

## Costs Transparency – Residential Conveyancing

In relation to sales, purchase and re-mortgages details of the fees that will be charged are set out below.

There are three elements to the total fee involved for the sale purchase or re-mortgage of a property:

1. Transaction price.
2. Additional tariffs (if applicable).
3. Disbursements.

In order to ascertain the total costs you will need to add together all necessary elements for your particular transaction.

This document is intended to provide you with all of the information to allow you to do so without making any direct contact with us although in relation to some of the additional tariffs these are transaction specific and it is therefore not possible to know at the outset of a matter whether one or more of these may apply to the transaction. In some cases it is clear that they will apply but in other cases it will not be known until the transaction is at a later stage.

### TRANSACTION PRICE

Property price/amount of Re-Mortgage	Sales/Purchases (if both one fee for each transaction)	Re-Mortgages
Up to £100,000	£495 plus VAT being £594 including VAT	£350 plus VAT being £420 including VAT
Up to £200,000	£545 plus VAT being £654 including VAT	£400 plus VAT being £480 including VAT
Up to £300,000	£595 plus VAT being £714 including VAT	£450 plus VAT being £540 including VAT
Up to £400,000	£645 plus VAT being £774 including VAT	£500 plus VAT being £600 including VAT
Up to £500,000	£695 plus VAT being £834 including VAT	£550 plus VAT being £660 including VAT
Up to £625,000	£795 plus VAT being £954 including VAT	£600 plus VAT being £720 including VAT
Up to £750,000	£895 plus VAT being £1,074 including VAT	£650 plus VAT being £780 including VAT
Up to £875,000	£995.00 plus VAT being £1,194 including VAT	£700 plus VAT being £840 including VAT
Up to £1,000,000	£1,095 plus VAT being £1,314 including VAT	£750 plus VAT being £900 including VAT

**IN ADDITION TO THE FEE IN THE TABLE ABOVE THE FOLLOWING ADDITIONAL FEES WILL APPLY IF APPLICABLE TO A PARTICULAR TRANSACTION**

**Sale** - In addition if the property being sold is subject to a mortgage a fee of £125 plus VAT so £150 including VAT will apply (for 1 mortgage) to cover the additional work involved.

**Purchase** - In addition if the property being purchased will be bought with the aid of a mortgage a fee of £175 plus VAT so £210 including VAT will apply (for 1 mortgage) to cover the additional work involved.

**Sale/Purchase or Re-mortgage** - In addition to the above if the property is leasehold the following additional charge will apply:

**Sale** - £200 plus VAT so £240 including VAT

**Purchase** - £300 plus VAT so £360 including VAT

**Re-Mortgage** - £200 plus VAT so £240 including VAT

In addition, the following fees will apply

**Sale/Purchase or Re-mortgage** - Bank Transfer fee of £40 plus VAT so £48 including VAT for each and every same day (CHAPS) bank transfer required during the transaction. Such a fee will apply among other occasions when redeeming an existing mortgage, sending purchase monies to sellers solicitors, sending net proceeds to you (a cheque is available at no charge) and on every other occasion such a transfer is required although the foregoing are the most common occasions it arises. In some transactions more than one fee will be incurred.

**Sale/Purchase** - In addition if in relation to any sale or purchase transaction there will be less than 10 working days between exchange of contracts sale and completion then an additional charge of £75 plus VAT so £90 including VAT will apply per transaction.

Please note that all charges referred to as including VAT include it at the rate of 20% and would change if the VAT rate changed.

Indemnity insurance self-issue policies (per policy) £50 plus VAT.

Indemnity insurance bespoke policies price is dependent upon the work involved and will be charged at the current hourly rate of £201 per hour plus VAT if this issue arises an indication as to fees will be given at that stage.

Our fees in relation to sales and purchases will include the work required complete the sale or purchase of the property including dealing with the registration at the Land Registry in relation to a purchase and dealing with payment of the stamp duty land tax (SDLT – commonly known as stamp duty) if the property is in England and land transaction tax (land tax) if the property is in Wales.

It will also include preparing and submitting appropriate documentation to the buyers solicitors in connection with a sale and to considering the documentation provided on a purchase.

It will include advising on the documentation where necessary and assisting you in completing the forms required in relation to a sale.

### **ADDITIONAL TARIFFS**

**Sale** - property is subject to a second or subsequent mortgage £125 plus VAT so £150 including VAT will apply for each subsequent mortgage.

