

## **Property Department**

### **1) Residential Sales and purchases**

#### **Range of fees**

Our legal fees to act in a residential sale or purchase range from £800 plus VAT (£960.00 VAT inc) and disbursements to £5,000 plus VAT (£6,000 VAT inc ) and disbursements per transaction; we will provide you with an “individual” best estimate of the fees at the outset of the transaction based on the information you provide us with. Our legal fees for the sale/purchase of your property are generally based on a sliding scale according to the value of the property, the higher the sale/purchase price, generally the higher the legal fee element.

At the lower end of our fee estimate would be a low price, mortgage free property with a straightforward registered legal title acting on behalf of a client who is familiar with the legal process.

If we are acting in the purchase of complex legal title, that is not registered at the Land Registry, that has, by way of example, issues with the extent of land registered in the deeds and is for a new build with access issues and the buyer requires mortgage finance our legal fees will be at the higher end of the fee scale.

#### **Factors which may affect your legal fees**

We have compiled a list of factors which may increase your legal fees in your sale or purchase. These factors are considered to increase the complexity of the transaction and the amount of time the fee earner is anticipated to expend upon it. Please note the factors listed which may increase your legal fees are not exhaustive. By providing the fee earner or secretary who provides you with a fee estimate with as much information at the outset of the transaction allows us to provide you with a more accurate fee estimate.

From time to time it becomes necessary to revise our legal fees during the course of the transaction and if it becomes apparent that this is the case we will advise you at the appropriate time in writing.

Factors which may increase your legal fees:

- 1) If the property is leasehold
- 2) An issue with the legal title e.g defective rights of access, extent of property not correctly registered at the Land Registry
- 3) The property being in the middle of a lengthy chain which results in above average correspondence with other parties/ agreeing exchange and completion dates
- 4) The type of mortgage- if you require bridging finance your legal fees will be higher as the lender is typically separately represented and raises lengthy enquiries
- 5) Search results reveal an issue
- 6) The property is not registered at the Land Registry
- 7) The property is a new build/plot
- 8) Transfers of part of a legal title meaning rights granted, reserved, covenants etc need to be considered as they are being newly imposed
- 9) There are multiple legal charges secured on the property or restrictions against the title
- 10) Issues with planning and building regulations/ local occupancy restrictions
- 11) Where there has been a breakdown in relations between the sellers and we are required to correspond with each seller separately
- 12) Experience of issues in relation to a particular estate/locality

- 13) Being required to complete a matter under time constraints
- 14) Contact from you which is deemed to be excessive in the usual course of a transaction of the same type
- 15) If a declaration of trust as to ownership is required

Please note that no two transactions/properties are exactly the same and in the event of unexpected complications which will increase your legal fees we will inform you immediately.

The following factors are likely to reduce your legal fees:

- 1) You are purchasing multiple properties and are a regular client
- 2) You are dispensing with searches

### **Included in our service**

In dealing with your sale we will as standard:

- a) Provide you with a fee estimate with our client care letter and ask you to complete a property information and fittings and contents form (if the property is leasehold we will also provide you with a leasehold information form for completion)
- b) Draft the contract and provide title documentation to the buyer's solicitor ( if the property is leasehold we will also make contact with the Landlord/Managing Agent)
- c) Deal with enquiries raised by the buyer's solicitor taking instructions from you when necessary
- d) Obtain a redemption figure for your mortgage
- e) Attend you to sign or post contract and transfer to you for signature
- f) Exchange and complete (if the property is leasehold we will apportion rent and service charge)
- g) Provide the transfer deed and any other deeds to the buyer's solicitor on completion
- h) Discharge any mortgage secured against the property from the proceeds of sale
- i) Pay estate agents fees from the proceeds of sale
- j) Remit the net proceeds of sale to you with a completion statement and this firm's account

In dealing with your purchase we will as standard:

