

# **JOHN WELCH & STAMMERS SOLICITORS – EXAMPLE COSTS**

## **Mortgages and remortgages**

### **How much will the work cost?**

#### ***Fixed fees***

Most solicitors charge a fee proportionate to the value of the funding, so the fee you will pay depends on how much you are borrowing, together with a number of factors including the complexity of the title, who your lender is and what they instruct us to do for them.

Our fees range from £675.00 for a freehold property securing a mortgage of £100,000, to £1,150.00 for a leasehold property securing a mortgage of £650,000. Fees for a mortgage transaction about £650,000 will be given on request.

### **Example quote for a freehold mortgage of £325,000**

|  |                  |
|--|------------------|
| Legal fee                                  | £950.00          |
| VAT  | £190.00          |
| Official copies (approx.)                  | £15.00           |
| Electronic transfer fee (inclusive of VAT) | £72.00           |
| HM Land Registry fee                       | £150.00          |
| HM Land Registry final searches (approx.)  | £6.00            |
| <b>Estimated total*</b>                    | <b>£1,203.00</b> |

\*Searches may be required by your lender

#### ***Hourly rates***

It is unlikely but may be necessary to agree an hourly rate with you, if it is not possible to give you an accurate estimate of the likely costs involved with your purchase.

Hourly rates are based on the qualification and experience of your legal representative and will be given where needed or on request.

All professional costs, whether fixed fee or hourly rate, are subject to VAT.

### **In what circumstances may the costs change?**

We want to ensure you only pay for the service you receive, so, as an example, a straightforward transaction involving a freehold property and a standard mortgage will cost less than a complex leasehold property being mortgaged to a lender who requires us to undertake much more detailed reporting on their behalf.

Some factors which could typically increase the cost of the service you require are:

- ∞ if the legal title is defective;
- ∞ if the title is unregistered;
- ∞ if there is a management company that we need to engage with to ensure compliance with any regulations which may apply;
- ∞ if we need to obtain a certificate of compliance for a restriction on the title;
- ∞ if the property is subject to a rent or estate charge;
- ∞ if we discover that the correct consents have not been obtained for alteration works;
- ∞ if you are redeeming a help to buy loan;
- ∞ if your mortgage lender asks us to comply with additional requirements other than submitting a standard certificate of title on completion;
- ∞ if documents or information are requested from you or any other party, which requires our work to be duplicated;
- ∞ if you are mortgaging only part of your property.

### **What are disbursements?**

Disbursements are charges levied by third parties which apply to your transaction, and which we will pay on your behalf. These costs are fixed by the third-party supplier and we cannot influence them.

### **Which disbursements may apply to my mortgage?**

#### ***HM Land Registry fees***

We will need to obtain official copies of each title document relating to your property. These documents generally cost £3.00 to £7.00 each.

Please refer to HM Land Registry for relevant rates for registration fees.

The above fees are not subject to VAT.

#### ***Searches***

Your lender may require a full set of searches to be undertaken. These costs are not fixed. Each search provider will charge a fee for their service and each local authority, water authority (etc.) will have their own fee scale. We generally request £300.00 on account of searches and in most cases this sum is sufficient to cover all the searches.

Any variation is accounted for on your completion statement during the course of the transaction.

Some searches are subject to VAT.

#### ***Electronic transfer fee***

The charge levied by the practice (which includes the cost payable by us to the bank) is £72.00 inclusive of VAT. It will be required when we are redeeming your existing mortgage or returning any net proceeds to you on completion.

## **What we will do for you**

We will let you have a breakdown of what our fees include, when we provide you with a quote. It may include some or all of the following matters:

- ∞ acting on behalf of you and your lender;
- ∞ reviewing the legal title to the property;
- ∞ undertaking searches and raising enquiries of the managing agent and/or freeholder if the property is leasehold, or freehold but served by a management company;
- ∞ reviewing your mortgage offer and reporting to you on any special conditions;
- ∞ attending on you to sign the legal charge (mortgage deed) and ensuring that you are comfortable with the nature and effect of entering into the mortgage;
- ∞ reporting to your lender on their standard form of certificate of title;
- ∞ undertaking pre-completion searches at HM Land Registry;
- ∞ accounting to you with a completion statement;
- ∞ redeeming your existing mortgage;
- ∞ registering the new mortgage with HM Land Registry.

## **How long will it take?**

Generally speaking our work should take between two and four weeks from when we receive your mortgage offer to complete but this depends on many factors, including the speed of your searches, mortgage offer and the co-operation of all parties.

## **In what circumstances will the above matters not apply to me?**

It is important to note that the information above relates to residential conveyancing for individuals who are mortgaging their own property. If any of the circumstances below apply, it is likely to involve additional work, or you may require advice from another department within the practice:

- ∞ if you require a transfer of equity as part of the transaction;
- ∞ if the property is a buy-to-let;
- ∞ if you own the property in a limited company or a partnership;
- ∞ for Help to Buy loans.

## **Overview of the conveyancing process**

If you are at the end of your fixed rate with your current lender and wish to switch to a more favourable rate with a different lender, or decide to extract some equity from your property, you may decide to re-mortgage.

You should take advice from a suitably qualified advisor before proceeding to ensure the product you choose meets your individual needs.

Once we have received your new mortgage offer, we will investigate title to your property to ensure that it complies with your new lender's requirements. We may need to carry out searches and investigations and if you already have a mortgage secured against your property, we will make contact with the current lender to obtain a redemption figure.

On the day of completion, we will obtain the advance from your new lender, pay off your existing lender and deal with registration formalities at HM Land Registry to secure the new charge against your property.