**Purchase** - property is subject to a second or subsequent mortgage £175 plus VAT so £210 including VAT will apply for each subsequent mortgage.

**Purchase** - Declaration of Trust in relation to a purchase – the additional fee will ultimately depend upon the complexity of the proposed Deed of Trust with a simple Deed of Trust starting at £150 plus VAT so £180 including VAT.

**Purchase** – Help to Buy ISA a fee of £50 plus VAT so £60 including VAT will apply for each ISA so if 2 purchasers and each have an ISA 2 fee would be charged

**Sale and Purchase** - Indemnity insurance self-issue policies (per policy) £50 plus VAT so £60 including VAT.

**Purchase** – if the property is a new build an additional fee of £250 plus VAT so £300 including VAT will be charged.

**Sale and Purchase** – if the legal title to the property is unregistered then an additional fee of £150 plus VAT so £180 including VAT will apply.

**Sale and Purchase** - Indemnity insurance bespoke policies or other issues arising from a serious defect in the legal title the cost of the additional work is dependent upon the amount of additional work involved and will be charged at an hourly rate of £201 per hour plus VAT if this issue arises an indication as to fees will be given at the stage the issue arises.

## **DISBURSEMENTS and the figures stated include VAT where applicable**

Disbursements are what we pay out to third parties on your behalf and will be incurred in relation to all sales, purchases and re-mortgages. Details of the likely disbursements are set out below but in certain instances additional disbursements can arise and if this is the case you will be advised at the relevant time.

### **Sales**

For each copy document it is necessary to obtain from the Land Registry a fee of £3 is payable. The fee chargeable in a particular case therefore depends on the number of documents although for a freehold transaction this is usually between two and six documents and for leasehold transactions five to ten documents but in certain instances there may be more documents required than that.

In relation to leasehold sales it is inevitable that a Management Pack will be needed from the freeholder/management company or their agents. There is no specific cost for this as each company charges a specific fee although typically the costs of obtaining these packs is between £150 and £400.

If your sale is freehold and there is a rent charge often known as an annual maintenance charge or service charge then it is likely that there will be a restriction in your title and a pack will need to be obtained from the managing agents responsible for administering that charge. This is similar to the leasehold information pack referred to above although typically for freehold properties the pack is often not quite as costly and typically costs between £150 and £300.

### **Purchases**

A Land Registry registration fee is payable. It is our practice to submit all applications electronically to the Land Registry (where possible) and in most cases this means that a lower Land Registry fee is charged but in certain cases the Land Registry charge a higher fee even if the application is submitted electronically or in cases where it is not possible to submit it electronically.

The main instances for an application not being able to benefit from the reduced fee is if the property is a new build or the property is currently unregistered and subject to first registration where the higher fee will apply.

## Table of Land Registry Registration fees

Purchase price	Lower fee	Higher fee
£0 - £80,000	£20	£40
£80,001 - £100,000	£40	£80
£100,001 - £200,000	£95	£190
£200,001 - £500,000	£135	£270
£500,001 - £1,000,000	£270	£540

A Land Registry search a fee is charged for carrying out what is called a priority search at the Land Registry prior to your purchased being completed and the cost is £3 per title number searched against and in most cases there will only be one title number but if the land you are purchasing is comprised within two title numbers e.g. the seller may have purchased an additional piece of garden or something similar then a fee will be incurred for each piece of land.

A Bankruptcy search is carried out against each purchaser's name and the cost is £2 per name. If entries are revealed it may be necessary to obtain official copies of these entries and if so these are charged at £1 per entry.

Stamp duty return fee - unless your purchase is for under £40,000 it is a requirement that a SDLT Return is lodged with HMRC following completion of your purchase and this is the case whether any stamp duty is actually payable or not. A disbursement of £12 is incurred in relation to this. You will also be liable for SDLT on your purchase calculated at the appropriate rate specific to your particular circumstances. SDLT is a complex subject. HMRC offer an online SDLT calculator which should enable you to obtain details of the amount payable in your particular circumstances.

### Search Fees

The usual searches recommended for a property are Local, Water and Environmental searches and the typical search cost for those is £175.20. Most of the transactions we deal with are in the areas immediately surrounding our offices and the search fees referred to above are those that apply there. In other areas of the country different search fees are chargeable and therefore if your property is not within this immediate geographical area slightly higher search fees may apply. In addition, in certain locations additional searches are necessary e.g. if the property is in a former coal mining area a coal mining search will be required and in some certain areas of the country other such searches are necessary e.g. Cheshire Brine in Cheshire and certain surrounding areas Tin mining in Cornwall etc.