- a) Provide you with a fee estimate with our client care letter asking money on account of any required searches and recommend a survey is carried out
- b) Check the contract and legal title to the property on receipt of the same from the buyer's solicitor and raise any enquiries on the same (if the property is leasehold we will also examine the Landlord's legal title)
- c) Commission searches
- d) Arrange to forward the completed property information and fittings and contents form to you (if the property is leasehold we will send you the completed leasehold information form)
- e) Examine searches (local authority search, water and drainage search and in some transactions a mining and environmental search), the property information form and any survey and raise enquiries on the same
- f) Check your mortgage offer and report any concerns on the property title and search results to you and your lender
- g) Invite you to sign reporting to you on the property you are buying or provide a written report on title

- h) Advise you of the required funds to complete the transaction (if the property is leasehold we will let you know of any apportionment for rent, service charge and any other payments due under the lease as a result of the change in ownership)
- i) Complete the transaction on your behalf and attend to stamp duty and land registration formalities (if the property is leasehold we will arrange to serve any notices on the Landlord/Managing agent as per the terms of the lease)
- j) Provide you and your lender with the completed registration showing the property registered to you

It is difficult to provide a precise timescale for your transaction, an average conveyancing transaction with mortgage finance takes approximately 6-8 weeks.

### **Example sale transaction**

If we were acting in the sale of a vacant freehold property terraced property registered at the Land Registry at a sale price of £130,000 with no mortgage to redeem an example of our legal fees would typically be as follows:

Legal fees: £1,000.00

VAT on legal fees: £200.00

Office copy entries: £14.00

VAT: £2.80

Bankruptcy search per seller: £6.00

VAT: £1.20

Identity/ anti- money laundering check: £7.00

VAT: £1.40

Total: £1,232.40

### **Example purchase transaction**

If we were acting in the purchase of a property built circa 2005 on an established developer's estate in the town of Whitehaven, registered at the Land Registry with mortgage finance at a price of £400,000 our legal fees would typically be as follows:

Legal fees: £1,500.00

VAT on legal fees: £300.00

Mortgage fee: £25.00

VAT on mortgage fee: £5.00

Local authority search (Copeland Borough Council): £194.02

Water and drainage search (United Utilities): £73.60

Coal mining search (The Coal Authority): £46.20

Bankruptcy search per legal owner: £6.00

VAT: £1.20

Final Land Registry priority search: £7.00

VAT: £1.40

Bank transfer fee (to send funds same day to the seller's solicitor): £30.00

VAT: £6.00

Identity/ anti money laundering check: £7.00

VAT: £1.40

Land Registration fee (to register the property at the Land Registry): £150.00

Stamp Duty Land Tax: £10,00.00 (not at the higher rate, UK resident and not first time buyer)

Total: £12,353.82

Please note the above are illustrative only and our fee estimate for a property of the same price may differ based on the type of factors listed. We recommend you contact us directly for a no obligation quote tailored to the property you are purchasing.

## **2) Transfers and re-mortgages**

### **Transfer of mortgage free property**

Our legal fees for acting in a transfer of a mortgage free property start from £700 plus VAT and disbursements. The cost includes:

- a) Issuing our client care letter with fee estimate
- b) examination of the legal title to the property
- c) preparing the transfer deed,
- d) Attending you to sign the transfer deed
- e) dealing with the other party (represented or unrepresented) to the transaction, please note we cannot advise the other party
- f) completing the transaction and making payment to the party being removed from the legal title and
- g) making payment of any stamp duty handling the registration process at the Land Registry
- h) providing you with the completed registration

The disbursements will typically include obtaining office copy entries (£14.00 plus VAT) a bank transfer fee to send funds to the other party (£30.00 plus VAT) a Land Registration fee and potentially stamp duty land tax.

