



PENDERLAW RESIDENTIAL PROPERTY PRICING

OCTOBER 2023

Purchase of a freehold property

Our fees cover all of the necessary legal work required to complete the purchase of your property, including registration at the Land Registry and preparation and submission of your Stamp Duty Land Tax (SDLT) return if the property is in England, (provided there are no complicating factors with SDLT), or Land Transaction Tax (Land Tax) return if the property you wish to buy is in Wales. The quote you receive from us will also include any legal work to be undertaken on behalf of your lender if you are obtaining a mortgage, and we are also instructed to act for your lender. Any additional work will be charged for separately.

Our fees

Our fees for acting on a purchase will depend on various factors, such as complexity, value, urgency, the nature of the property, whether you require a mortgage, whether the property title is registered at the Land Registry or unregistered, and whether you are purchasing the whole or part of your seller's property. The fees given below are based on a straightforward transaction without complicating factors. Sometimes problems arise during the transaction, perhaps around planning, building regulations and/or boundaries. This can entail extra work and means the cost may be higher. We will let you know if such problems arise and let you know you of any impact on the fee we will charge.

Example of a freehold purchase

A straightforward purchase of a freehold property with a value not in excess of £600,000, with a mortgage, of registered land, will usually require 5 to 10 hours work. At an average hourly rate of £245 per hour that would mean a legal fee of £1,225 to £2,450 plus VAT and expenses. We also make a charge for any electronic bank transfers made on your behalf of £37.50 plus VAT (per transfer) and a charge for an identity check of £14.95 plus VAT (per individual). A source of funds check may be required which costs £12.95 plus VAT.

Expenses / Disbursements due to third parties

Expenses (sometimes referred to as Disbursements), are costs related to your matter that are payable to third parties, such as Stamp Duty Land Tax, survey costs, Land Registry fees, indemnity policies and payments to ID check companies. To make the process more efficient, the payment for these expenses is collected from you by us, and we then make the payment to the third parties on your behalf. The expenses that are usually payable on a purchase include:

- **Stamp Duty Land Tax or Land Transaction Tax**

This depends on the purchase price of your property, the nature of the property, and your

individual circumstances. If the property is located in England you can calculate the amount of Stamp Duty Land Tax you will need to pay by using HMRC's website here:

<https://www.tax.service.gov.uk/calculator-stamp-duty-land-tax/#/intro> . If the property is located in Wales you will pay Land Transaction Tax. You can calculate the amount you will need to pay by using the Welsh Revenue Authority's website here:

<https://beta.gov.wales/land-transaction-tax>

- **HM Land Registry fee**

This depends on the purchase price of your property, whether the property is registered or unregistered and whether you are buying the whole or part. You can calculate the amount you will need to pay using the Land Registry website: <http://landregistry.data.gov.uk/fees-calculator.html>

- **Search fees**

It is standard practice when purchasing a property to undertake a number of searches against the property to provide important information such as whether it is connected to mains water, there are any planning restrictions or if it is likely to be affected by flooding for example. These searches are provided by third parties who charge a fee. These fees differ depending upon the provider, the locality and the type of search and search provider. A standard local authority search in Cornwall costs £122.43 (plus VAT). A water and drainage search from South West Water costs £51.25 (plus VAT), a mining search costs £44 plus VAT and an environmental search costs £90.75 (plus VAT). These third party expenses need to be paid by you in addition to our legal fee. The example given below shows the standard searches usually undertaken. Additional searches may be appropriate in some circumstances and, should this be the case, we would discuss this with you and advise you of the cost.

How long will my house purchase take?

The length of time it will take from us receiving your instructions to acting for you until you can move into your house depends on a number of factors. The average process takes roughly 8-14 weeks. It may be quicker or slower, depending on the parties in the chain. For example, if you are an experienced home buyer, purchasing an unaltered, non-new build property with no title issues, it might take 6 weeks. However, if you are buying a property in a chain or with title issues, it could be significantly longer, between 4 and 6 months. In such a situation, additional charges may apply.

Purchase of a leasehold residential property

Our fees

Legal work relating to the purchase of a leasehold property is more expensive than for an equivalent freehold property. This is because it involves consideration of additional factors on top of those already outlined for a freehold property. The additional factors include terms of the lease and liaising with the managing agent with regard to service charges and any communal areas.

Example of a purchase of a leasehold property

The additional work required for a leasehold purchase will usually take around 2 hours which means our fee for the legal work on the purchase of a leasehold property is usually £490 plus VAT higher. This would give a total fee of £1,715 to £2,940 plus VAT and expenses.