## Sales and Purchases

It may be necessary for an indemnity insurance policy to be taken out typically if it is usually the responsibility of the seller to pay for that. No specific guidance can be given to the cost of these policies as they vary depending on the reason the insurance is needed and the value of the property. Indemnity insurance can for the most common issue which is usually lack of building regulations compliance start at £14 for a property of up to £100,000 but premiums for other risks can be considerably higher and therefore premiums can be between £14 and many hundreds of pounds depending on the property value and the issue involved. No useful specific guidance can therefore be given other than on a case by case basis as such issues arise.

## Re-Mortgages

A land registration fee will be incurred in relation to your re-mortgage and in almost all instances of a re-mortgage the application can be submitted electronically to the Land

Registry and the fee bands are as follows: -

Value of Re-Mortgage up to	Fee
£100,000	£20
£200,000	£30
£500,000	£40
£1,000,000	£60

If for any reason although it is extremely unlikely on a re-mortgage the application cannot be submitted electronically to the Land Registry then the Land Registry fees referred to above would double.

For Land Registry documents for each copy document it is necessary to obtain from the Land Registry a fee of £3 is payable. The fee chargeable in a particular case therefore depends on the number of documents although for a freehold transaction this is usually between two and six documents and for leasehold transactions five to ten documents but in certain instances there may be more documents required than that. Each case is therefore specific.

Land Registry searches the Land Registry search a fee is charged for carrying out what is called a priority search at the Land Registry prior to your remortgage being completed and the cost is £3 per title number searched against in most cases there will only be one title number but if the land is comprised within two or more title numbers then additional fees will be charged for each piece of land.

Bankruptcy search fees are searches carried out against each owners name and the cost is £2 per name. if entries are revealed it may be necessary to obtain official copies of these entries and if so these are charged at £1 per entry.

Indemnity Insurance Premium – the vast majority of mortgage lenders in relation to re-mortgages do not require searches to be carried out and instead permit search insurance to be taken out for the benefit of the lender. It is open to you to carry out full searches but as in a re-mortgage transaction you already own the property and will be subject to anything those searches reveal in any event usually you would probably wish to proceed in the most cost-effective manner.

Policy premiums start at £14 for a policy covering up to £100,000 and £55 for a policy covering up to £1,000,000. The actual premium will depend upon your lenders specific requirements as to the limit of indemnity insurance required as some lenders require it to be for the amount of the re-mortgage advance whereas others require it to be for the value of the property. This though is intended to give you guidance as to the likely cost.

### **Who will be dealing with my transaction?**

We have three solicitors and one legal executive who deal with conveyancing matters within the firm and all our conveyancing work is dealt with by these people.

The solicitors/legal executive who deal with conveyancing matters are as follows: -

#### **David Craig**

David is based at our Linthorpe Road, Middlesbrough office and is the firm's senior partner and has extensive conveyancing experience of over 20 years.

#### **Andrew Bingham**

Andrew is based at our Borough Road Middlesbrough office and also works at our Guisborough office and is also a partner and has conveyancing experience of over 20 years.

#### **Stephen Bosomworth**

Stephen is based at our Stockton office and was formally a partner and is now a consultant and has conveyancing experience of over 20 years.

#### **Sharon Brooks**

Sharon is based at our Stockton office and also works at our Linthorpe Road, Middlesbrough office. Sharon is a Legal Executive and has over 10 years of conveyancing experience.

## **Timescale for a transaction**

**Sales and Purchases** - It is very difficult to give any accurate assessment of timescale as there are so many property specific issues e.g. length of the chain, mortgage availability, other parties in the transaction etc but the typical timescale for a sale or purchase is 6 - 12 weeks from the acceptance of the offer.

**Remortgage** - Such transactions can typically be completed in 3 - 6 weeks if freehold and 5-8 weeks if leasehold

**PLEASE NOTE THAT WE DO NOT DEAL WITH SHARED OWNERSHIP TRANSACTIONS OR HELP TO BUY SECOND MORTGAGE TRANSACTIONS AS DISTINCT FROM HELP TO BUY ISA TRANSACTIONS WHICH WE DO DEAL WITH**

The prices referred to in the foregoing are effective from the 6<sup>th</sup> December 2018.