

GLP SOLICITORS (PENDLEBURY)

LEGAL COSTS re: A RESIDENTIAL PROPERTY MORTGAGE

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 (PENDLEBURY) 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 experience 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 1988, shortly after it was found, both contribute to the conveyancing team. This includes our principal conveyancer who has been with the firm for now approaching three years following a long career in residential conveyancing.

The Pendlebury support team will liaise with you from-time-to-time, as and when appropriate to keep you up to date with developments.

The firm has consistently held the Law Society's Lexcel accreditation, from 2002 through to date and the Conveyancing Quality Scheme accreditation award from 2011, the year of its inception. 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 mortgages/re-mortgages. Residential sales and purchases 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 charge for a mortgage or re-mortgage is £375.00, plus VAT, but as two mortgages/re-mortgages are the never the same it is essential that you obtain an accurate quotation once the particulars about the property and the documents involved are known.

**Please ring GLP SOLICITORS (PENDLEBURY) on 0161 793 0901 to obtain a quote
or to make an appointment.**

Alternatively, please email: pendleburyconveyancing@glplaw.com

GLP SOLICITORS

MORTGAGE/RE-MORTGAGE OF A RESIDENTIAL PROPERTY

This is a brief outlines of the various aspects of the work involved in dealing with your mortgage:

STANDARD PROCEDURES:

- obtaining Title to the property from the Land Registry, and other supporting papers and reviewing these documents, once received
- raising searches (if required by the lender) and checking all results
- obtaining redemption statement from existing lender (if any)
- attending to all related correspondence, telephone calls, faxes and emails
- preparing a report to you on the mortgage offer and conditions
- sending the mortgage deed to you for execution
- confirming your instructions for completion
- preparing a completion statement
- paying of an existing mortgage loan
- completing the new mortgage
- attending to formalities relating to registering the transaction at the Land Registry

ESTIMATED FEES AND DISBURSEMENTS

1) PROFESSIONAL (LEGAL) FEES:

Our standard fees for a typical house mortgage or re-mortgage range from around £350 (plus VAT) for a simple transaction to around £1,000 (plus VAT) for a substantial building on unregistered land. The average price for mortgage work in the six months to November 2018 was £625 (plus VAT).

There may an extra charge for dealing with a leasehold title ranging from £250 (plus VAT) to £350 (plus VAT) in addition to the standard fee and administration fees for submitting the Land Registry application via the portal

These figures may however 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 mortgage or re-mortgage

- approximate search fees (these vary from one local authority to another) £250
- electronic money transfer fee £15 (plus VAT), per item transferred
- pre-completion searches approximately £7
- Land Registry fee for title documentation £6 to £20
- Land Registry fee – see below

ADDITIONAL ANTICIPATED DISBURSEMENTS FOR LEASEHOLD PURCHASE*

- Notice of Charge fee (if the property is to be mortgaged) – This fee is set out in the lease, determined by the Landlord. Often the fee is between £10 (plus VAT) and £350 (plus VAT).
- Certificate of Compliance Fee - To be confirmed upon receipt of the lease, and can range between £30 (plus VAT) and £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*

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

LAND REGISTRY REGISTRATION FEE

We cannot estimate this figure. However, you can calculate the amount you will need to pay by using Land Registry's website: www.gov.uk/guidance/hm-land-registry-registrations-services-fees#scale-2-fees.

BY WAY OF EXAMPLE:

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

	Net Cost	VAT @ 20%
Our legal fees	395.00	79.00
Add: Solicitor's costs		
Searches	-	-
Pre-completion searches	6.00	1.20
Bank charges	15.00	3.00
Total fees	21.00	24.00
	416.00	83.20
Add: Disbursements		
Land Registry charges for official copies of title	6.00	
Land Registry Fee	40.00	
	46.00	
	462.00	83.20
Add: VAT @20%	83.20	
Total (estimated for this example)	545.20	

The range of the total bills sent to mortgage related clients during the six months to November 2018 was from £348 to £683, including VAT.

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
- division of mortgage proceeds between joint owners
- the validity or enforceability of any guarantees relating to work done at the property
- affordability, suitability or otherwise of any mortgage or loan you are obtaining
- application of proceeds of mortgage for the purchase of another property which you may be buying with another person

We reserve the ability to charge extra if the transaction becomes out of the ordinary and demands additional time to resolve any problems, these could include :-

- defective title
- lack of planning documentation from you
- 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
- shared ownership lease
- leasehold properties only - dealing with deed of variation of Lease

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 MORTGAGE TAKE?

How long it will take from your application for a mortgage offer being accepted until it can be completed will depend on a number of factors. The average process takes between 4 and 6 weeks.

It can be quicker or slower, depending on the title, the lender's requirements or conditions and how quickly the mortgage offer is received. For example, if you are mortgaging a registered freehold title with a mainstream lender who only requires search indemnity insurance it could take 3 to 4 weeks.

However, if you are mortgaging 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.

CONTACT OUR PENDLEBURY OFFICE TODAY WITHOUT OBLIGATION:

Either telephone us on 0161 793 0901 or send an email to: pendleburyconveyancing@glplaw.com

USEFUL WEBSITES:

GLP (Pendlebury) www.glplaw.com/pendlebury

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/>