Expenses / Disbursements

As well as the third party expenses / disbursements given in relation to a freehold property purchase, there are additional expenses that will be incurred on a leasehold purchase. These include:

- **Notice of Transfer fee**
This fee if chargeable is set out in the lease. Often the fee is between £25 and £250 plus VAT.
- **Notice of Charge fee (if the property is to be mortgaged)**
This fee is set out in the lease. Often the fee is between £25 and £250 plus VAT.
- **Deed of Covenant fee**
This fee is provided by the management company for the property and can be difficult to estimate. Often it is between £250 and £600 plus VAT.
- **Certificate of Compliance fee**
To be confirmed upon receipt of the lease, as it can range between £250 and £1500 plus VAT. If there is a management company there may be additional costs involved.
- **Stamp Duty Land Tax**
This depends on the purchase price of your property, the nature of the property, and your individual circumstances. If the property is located in England you can calculate the amount of Stamp Duty Land Tax you will need to pay by using HMRC's website here: <https://www.tax.service.gov.uk/calculator-stamp-duty-land-tax/#/intro> . If the property is located in Wales you will pay Land Transaction Tax. You can calculate the amount you will need to pay by using the Welsh Revenue Authority's website here: <https://beta.gov.wales/land-transaction-tax> .

Please note: The amounts quoted for expenses / disbursement 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. You should also be aware that ground rent and service charge are likely to apply throughout your ownership of the property. We will confirm the ground rent and the anticipated service charge once it is available to us.

Our fee assumes 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.
- This is the assignment of an existing lease and is not the grant of a new lease.
- The transaction is concluded in a timely manner and no unforeseen complication 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.
- The purchase is for the whole of the title (if it is not, a likely additional fee of £200 - £500 plus VAT may apply).
- The purchase is of a registered title (if the title is not registered, an additional fee of £200-£500 is likely to apply).

How long will my house purchase take?

How long it will take from you instructing us to act for you until you can move into your house will depend on a number of factors. The average process takes between 8-12 weeks. It can be quicker or slower, depending on the parties in the chain. For example, if you are an experienced home buyer, purchasing an unaltered, non-new build property with no title issues, it could take 6 weeks. However, if you are buying a leasehold property that requires an extension of the lease, it can take significantly longer, between 4 and 6 months. In such a situation, additional charges may apply.

Sale of a freehold property

Our fees

Our fees for acting for you on the sale of a property will depend on a range of factors. These include: the value of the property, the urgency and complexity of sale, and the type of property you are selling. They cover all the necessary legal work required to complete the sale of your property. The fee quoted to you will also include any legal work required to be undertaken by us on behalf of your lender regarding redemption of any mortgage on the property.

The fees in the example below are based on a straightforward transaction without any complicating factors. In some cases, there can be unforeseen problems which arise during the transaction such as a boundary issue or breach of covenant. Should this occur, it may entail additional work / time, resulting in a higher cost. We will of course keep you informed in this happens and let you know what the additional cost will be.

Example of a sale of a freehold property

A straightforward sale of a freehold property with a value not exceeding £600,000, will usually require 5 to 10 hours work. At an average hourly rate of £245 per hour that would mean a legal fee of £1,225 to £2,450 plus VAT and expenses.

Expenses / Disbursements due to third parties

Expenses (sometimes referred to as Disbursements), are costs related to your matter that are payable to third parties, such as Land Registry fees and payments to ID check companies. To make the process more efficient, the payment for these expenses is collected from you by us, and we then make the payment to the third parties on your behalf. The expenses that are usually payable on a sale include a charge by Land Registry for a copy of your title (£3 plus VAT per copy), an electronic ID check which costs £14.95 plus VAT per person, and an electronic bank transfer fee (£37.50 plus VAT).

How long will my house sale take?

The length of time it will take from us receiving your instructions to acting for you until you complete the sale of your property will depend on various factors. The average process takes between 8-14 weeks. It can be quicker or slower, depending on the parties in the chain. For example, if your buyer is a cash purchaser, with no chain and not obtaining searches or having a survey carried out, it could take 6 weeks. However, if you are selling to a buyer in a chain or there are any legal issues relating to your property that need to be resolved, it can take significantly longer, between 4 and 6 months. In such a situation, additional charges may apply.

Sale of a leasehold property

Our fees

Legal work relating to the sale of a leasehold property is more expensive than for an equivalent freehold property, as it involves consideration of additional factors on top of those already outlined for a freehold property. The additional factors include liaising with the managing agents/management company on behalf of the Landlord to provide replies to enquiries regarding details about the building and any communal areas.

Example sale of a leasehold property

The time taken to complete this additional work will usually be an extra 2 hours which means our

fee for the legal work on the sale of a leasehold property is usually £490 plus VAT higher. This would give a total fee of £1,715 to £2,940 plus VAT and expenses.

Expenses / Disbursements due to third parties

Expenses (sometimes referred to as Disbursements), are costs related to your matter that are payable to third parties, such as Land Registry fees and payments to ID check companies. To make the process more efficient, the payment for these expenses is collected from you by us, and we then make the payment to the third parties on your behalf. The expenses that are usually payable on a sale include a charge by Land Registry for a copy of your title (£3 plus VAT per copy), an electronic ID check which costs £14.95 plus VAT per person, and an electronic bank transfer fee (£37.50 plus VAT). As mentioned above, a leasehold sale incurs additional costs which are not present in a freehold sale. Some of these additional costs will come under expenses / disbursements and include aspects such as fees charged by managing agents for providing information and replies to enquiries relating to the building and/or communal areas and service charge payments. Fees charged vary significantly depending upon the managing agent/ company, but is usually in the region of £200-£600 plus VAT.

