

Exchanging Contracts Checklist

The process of exchanging contracts is extremely important. The following procedure should be followed carefully*, or it could be that contracts may not have been exchanged.

1. Obtain both copies of the contract.
They can be the original copy and the counterpart prepared by the solicitor.
2. Before proceeding, check the contracts page by page to ensure they are identical.
3. Check that all documents that should be appended are actually there. The list of appended documents are set out on page 2 of the standard form of contract.
4. Have the purchaser write their name and other details, and their solicitor details on a separate piece of paper and then copy their details to both copies of the contract. Ensure the details are the same on both copies.
5. Check the list of inclusions with the vendor and add any inclusions not on the contract. Do not write outside the heavy black box.
6. Enter the purchase price, the deposit (10%) and the balance owed on both copies. Do not vary the deposit amount unless authorised by the vendor's solicitor.
7. If a reduced deposit has been accepted by the vendor or vendor's solicitor/conveyancer, a clause should be inserted into the contract to reflect this and the vendor's solicitor/conveyancer should provide it.
Do not alter the figure (10% deposit) on the front page of the contract. The deposit amount on the front page should always reflect an amount no less than 10% of the purchase price.
8. Do not alter any clauses or add any clauses without the express written approval of the vendor's solicitor/conveyancer.
9. Have both the purchaser and the vendor sign one contract each on the front page. Tradition is that the vendor signs the original contract and the purchaser signs the copy.
Each party should initial the bottom of every page of the special conditions in the contract and any alterations made to the contract as presented by the vendor's solicitor/conveyancer. This includes the exclusions and the purchase price.
10. If the contracts have been out of your possession after you have checked them under Clause 2 above, then check again that they are identical.
11. Have both parties sign the relevant "Authority to Exchange".
12. Advise both parties that you now intend to exchange contracts then physically check contracts.
13. Make arrangements to send the contracts to the respective solicitor/conveyancer the next business day. If either party are taking their contracts, advise them to deliver it to their solicitor/conveyancer the next business day.

Checked by: Date:

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