

PURCHASE OF FREEHOLD OR LEASEHOLD RESIDENTIAL PROPERTY

Our fees cover all of the work required to complete the purchase of a residential property (either freehold or leasehold) including dealing with the registration at the Land Registry and dealing with the payment of Stamp Duty Land Tax (Stamp Duty) if the property is in England, or Land Transaction Tax (Land Tax) if the property you wish to buy is in Wales.

Solicitor's fees and Disbursements

Typically, the legal fee charged is 0.3% of the purchase price of the property subject to a minimum fee of £5,000 plus VAT plus disbursements and subject to a maximum fee of £50,000 plus VAT plus disbursements. (Example – if the purchase price of the property is £10,000,000 then the fee will be $10,000,000 \times 0.3\% = £30,000$ plus VAT plus disbursements)

In addition to the legal fee you will also pay the following:

VAT payable	VAT is payable at 20% on the legal fee ascertained as above and certain disbursements
Search fees	Search fees vary depending on where the property is located and what searches are undertaken on your behalf. You should budget a sum of £500 in respect of search fees (see further details below together with a summary of searches which are likely to be involved)
Stamp Duty Land Tax (Stamp Duty)	See below
HM Land Registry fee	See below
Disbursements including bank charges	You should budget a sum of £100 in respect of disbursements see below

The above fees do not include any work relating to any mortgage which you may be obtaining in order to fund your purchase (see below). The search fees and the Stamp Duty and the Land Registry fees will probably remain the same but the legal fee will increase.

Disbursements

Disbursements are costs related to your matter that are payable to third parties, such as Land Registry fees. We handle the payment of the disbursements on your behalf to ensure a smoother process.

In the event that the property which you are buying is leasehold, there are likely to be additional disbursements which will be a requirement of the lease relating to the property. The disbursements which we anticipate will apply are set out separately below. The list is not exhaustive and other disbursements may apply depending on the term of the lease. We will update you on the specific fees upon receipt and review of the lease from the seller's solicitors:

Disbursement	Fee
Notice of charge	£50-£75
Notice of transfer	£50-£75
Deed of covenant	£100-£150
Certificate of compliance	£100-£150

**These fees vary from property to property and can on occasion be significantly more than the ranges given above. We can give you an accurate figure once we have sight of your specific documents.*

You should also be aware that ground rent and service charge are likely to apply throughout your ownership of the property. We will confirm the ground rent and the anticipated service charge as soon as we receive this information.

Stamp Duty or Land Tax

This depends on the purchase price of your property. You can calculate the amount you will need to pay by using [HMRC's website](#) or if the property is located in Wales [by using the Welsh Revenue Authority's website here](#).

HM Land Registry Fees

The Land Registry is a Government Department that registers the ownership – and change of ownership – of land and property throughout England and Wales. When a property transaction completes it must be registered at the Land Registry (the onus being on the purchaser to do so)

The Land Registry charge covers the cost of altering the record or registering ownership for the first time and is calculated based on the purchase price of the property.

Property Price	Fee (Post)	Fee (Online)
0 - £80,000	£40	£20
£80,001 - £100,000	£80	£40
£100,001 to £200,000	£190	£95
£200,001 to £500,000	£270	£135
£500,001 to £1 million	£540	£270
£1 million +	£910	£455

How long will my house purchase take?

How long it will take from your offer being accepted until you can move in to your house will depend on a number of factors. The average process takes between 10 and 12 weeks.

It can be quicker or slower, depending on the parties in the chain. For example, if you are a first time buyer, purchasing a new build property with a mortgage in principle, it could take 16 weeks. However, if you are buying a leasehold property that requires an extension of the lease, this can take significantly longer, between 3 and 4 months. In such a situation additional charges would apply.

Stages of the process

The precise stages involved in the purchase of a residential property vary according to the circumstances. However, below we have listed the key stages:

- Take your instructions and give you initial advice;
- Check finances are in place to fund purchase and contact lender's solicitors if needed;
- Receive and advise on contract documents;
- Carry out searches;
- Obtain further planning documentation (if required);
- Make any necessary enquiries of seller's solicitor;
- Give you advice on all documents and information received;
- Send final contract to you for signature;
- Agree completion date (date from which you own the property);
- Exchange contracts and notify you that this has happened;
- Arrange for all monies needed to be received from lender and you;
- Complete purchase;
- Deal with payment of Stamp Duty/Land Tax;
- Deal with application for registration at Land Registry.

**** Our fee assumes that:***

- *this is a standard transaction and that no unforeseen matters arise including, for example (but not limited to), a defect in title which requires remedying prior to completion or the preparation of additional documents ancillary to the main transaction;*
- *the transaction is concluded in a timely manner and no unforeseen complications arise;*
- *all parties to the transaction are co-operative and there are no unreasonable delays from third parties providing documentation.*

MORTGAGES AND REMORTGAGES

We do not usually act for the mortgagee if funding is required for a purchase – we are not usually on the mortgagee's panel of solicitors with the result that separate mortgagee solicitors are instructed. If however the mortgagee is happy for us to act on its behalf as well as your behalf, then the likely additional cost would be £500 plus VAT plus disbursements.

