

Residential freehold property purchase – guidance on costs

We set out below an indication of our typical charge for a freehold residential property purchase for any given purchase price. Please bear in mind that no two property transactions are alike and there are many variables which can affect the overall charges payable. A list of matters that can affect the charges are set out below but this list is not exhaustive and for that reason we would always try, as soon as possible, to take some further details from you and let you have an estimate of our charges and the likely payments to others tailored to your particular transaction and circumstances. In addition, if any issue comes to light during the transaction which may affect the charges we would let you know as soon as possible.

Fee brackets	Freehold
Up to £125,000	Up to £575
£125,001 – £175,000	£575 – £750
£175,001 – £250,000	£750 – £825
£250,001 – £500,000	£825 – £1,150
£500,000+ by quotation	

Please note that in addition to the figures given above VAT will be payable at the rate applicable at that time. Presently the rate of VAT is 20%.

The figures given in the above scale may be higher if one or more of the following elements was associated with your purchase.

- The purchase of a property with an unregistered title.
- Preparing or agreeing documents to correct any legal problems with the property such as missing rights of access or services.
- Dealing with a property where the title deeds are missing or some part of the property owned by the seller is not shown on their deeds.
- Dealing with the documentation relating to help to buy or help to buy ISA schemes.
- Dealing with the purchase of a new build property from a builder or developer.
- Advising on unequal joint ownership issues and preparing Declarations of Trust to record this.
- Agreeing or arranging indemnity insurance to deal with any problems or missing documentation which cannot be resolved in any other way.
- Dealing with complex financial or mortgaging arrangements including dealing with separate mortgagee's solicitors if involved.

- Preparing Powers of Attorney.
- Issues relating to neighbouring properties.
- Dealing with a property which has a share or membership of a management company dealing with a small managed estate including some common parts.

As mentioned above this list is not exhaustive and if anything comes to light during the course of the transaction which is likely to affect our charges we would let you know as soon as possible.

If for any reason your property purchase cannot or does not proceed we would need to make a charge for the amount of work carried out up to the point at which progress stopped. This would be a proportion of the initial estimate given dictated by how far the transaction had progressed and the work that had been undertaken.

In addition to our charges and VAT your purchase will involve a number of payments to others, sometimes called disbursements. These can vary significantly depending on the value of the property being bought and/or its location.

The figures given below should be helpful.

Land Registry Fees

These costs are set by HM Land Registry and depend upon the purchase price of the property and whether or not it is a pre-existing property being bought and sold and whether or not the property is a new property. The Land Registry's current freehold property purchase scale can be found by following the link below.

<https://www.gov.uk/guidance/hm-land-registry-registration-services-fees>

Searches

Nearly all purchases will involve paying search fees. Searches are checks with public or other bodies holding information relating to properties which you would want to know about such as the local authority or the water company. In a typical purchase transaction we would always undertake a Local Authority Search and a Drainage and Water Search. The costs of a Local Authority Search is set by the local authority and differs between them. As an example, Darlington Borough Council currently charge £121.80 for a Local Authority Search whereas Kensington & Chelsea currently charge £333.50 for a Local Authority Search.

A Drainage and Water Search is typically £44.96. It should be noted, however, that if your purchase involves a significant

There are also quite a number of additional searches such as environmental searches, planning searches, etc. which could be regarded as optional extras, the costs of which we would discuss with you.

PLEASE NOTE: all search fees attract VAT at the standard rate. We can offer some packages for searches which slightly reduce the overall sum payable.

Bank Transfer Charges

Your purchase will involve the transfer of the purchase monies by means of a bank transfer on the day of completion. This is done via CHAPS transfer, the fee for which is currently £25.00 VAT.

Stamp Duty Land Tax

In most cases your property purchase will involve the payment of Stamp Duty Land Tax (SDLT). Identifying the precise amount of SDLT payable depends greatly on your circumstances and the property. It is not possible here to give any meaningful figures though there are a number of websites which include a calculator for working out what SDLT might be payable, particularly HMRC's own calculator which can be reached on the following link:

<https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>

Unforeseen Disbursements

In some transactions it may prove to be sensible or desirable to obtain information relating to neighbouring properties and this could involve additional charges such as the cost of obtaining Land Registry details but again this would be discussed with you if it were thought to be necessary.