HM Land Registry Fee

This depends on the purchase price of your property. You can calculate the amount you will need to pay using the Land Registry website: <http://landregistry.data.gov.uk/fees-calculator.html> .

How long will my house sale take?

The length of time it will take from us receiving your instructions to acting for you until you complete the sale of your property will depend on various factors. The average process takes between 8-14 weeks. It can be quicker or slower, depending on the parties in the chain. For example, if your buyer is a cash purchaser, with no chain and not obtaining searches or having a survey carried out, it could take 6 weeks. However, if you are selling to a buyer in a chain or there are any legal issues relating to your property that need to be resolved, it can take significantly longer, between 4 and 6 months. In such a situation, additional charges may apply.

Mortgages and re-mortgages (not in conjunction with a purchase) including Equity Release

Our fees

Our fees for acting on the mortgage/remortgage will depend on the nature of the transaction and on various factors, such as the complexity, value, urgency, and type of the property as well as any specific requirements of the lender.

Legal fee*	between £980 and £1,470 plus VAT
Land Registry fee	£20 – £910
Bankruptcy search per name	£2 plus VAT
Priority search per title	£3 plus VAT
Official copy of the title and any documents required	£3 – £12 plus VAT
Bank transfer fee	£37.50 plus VAT
Conveyancing searches if required by lender	£600 plus VAT

*Based on 4 to 6 hours at an hourly rate of £245 per hour plus VAT.

Key Stages of Selling a Property

1. **Instructing your solicitor**

Once you have made the decision to sell your property and appointed an estate agent, you will need to instruct a solicitor to handle the legal process for you.

2. **Property deeds obtained**

When a buyer is found, your solicitor will download a copy of the title from the Land Registry, or if the property is not registered, your solicitor will look to obtain the title deeds.

3. **The contract pack**

Your solicitor will then compile what is called a 'contract pack' which contains the title documents, a contract and information about the property you are selling and includes everything from fixtures and fittings to the boiler guarantee / servicing history. The pack also usually includes any planning permissions granted and guarantees on work carried out on the property.

4. **Replies to enquiries from the buyer**

The buyer's solicitor will then usually carry out conveyancing searches and, on receipt of the search results (and sometimes before), raise additional enquiries.

Your solicitor will reply to any enquiries from the buyer and answer their questions to the best of their (and your) knowledge.

5. **Signing the contract**

Your solicitor will provide you with a contract to sign and will discuss this with you prior to signing. They will also usually provide you with the Transfer Deed to sign before exchange of contracts.

6. **Exchange contracts**

At this stage, you become legally bound to proceed with the transaction by the agreed completion date. On average there is around a week between exchange and completion.

7. **Completion and moving out**

The sale is completed when your solicitor has received the monies from the buyer's solicitor and any mortgages secured on the property are redeemed. The seller's solicitor releases the property deeds to the buyer's solicitor, the keys are provided via the estate agent and the net proceeds of sale are paid.

Key Stages of Buying a Property

1. Instruct your solicitor

Once you have found the property you want to buy you will need to instruct a solicitor to handle the legal process for you. You will be asked to deal with your solicitor's requirements as to identity and also to provide satisfactory source of funds evidence.

2. Enquiries and searches

Once your solicitor receives the contract pack from your seller's solicitor, your solicitor will then need to ensure that there are no legal issues with the property you want to buy and make you aware of any such issues.

To do this they will order conveyancing searches which are likely to include a *Local Authority* search to reveal things like planning and tree preservation orders, a *Water & Drainage* search which will confirm whether the property is connected to mains water and sewage, and an *Environmental* search which covers aspects such as flooding risk. If you are buying in Cornwall, the Environmental searches will also include a mining report.

Your solicitor will review the search results together with the contract pack and will usually raise queries with your seller's solicitor. On receipt of satisfactory replies to these queries, your solicitor will then provide you with a written report in respect of the property.

3. Mortgage

If you are buying with a mortgage, your solicitor will need to receive your mortgage offer and check that the conditions are requirements of your Lender are complied with.

4. Signing the contract

Your solicitor will then usually ask you to sign the contract. By signing the contract, you are agreeing to buy the property and the detail of what is included in terms of fixtures and fittings e.g., whether the sellers are leaving the carpets and curtains, or taking them with them.

5. Exchanging contracts

Once both the buyer and seller have signed the contracts and you and your lender are happy to proceed, your solicitor will exchange contracts, and (in discussion with you), fix the date for completion. You are then both legally bound to proceed with the transaction and to move on the agreed completion date.

6. Completion & moving in

Your solicitor will send the purchase monies to your seller's solicitor and, once these monies are received, the estate agents will provide you with the keys to your property and you can move in.

7. Stamp Duty payment and Land Registry notification

Once the transaction has completed your solicitor will make the SDLT payment on your behalf and notify the Land Registry about the change of ownership of the property.