Road, Bristol, BS7 2QT.

Sale Price

The agreed sale price is £295,000. You accepted the offer from Mr Garner yesterday (having managed to negotiate him upwards from a first offer of £290,000) after one viewing.

Fixtures and Fittings

You have not considered whether fixtures or fittings are included in the sale price and would need to discuss this with your sister and Mr Garner – at the moment there are beds, carpets and sofas at the property (which are included in your lettings) and all belong to your sister.

Existing Mortgages on 10 Polygon Road

You and your sister bought 10 Polygon Road with the benefit of an interest only, buy to let mortgage from Royal Bank of Scotland plc. The mortgage is in joint names. You can provide the mortgage account number to the solicitor in due course and you will also provide them with any other details they need about the mortgage.

The mortgage was for £150,000, and that amount is still outstanding (being an interest only mortgage) and you appreciate it will have to be paid off when the sale goes through.

You are currently paying £600 per month on the mortgage (divided equally between you and your sister).

Alterations to the property

You and your sister have not carried out any alterations or improvements to 10 Polygon Road

Other terms agreed on the sale/proposed date for completion

There are no other terms agreed, except that the sale will be completed urgently

Purchase of another property

None of the parties are purchasing another property

Problems and disputes concerning the property

You know that the next door neighbour at No. 8 has complained to your sister over the past year about the noise caused by some of the tenants late at night. You do not wish to disclose this to the buyer as it might put him off buying. However, you will go with whatever guidance the solicitor gives with regard to this.

Title deeds and Documents

You believe they are with RBS, but will check with your sister.

Your sister

Emma Miller (who owns a 50% interest in 10 Polygon Road) she lives at 20 Cranbrook Road, Redland, Bristol BS9 5AD. She is an independent financial advisor and also owns a small number of properties, like 10 Polygon Road, that she lets out. She owns the other properties on her own - you do not have a share of them.

You have not yet told your sister that you have accepted the offer, as you could not get hold of her last night, but you are positive that she will be happy to accept £295,000 as neither of you thought you would succeed in obtaining the full asking price.

Your sister was initially opposed to the sale as she does not need the capital to be released from it; however, she cannot currently afford to buy out your share. She has reluctantly agreed to the sale provided you take care of everything and bear the costs of the sale. Your sister has not instructed her own solicitor and will not want to.

Your concerns

You want to instruct the firm on the sale and you want the matter completed quickly.

You want to know about any capital gains tax liability on the sale of the house - you are concerned to find out how much money will be realised for your business

You want to know how much the solicitors fees will be on the sale.

You are a bit anxious about the dispute with the neighbour at Number 8. You would rather not reveal it to the buyer as it might delay the whole thing or even put him off buying