

GLP SOLICITORS (PRESTWICH)

LEGAL COSTS re: PURCHASE OF A RESIDENTIAL PROPERTY

It is probably the most significant transaction we make in our lives. Whether once in a lifetime, once every twenty years or more frequently, whatever the cost of the transaction, the buying and selling of residential property is both one of the most exciting but also one of the most stressful moments of all.

GLP SOLICITORS (PRESTWICH) IS HERE TO HELP!

The type of work we undertake in the property department is very wide ranging including:

- house sale and purchase
- residential leases
- transfers of equity
- acquisition sites for development and their subsequent plot sales
- auction sales
- first- time buyers
- mortgages and re-mortgages

To minimise the perceived level of stress level occasionally felt by private buyers (and individuals representing corporate entities) we aim to ensure that transactions run as smoothly as possible, providing:

- a high quality, prompt and efficient service
- a desire to keep all parties informed of progress
- personal care and attention
- appropriate legal advice coupled with practical guidance from an experienced lawyer
- a balanced, pragmatic approach to handling the negotiations between solicitors

The firm's Head of Conveyancing, a Solicitor of 45 years standing, has oversight of your transaction and the Managing Partner, who joined the practice in 2006, both contribute to the conveyancing team. This includes our experienced, principal conveyancer who is currently training to become qualified as a Solicitor, plus another conveyancer who becomes a Solicitor in January 2019.

The Prestwich support team will liaise with you from-time-to-time, as and when appropriate.

The firm has consistently held the Law Society's Lexcel accreditation, from 2002 through to date and the Conveyancing Quality Scheme accreditation award from June 2012. Both are subject to annual review or renewal.

SOLICITORS REGULATION AUTHORITY

What follows is a new requirement from the Solicitors Regulation Authority, on behalf of the overarching Legal Services Board, to provide prospective clients with information about our costs in relation to specific legal services, including for residential property purchases. Residential sales and mortgages/re-mortgages are shown in a separate document.

The intention is to provide clients with a better understanding of what is involved, a view of the total cost and the steps needed to complete the process.

Our standard charges can be found on the accompanying pages, but as two purchase transactions are never the same, it is essential that you obtain an accurate quotation once the particulars about the property and documents involved are known.

**Please ring GLP SOLICITORS (PRESTWICH) on 0161 773 8626 to obtain a quote
or to make an appointment.**

Alternatively, please email: Prestwichconveyancing@glplaw.com

GLP SOLICITORS (PRESTWICH)

PURCHASE OF A RESIDENTIAL PROPERTY

This is a brief outline of the various aspects of the work involved:

STANDARD PROCEDURES:

- considering all information sent by the seller's conveyancer and raising any additional pre-contract enquiries
- agreeing the form of the Contract
- raising searches and checking all results
- attending to all related correspondence, telephone calls, faxes and emails
- preparing a report to you on matters of title, contract, pre-contract searches and enquiries relating to the property
- reporting to you on your mortgage offer
- sending contract, mortgage deed and Stamp Duty Land Transaction Return form to you for execution
- confirming your instructions for exchange of Contracts and completion including receiving the deposit payable on exchange
- arranging for the exchange of Contract
- preparing the purchase deed to transfer ownership of the property to you and raising pre- completion searches and enquiries
- preparing a completion statement
- completing the transaction
- attending to formalities relating to Stamp Duty Land Tax, and registering the transaction at the Land Registry

ESTIMATED FEES AND DISBURSEMENTS

1) PROFESSIONAL (LEGAL) FEES

Our standard fees for a typical house purchase can be taken from the following table but these are dependent on the referrer recommending a client to the firm (if appropriate), the property location (primarily if in the 'home counties' around London) or if unregistered land is involved.

FREEHOLD - Purchase Value:		Professional Fee:		Professional Fee:	
Up to	£125,000	£495 (plus VAT)	£400,001 to	£500,000	£850 (plus VAT)
£125,001 to	£150,000	£550 (plus VAT)	£500,001 to	£600,000	£950 (plus VAT)
£150,001 to	£175,000	£600 (plus VAT)	£600,001 to	£800,000	£1,050 (plus VAT)
£200,001 to	£300,000	£650 (plus VAT)	£800,001 to	£1,000,000	£1,095 (plus VAT)
£300,001 to	£400,000	£750 (plus VAT)	£1,000,000 and over		£1,250 (plus VAT)

LEASEHOLD - Purchase Value:		Professional Fee:		Professional Fee:	
Up to	£125,000	£560 (plus VAT)	£400,001 to	£500,000	£925 (plus VAT)
£125,001 to	£150,000	£625 (plus VAT)	£500,001 to	£600,000	£1,050 (plus VAT)
£150,001 to	£175,000	£675 (plus VAT)	£600,001 to	£800,000	£1,125 (plus VAT)
£200,001 to	£300,000	£725 (plus VAT)	£800,001 to	£1,000,000	£1,170 (plus VAT)
£300,001 to	£400,000	£825 (plus VAT)	£1,000,000 and over		£1,325 (plus VAT)

These figures may vary in cases with special complications. This is why we will always give you an individual cost estimate at the start of the transaction, taking into account the actual features of your purchase, including:

- 'Help to Buy' application re ISA Bonus £50 plus VAT
- administrative charge if a 'gifted deposit' is involved £75 plus VAT
- approximate search fees (these vary from one local authority to another) £250 plus VAT
- electronic money transfer fee , per transaction £15 plus VAT
- pre-completion searches approximately £11 plus VAT
- Stamp Duty tax (see official calculator: <https://www.gov.uk/stamp-duty-land-tax/residential-property-rates>)
- Land Registry fee (see official calculator: <http://landregistry.data.gov.uk/fees-calculator.html>)

REFERRALS

On a limited number of transactions, we pay a fee to a third party (normally an estate agent) for referral of that business. You will be informed of this, if applicable, in our initial correspondence at the outset of the transaction.