As a rough guide the overall charge therefore for the purchase of a residential property, in Darlington, at a price of £180,000.00, with no additional elements or complications might be as follows:-

To Latimer Hinks' charge	£755.00
VAT on Latimer Hinks' charge	£151.00
HM Land Registry Fee	£95.00
Search Fees (approximately)	£143.16
VAT on Search Fees (approximately)	£28.63
Bank Transfer Fee	£25.00
VAT on Bank Transfer Fee	£5.00
Client Verification Fee (per person)	£8.33
VAT on Client Verification Fee (per person)	£1.67
SDLT (very much depending upon circumstances)	£1,100.00
Total	£2,312.79

PLEASE NOTE: the figure given for our charges in connection with your purchase does not include charges associated with giving any specific tax advice such as Capital Gains Tax, Inheritance Tax or more complicated and involved SDLT advice. We may be able to assist you further in this connection but that would involve additional charges.

How long will my house purchase take?

Every transaction is unique. In most cases you are likely to be in a chain of property transactions, long or short, and if that is the case, there are many elements of the timing of the transaction which neither we nor you would have any direct control over. It is fair to say, however, that if no chain is involved and the seller can genuinely move out just as soon as you are ready to complete the purchase and on the basis that the purchase is either for cash or there is no difficulty in obtaining a mortgage offer quickly, a typical time period might be five to six weeks from our receiving documentation from the seller's solicitors to completion.

Stages of the process

Once again, every transaction is unique however, some of the typical stages involved in a property purchase are as follows:-

- Taking your instructions and giving you initial advice.
- Advising other related parties of our involvement and requesting paperwork from the seller's solicitors.
- Reviewing all of the documentation supplied by the seller's solicitors on receipt and advising you on the content of the documentation and whether or not there are any unusual issues or matters that might need to be addressed.
- Discussing with you which searches to carry out and taking a payment to cover these and then submitting the searches.
- Making enquiries of the seller's solicitors on any issues arising from the documentation and the results of the searches as and when they are received.
- Receiving your Mortgage Offer, going through this and advising on any issues arising and any conditions which we might have to satisfy before the mortgage funds can be drawn down.
- Complying with your mortgage provider's requirements.
- When all search results are to hand and enquiries have been satisfactorily answered, arranging to discuss with you all of the documentation and to obtain your signature to the Contract document.
- Agreeing a completion date with the other parties in the chain and then, with your authority, proceeding to a legally binding exchange of Contracts committing you to the transaction.

- Making arrangements to receive from you any additional money and funds from your mortgage lender in time for the completion date.
- Completing your purchase.
- On completion, dealing with the Stamp Duty Land Transaction Return documentation and paying the Stamp Duty Land Tax.
- Dealing with all of the post-completion formalities at the Land Registry and sending any relevant documentation to your mortgage company and to yourselves.

For details of members of the team who may work on your matter please see:

Martin Williamson

Lisa Stronach

Complaints

We want to give you the best possible service. However, if at any point you become unhappy or concerned about the service we have provided, please inform us immediately so that we can do our best to resolve the problem.

In the first instance it may be helpful to contact the person who is working on your case to discuss your concerns and we will do our best to resolve any issues at this stage. If you would like to make a formal complaint, then you can read our full complaints procedure here:

http://www.latimerhinks.co.uk/media/document/Complaints_procedure.pdf.

Making a complaint will not affect how we handle your case.

We will always attempt to resolve any complaints, but where this is not possible, complaints and redress mechanisms are provided through the Solicitors Regulation Authority and the Legal Ombudsman.

Solicitors Regulation Authority (SRA)

The SRA can help you if you are concerned about our behaviour. This could be for things like dishonesty, taking or losing your money or treating you unfairly because of your age, a disability or other characteristic.

You can raise your concerns with the Solicitors Regulation Authority.

Legal Ombudsman

The Legal Ombudsman can help if we are unable to resolve your complaint ourselves. The Legal Ombudsman will look at your complaint independently and it will not affect how we handle your case.

Before accepting a complaint for investigation, the Legal Ombudsman will check that you have tried to resolve your complaint with us first. If you have, then you must take your complaint to the Legal Ombudsman:

- **Within six months of receiving our final response to your complaint; and**
- **No more than:**
 - six years from the date of act/omission; or
 - three years from when you should reasonably have known there was cause for complaint.

If you would like more information about the Legal Ombudsman, please use the contact details below:

Visit: www.legalombudsman.org.uk

Call: **0300 555 0333** between 9am to 5pm.

Email: enquiries@legalombudsman.org.uk

Legal Ombudsman PO Box 6806, Wolverhampton, WV1 9WJ

The Legal Ombudsman deals with complaints by consumers and very small businesses. This means some clients may not have the right to complain to the Legal Ombudsman, eg charities or clubs with an annual income of more than £1m, trustees of trusts with asset value of more than £1m and most businesses (unless they are defined as micro-enterprises). This does not prevent you from making a complaint directly to us.

Regulatory information

Latimer Hinks is authorised and regulated by the Solicitors Regulation Authority (SRA). Our SRA registration number is 619538.