

Purchase of a Freehold Property

1. HOW LONG WILL MY HOUSE PURCHASE TAKE?

How long it will take from your offer being accepted until you can move into your house will depend on a number of factors. The typical process takes between 6 – 10 weeks. It can be quicker or slower, depending on the parties in the chain. For example, if you are a first-time buyer, purchasing a new build property with a mortgage in principle, it could take several months as the timing will depend on how long it takes to build and finish your new home.

2. HOW MUCH WILL IT COST?

Typical cost of a Freehold Property Purchase for a 1st time buyer: -

Purchase Costs – Property Value £500,000 (England)		
	(£)	VAT (£)
Legal Fees	2,990	598
TOTAL LEGAL FEES	2,990.00	598.00
Disbursements & administration charges - these will vary according to individual circumstances and the property price; we will always confirm figures.		
Search Report Bundle (Approx. cost)	300	60
Bankruptcy Search (per person)	6	0
Bank Transfer Fee (per transfer – see notes for variations)	19.50	3.90
HM Land Registry Search	7	0
Land Registry Fee (HM Land Registry fees are calculated on a sliding scale depending on the price of the house)	150	0
AML - Electronic ID Verification Services (checks per individual client - these charges may increase where additional checks are required or there is an international element to the matter – there may also be additional charges if we are required to complete Source of Wealth and Source of Funds checks and the client has complex financial affairs – see the Terms of Business for more details or the Matter Detail Sheet for any additional charges).	25	5
Total Additional Costs	507.50	68.90
SDLT (Stamp Duty Land Tax) (will vary according to the property price and transaction details)	10,000.00	0
TOTAL	13,497.50	666.90
GRAND TOTAL	14,164.40	

For a range of property values the legal fees are as follows, plus the cost of disbursements, administration charges and land/property transaction tax: -

Property Value (£)	Legal Fees (£)	VAT (£)	Total (£)
Up to 349,999	2,390	478	2,868
350,000 – 499,999	2,720	544	3,264
500,000 – 749,999	2,990	598	3,588
750,000 - 850,000	3,800	760	4,560

These costs are indicative, and we will always provide an estimate prior to starting work. If your property is valued at over £850,000, please call and we would be happy to provide an individual estimate.

Land or property transactions Tax

This is a tax on property transactions. It varies according to the price of the property purchased and may increase substantially for more expensive properties or if this is a second home or buy to let property. The link below takes you to a tax calculator on the government website: -

- You pay SDLT if you buy a property in England: <https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>.

We can of course advise you on these costs.

Our fees include: -

- Taking your instructions, giving you initial advice, and completing identity checks.
- Checking finances are in place to fund the purchase and contacting the lender's solicitors if needed.
- Receiving and advising on contract documents.
- Carrying out searches.
- Obtaining further planning documentation if required.
- Making any necessary enquiries of seller's solicitor.
- Dealing with anti-money laundering (AML) regulatory requirements such as straight forward client identification and simple source of wealth/funds checks.
- Giving you advice on all documents and information received.
- Going through conditions of mortgage offer with you.
- Sending final contract to you for signature.
- Agreeing completion date (date from which you own the property).
- Exchanging contracts and notifying you that this has happened.
- Arranging for all monies needed to be received from lender and you.
- Completing purchase.
- Dealing with payment of Stamp Duty Land Tax.

- Registration of title.

Our fees assume that:

- This is a standard transaction and that no unforeseen matters arise including for example (but not limited to) a defect in title which requires remedying prior to completion or the preparation of additional documents ancillary to the main transaction.
- The transaction is concluded in a timely manner and no unforeseen complications arise.
- All parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation.
- No indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

3. FACTORS THAT WILL AFFECT THE COST OF THE TRANSACTION

- The value of the property.
- Whether there are multiple owners.
- Whether the property is part of a shared ownership scheme.
- Whether the property was purchased under right to buy.
- Whether you are a first-time buyer.
- Whether the property is new build.
- Whether the property requires first registration of title.
- Whether the property is a primary residence, buy to let or second/holiday home.
- Whether you are using a help to buy scheme, and whether it is an equity loan or ISA.
- Whether you purchased at auction.
- Whether the property has been repossessed.
- Whether there is a particular urgency to the matter.
- The complexity of the ID and verification checks – when instructing us, see the Terms of Business for further details and the Matter Detail Sheet for any additional charges.
- The complexity of the clients financial affairs when we are required to complete Source of Wealth and Source of Funds checks – see the Terms of Business for further details and the Matter Detail Sheet for any additional charges.

Banking Charges

In the example above the same day bank transfer and administration fee has been included. Our fees to cover various financial transfers are as follows: -

Activity	Bank Charge	Admin Charge	VAT	Total
Cheque	£0.65	£7.50	£1.63	£9.78
Faster Payment	£0.32	£7.50	£1.56	£9.38
BACS (3 day)	£0.22	£7.50	£1.54	£9.26
CHAPS (same day)	£12.00	£7.50	£3.90	£23.40
International Transfer	£21.00	£7.50	£5.70	£34.20

4. THE KEY STAGES OF YOUR MATTER

The precise stages involved in the purchase of a residential property vary according to the circumstances. However, below we have highlighted key stages of a transaction: -

- Taking your instructions, giving you initial advice, and completing identity checks.
- Checking finances are in place to fund purchase and contacting lender's solicitors if needed.
- Receiving and advising on contract documents.
- Carrying out searches.
- Obtaining further planning documentation if required.
- Making any necessary enquiries of seller's solicitor.
- Giving you advice on all documents and information received.
- Going through conditions of mortgage offer with you.
- Sending final contract to you for signature.
- Drafting the Transfer.
- Advising you on joint ownership.
- Obtaining pre-completion searches.
- Agreeing completion date (date from which you own the property).
- Exchanging contracts and notify you that this has happened.
- Arranging for all monies needed to be received from lender and you.
- Completing purchase.
- Dealing with payment of Stamp Duty/Land Tax.
- Dealing with application for registration at Land Registry.

Please call and speak to Dan Francis for advice and an individual estimate of costs - 01202 292424