ADDITIONAL ANTICIPATED DISBURSEMENTS FOR LEASEHOLD PURCHASE *

- Notice of Transfer fee
This fee if chargeable is set out in the lease, determined by the Landlord. This could be from £10 to £300**.
- Notice of Charge fee (if the property is to be mortgaged)
This fee is set out in the lease, determined by the Landlord. The fee may be as above**, (also plus VAT).
- Deed of Covenant fee
This fee is provided by the management company for the property and can be difficult to estimate. Often it is between £100 & £350 (plus VAT)
- Certificate of Compliance fee
To be confirmed upon receipt of the lease, as this can range between £30 & £150 (plus VAT)

**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.*

For the six months to November 2018, our average residential conveyancing fee for a house purchase (before solicitor's costs and disbursements) was £510, ranging from £450 to £800. Total fees during the period for a completed purchase, including disbursements and VAT, ranged from £540 to £989.

2) DISBURSEMENTS

Disbursements, as defined for VAT purposes, are costs related to your matter that are payable to third parties, such as Land Registry fees and which do not add value to the legal work that we undertake on your behalf. We handle the payment of the disbursements on your behalf to ensure a smoother process.

Stamp Duty or Land Tax (on purchase) 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.

Land Registry registration fee - You can calculate the amount you will need to pay by using Land Registry's website.

BY WAY OF EXAMPLE:

For a purchase of a registered freehold residential property at £250,000 with no complications and no mortgage:-

1. pre-exchange searches	£162.00	£194.20	inc. VAT
2. post exchange/pre-completion searches	£11.00	£13.20	inc. VAT
3. electronic bank transfer fee	£15.00	£3.00	inc. VAT
4. admin fee re Stamp Duty return online	£75.00	£90.00	inc. VAT
5. admin fee re Land Registry application online	£50.00	£60.00	inc. VAT
6. our professional fee	£650.00	<u>£780.00</u>	inc. VAT
7. TOTAL SOLICITORS FEES & COSTS		£1,141.20	
8. Stamp Duty Land Tax (in this example, 2%)		£5,000.00	
9. Land Registry fee		<u>£135.00</u>	
10. ESTIMATED TOTAL (INCLUDING DISBURSEMENTS)		<u>£6,276.20</u>	

OTHER CONSIDERATIONS

Our estimates do not include any advice about the following aspects: -

- taxation issues
- matters relating to survey or the state and condition of the property
- checking the identity of your seller
- the validity or enforceability of any guarantees relating to work done at the property
- the affordability, suitability or otherwise of any mortgage or loan you are obtaining
- aborted transactions: we reserve the right to charge a fee when a transaction is aborted.

We reserve the ability to charge extra if the transaction becomes out of the ordinary and demands additional time to resolve any problems, these are not limited to but could include:-

- defective title
- lengthy chain
- lack of planning documentation from the seller
- very short interval between exchange and completion or simultaneous exchange and completion
- dealing with unregistered title
- dealing with more than one registered title
- tenanted buy to let property
- dealing with third party lawyers
- arranging conveyancing indemnity policy
- drafting statutory declaration
- drafting declaration of trust
- advising adult occupier required to sign consent form for lender
- acting on behalf of the mortgage lender
- shared ownership lease
- aspects of the Help to Buy scheme
- leasehold properties only
- dealing with Deed of Variation of lease
- purchase/transfer of freehold
- dealing with Deed of Covenant/Licence to Assign
- dealing with service charge retention

We will always advise you immediately about any complication, and discuss the potential impact on price before any additional charges are incurred.

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 8 to 12 weeks. It can be quicker or slower, depending on the parties in the chain.

It may also depend on a range on anti-money laundering checks that we, other solicitors and the banks involved in the transaction are obliged by law to undertake, both in terms of a client's identity and also the source of funds.

For example, if you are a first time buyer, purchasing a new build property with a mortgage in principle, it could take 8 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.

From-time-to-time, for the purpose of anti-money laundering legislation and banking regulations, an electronic payment may be held by a payer or payee bank whilst in the process of transmission and which may delay completion. Should this occur, we may be unaware of the reason but we will be working with the banks to try to resolve whatever issue that they may have encountered.

CONTACT OUR PRESTWICH OFFICE TODAY WITHOUT OBLIGATION:

Either telephone us on 0161 773 8626 or send an email to: prestwichconveyancing@glplaw.com

GLP SOLICITORS (PRESTWICH) is the trading name for GLP (PRESTWICH) LLP

USEFUL WEBSITES:

GLP (Prestwich) www.glplaw.com/prestwich
Stamp Duty Calculator <https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>
Land Registry Fees: <http://landregistry.data.gov.uk/fees-calculator.html>
Law Society CQS: <https://www.lawsociety.org.uk/support-services/accreditation/conveyancing-quality-scheme/>