### **Remortgage**

Our legal fees for dealing with a mortgage/ re-mortgage only (no property transfer required) start from £700 plus VAT and disbursements. The cost includes:

- a) examination of the title to the property and mortgage
- b) carrying out necessary searches as the lender requires

- c) obtaining redemption figures for the existing mortgage (if any),
- d) reporting any issues on the title/search result to the lender
- d) attending you to sign the mortgage deed
- d) completing the remortgage by drawdown and redeeming any existing mortgage (if any)
- e), registering the new mortgage deed at the Land Registry and
- f) providing you and your new lender with the completed registration with charge noted.

### **Transfer and re-mortgage**

Our legal fees for acting in a transfer and re-mortgage start from £700 plus VAT plus disbursements. The disbursements typically include obtaining office copy entries (£14.00 plus VAT), a bank transfer fee to redeem the existing mortgage (£30.00 plus VAT) a Land Registration fee and if there is a transfer element possibly stamp duty.

The legal fees may be higher as a result of any of the matters listed to at (1) above in relation a sale/purchase.

### **Disbursements**

In addition you will be advised of third party costs (disbursements) which we will incur on your behalf in any of the transactions referred to above. The below are the usual disbursements incurred. Please note that disbursements may change and this is outside of our control.

**Searches-** Searches will be obligatory if you require mortgage finance for a purchase or re-mortgage but are nevertheless strongly recommended for all purchase transactions.

- a) Local authority search- the fee will depend on the local authority where the property is located and local councils charge from £80.00 to £160.00.
- b) Water and drainage search – this can range from £50-100 depending on the statutory undertaker for water.
- c) Locality dependent: i) a mining search(es) for coal from the Coal Authority costs £46.20 and an iron ore search may be required depending on the location of the property. The cost of an iron ore search is £89.00
- d) Environmental search (optional unless the fee earner dealing with the file advises otherwise). Our environmental searches cost £71.70.

**Bank transfer fee-** You will incur a bank transfer fee where we are required to send funds to your lender to redeem a mortgage or when we are required to send funds to another solicitor. The cost of a bank transfer fee is £30.00 plus VAT.

### **Land Registry searches**

- a) Bankruptcy- we are required to carry out a bankruptcy search per legal owner where you are purchasing with a mortgage or in a sale we are sending net proceeds in excess of £1,000. The cost is £6.00 plus VAT per person
- b) Final Land Registry priority search- this is done prior to completion to ensure no party can submit an application to the Land Registry before your solicitor, it protects the buyer/lender. The cost is £7.00 plus VAT per legal title.

- c) Search of the index map- if you are selling a property which is not registered at the Land Registry at a cost of £8.00 plus VAT indicates if any part of the property being sold has been registered to a third party.
- d) Land Charges searches- if you are selling a property which is not registered at the Land Registry it is necessary to carry out searches against the names of existing and previous estate owners at a cost of £7.00 plus VAT each to ascertain whether any land charges have been lodged against that estate owner.

**Stamp duty** -this will be paid to HMRC on your behalf on completion, it can apply to a transfer or purchase. The level of stamp duty depends on numerous factors including consideration paid, if you are first time buyer, if you are UK resident and if you have an interest in another property. Please see the link to HMRC's official stamp duty calculator. <https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#!/intro>

**Land Registration fee**- the Land Registry fee ranges from £20.00 for a registered property valued between £0-£80,0000 to £910.00 for a property that is not registered at the Land Registry and is valued in excess of £1,00,005. If the property is not registered at the Land Registry or it is a transfer of part the Land Registry fee will be higher.

**Indemnity Insurance** -You may also in some circumstances be required to pay for indemnity insurance if there is a defect with the property e.g a lacking FENSA certificate for a window installed may result in a seller being required to provide a lacking building regulations compliance policy. The fee earner dealing with your file will advise you on this during the course of your transaction if the need arises.

#### **Persons who may work on your file**

Please see the attached link for details of members of our conveyancing team who may work on your file during the course of the transaction together with details of their experience. A specific fee earner will take conduct of the file and this will be made clear at the outset of the transaction.

Michael Sandelands

Suzanne Roberts

Pam Thomas

Leigh Nicholson