For the above reason we do not deal with remortgages

WHAT SEARCHES ARE INVOLVED IN THE PURCHASE OF A PROPERTY

Searches are enquiries submitted to the various authorities which provide you with more information about the property which you plan to purchase. The authorities include Local Councils, the Environmental Agency and the local water company.

Searches provide crucial information relating to the property, for example whether or not the road serving it is a publicly adopted highway, whether it is subject to any planning enforcement notices, whether the property has been the subject of flooding and whether the property is on mains drainage.

During the process of the property purchase we will conduct these searches on your behalf.

The subject of searches can be quite involved so if you would like to speak to us about searches then please do ensure that we have a conversation regarding this aspect of the transaction.

It should be noted that searches are intended only to cover the legal aspects of a purchase – we do not requisition a survey and will not report on the physical state or the value of the property.

Local authority search

The cost of the local authority search varies between local councils as different councils charge different amounts. The cost of the local authority search is likely to vary between £250-£350.

Environmental search

This is a commonly used search which will identify risks within 500 metres of the property such as flooding, subsidence, landslides, landfill, waste sites and potentially contaminated sites. The cost of the search is likely to be between £100-£150.

Water and Drainage search

This will reveal if there are any public sewers within the boundaries of the property, or nearby, which could affect the future development or building work. It will show if the property is connected to mains water and drainage, whether the sewers are adopted and also the location of public water mains. The likely cost of this search is between £100-£150.

Additional location related searches

On rare occasions additional specialist searches may be required depending on the location of the property. If this is the case then we will advise you further as to the likely additional costs which will be incurred.

There are two additional searches which are worth considering:

- a Flood report – this will reveal if the property has been flooded in the last 75 years. It will give you information on the potential flood risk and confirm if it may adversely affect your ability to obtain suitable insurance. It is worth thinking about if your property

is near a river, lake, stream or even on low ground and should also be considered in the event of surface water flooding being a possibility.

- Plan search – this is an additional search of the local authority which reveals planning applications within a 250m radius of the property.

SALE OF FREEHOLD OR LEASEHOLD RESIDENTIAL PROPERTY

Our fees cover all of the work required to complete the sale of a residential property (either freehold or leasehold) but the fees do not include any work required in respect of the redemption of any existing mortgage over the property.

Solicitor's fees and Disbursements

Typically, the legal fee charged is 0.3% of the sale price of the property subject to a minimum fee of £5,000 plus VAT plus disbursements and subject to a maximum fee of £50,000 plus VAT plus disbursements. (Example – if the sale price of the property is £10,000,000 then the fee will be $10,000,000 \times 0.3\% = £30,000$ plus VAT plus disbursements)

In addition to the legal fee you will also pay the following:

VAT payable	VAT is payable at 20% on the legal fee ascertained as above and certain disbursements
Disbursements including bank charges	You should budget a sum of £100 in respect of disbursements see below

Disbursements

Disbursements are costs related to your matter that are payable to third parties, such as Land Registry fees. We handle the payment of the disbursements on your behalf to ensure a smoother process.

In the event that the property which you are selling is leasehold there are likely to be additional disbursements which will be a requirement of the lease relating to the property. The only anticipated disbursement shall be obtaining the management pack from the managing agents (the pack includes up to date information in respect of ground rent and service charge paid along with details of any other management issues which affect the block in which the flat is situated). The fee payable for obtaining this management pack is often between £150-£200.

How long will my house sale take?

How long it will take from accepting an offer until the sale of your house is completed will depend on a number of factors. The average process takes between 10 and 12 weeks. It can be quicker or slower, depending on the parties in the chain.

Stages of the process

The stages involved in the sale of residential property vary according to the circumstances. However, below we have listed the key stages:

- Take your instructions and give you initial advice;
- Check with you to ascertain whether or not there is a mortgage in place in respect of the property and check with you the redemption requirements of the mortgagee including obtaining an initial redemption statement;

- Drafting the sale contract and sending the same to the purchasers solicitors along with such information as is available in respect of the property;
- Prepare with your assistance the information required in order to complete the Property Information Form;
- Deal with any additional enquiries raised by the purchaser's solicitors;
- Give you advice on all documents and information received;
- Send final contract to you for signature;
- Agree completion date (date on which you sell the property);
- Exchange contracts and notify you that this has happened;
- Agree with you the distribution of the sale proceeds;
- Complete purchase;
- Distribute sale proceeds as agreed.

*** Our fee assumes that:**

- *this is a standard transaction and that no unforeseen matters arise including, for example (but not limited to), a defect in title which requires remedying prior to completion or the preparation of additional documents ancillary to the main transaction;*
- *this is the assignment of an existing lease and is not the grant of a new lease;*
- *the transaction is concluded in a timely manner and no unforeseen complications arise;*
- *all parties to the transaction are co-operative and there are no unreasonable delays from third parties providing documentation;*
- *no indemnity policies are required. Additional disbursements may apply if indemnity policies are required.*