

## **The costs of purchasing a residential property**

### **Our approach to fees**

Residential property transactions can be difficult to accurately price as no two properties (or transactions) are the same and often something arises during the course of the transaction which could not have been anticipated at the outset (which may result in increased fees).

We will discuss every transaction with our clients to enable us to understand the scope of the work that we anticipate we will be required to undertake. Where possible, clients will be provided with a “fixed fee” quote. This will take into account any relevant information which we have gathered during our discussions. We aim to reduce the possibility of extra costs arising during the course of the transaction. However, in many transactions, we will be providing an “estimate” only.

### **What’s involved?**

The amount of time spent on each stage of the process will depend on the type of transaction and the complexity of the purchase.

Typically this will involve:

- Complying with Law Society and government regulations including client identification procedures
- Communicating with the Solicitor and Estate Agent (if any) acting for the Seller
- Receiving the contract documentation and reviewing those papers in detail
- Arranging searches and considering the results
- Preparing a list of questions to be put to the Seller arising out of the documentation provided
- Submitting standard and additional enquiries to be put to the Landlord/Managing Agents (if applicable)
- Preparing a detailed professional report on legal and associated matters affecting the property, including the Lease and Freehold financial arrangements (if applicable)
- Negotiating the draft Contract prepared by the Seller’s Solicitors and reporting on the Contract terms
- Considering the Mortgage Lender’s instructions, reporting relevant matters to the Lender and ensuring compliance with its requirements (if applicable)
- Reporting on the Contract and arranging for it to be signed and providing instructions for payment of the deposit
- Obtaining authority to exchange, exchanging Contracts with the Seller’s Solicitors and paying over the deposit
- Drafting the Land Registry Transfer Deed and carrying out pre-completion searches
- Reporting to the Lender and requesting the mortgage funds in accordance with the Lender’s requirements (if applicable)
- Preparing a financial statement, calculating the balance required to complete and providing instructions for payment of funds
- Completing HMRC SDLT return (for payment of Stamp Duty Land Tax and assuming the calculation of the SDLT liability is straightforward), reporting on the return and arranging for it to be signed
- Obtaining the mortgage funds from the Lender (if applicable)
- Sending the completion monies to the Seller’s Solicitors on completion and finalising completion
- Obtaining the completion documents from the Seller’s Solicitors

- Serving Notice of Transfer and Notice of Charge on Landlord/Managing Agents (if applicable)
- Submitting the HMRC SDLT return to HMRC
- Submitting the Land Registry application and advising all relevant parties when it has been completed
- Dealing with the Lender's standard post completion requirements (if applicable)

### How much will it cost?

Total Estimated Costs, excluding VAT		
Property Value	Lower Range	Upper Range
£0 - £150,000	£450	£575
£150,001 - £250,000	£575	£675
£250,001 - £500,000	£675	£895
Above £500,001	£845	Based on a percentage of the transaction price. Please, therefore, telephone for an estimate

### What factors can affect these costs?

The fees set out in the table above could be affected by the following:

- the transaction involves any unregistered land
- there are multiple titles
- the property is freehold or leasehold (in most cases fees will increase where title is leasehold)
- we will be acting for a Mortgage Lender or dealing with a separately represented Lender's Solicitor
- the Lender's instruction to us and its requirements are non-standard
- the Lender is offshore
- the transaction involves a purchase of part of a legal title
- the complexity of the legal title
- there is a short deadline between exchange and completion
- the contract is to be conditional
- additional work is required to perfect a defect in the legal title or otherwise satisfy a mortgage Lender's requirements
- completion does not take place on the contractual completion date or there is another breach of the Contract by either party

### Expenses and additional charges

Expenses and additional charges that you are likely to be required to pay include:

- Land Registry Registration fee
- Landlord's notice fee
- Search fees
- Bank transfer fee per transfer
- Postage and telephone charges (Some of these will attract VAT)

## **How long will the matter take?**

A straightforward transaction should exchange contracts within 4 – 8 weeks of a purchase being agreed (upon receipt of the draft Contract documentation). If the matter proceeds smoothly, however, the national average is over 12 weeks. Completion is, of course, dependent on individuals involved in the transaction, especially where there is a chain. If you have a preferred date for exchange or completion we shall endeavour to meet that date. However, we are not always able to influence other parties in the transaction and unforeseen complications and delays can arise.

## **Referral Fees**

Thompson & Jackson Solicitors have arrangements with several Estate Agents, Financial Advisors and Management Companies whereby we pay them a Referral Fee for the introduction of your business to us. Please note that we act independently of the Introducer, and the amount paid by us to them in no way affects the fees we charge you as it is paid from our own funds after completion of the matter. The exact Referral Fee we pay to these third parties for introducing you varies depending on the Introducer however full details of this fee will be disclosed to you when we send you our Terms and Conditions of Business and our Letters of Engagement.

## **Our team**

We have nine members of our team who may work on your matter and further details on each of them can be found by clicking on their names below. Regardless of who works on your matter, they will be supervised by one of partners within our Residential Property team.

Neil Keatt – Solicitor and Partner	Adrian Stroud – Solicitor and Partner
Tom Langrishe – Solicitor and Partner	Richard Barker – Solicitor and Partner
Daniel Richardson – Solicitor	Paul Hussell – Solicitor
Kathryn Garbett – Conveyancer	Michelle Davis – Conveyancer
Darron Blackmore – Conveyancer	