

## **Property Pricing**

### **Residential Conveyancing**

We will tailor our costs to ensure that a quotation for a residential sale and/or purchase is realistic and to avoid unexpected expenses. This is in the best interest of you and me.

We will generally ask you to contact one of our residential conveyancing practitioners who will take some details about your circumstances and the property involved. We will then consider carefully the likely factors and this may include (at no expense to you) pre-checking the Land Registry database as this is an essential tool insofar as identifying points which may need particular attention.

Once we have sufficient information we will give you a clear breakdown of the costs (our charges for working for you) and the disbursements (expenses we will need to pay on your behalf).

Whilst the best way for us to provide a clear and detailed estimate is to take initial information as noted above, nonetheless we set out below some general information:

#### ***Fixed estimate of Costs on freestanding Freehold or Leasehold Sale or Purchase (subject to VAT):-***

Up to £200,000	£Not more than £1,250.00
£200,001 - £500,000	£Not more than £1,500.00
£500,001 upwards	£Not more than 0.5% of the price.

A combined sale and purchase will be not more than 75% of the combined total of the abovementioned elements as relevant for a respective sale or purchase element.

#### ***Disbursements (expenses) on a purchase:***

Local, Drainage and Environmental searches: £250.00 - £300.00

Land Registry Fees for the purchase of registered property:

Up to £200,000	£Not more than £95.00
£200,001 - £500,000	£Not more than £135.00
£500,001 upwards	£Not more than £455.00

The Land Registry may charge twice the above rate if the transaction involves unregistered property.

For a full outline of Land Registry Fees (to include minor disbursement for official and bankruptcy search fee):- <https://www.gov.uk/guidance/hm-land-registry-registration-services-fees>

#### ***Any other Fees?***

If you are having a mortgage we make a simple administration charge of £30.00 plus VAT but otherwise we do not make a substantive additional charge for acting for your lender.

There are a range of possible fees which may be charged by third parties such as estate agents, managing agents for freehold rentcharges, leasehold rents and by secured lenders. These are fees we will be able to investigate and clarify for you for you.

#### ***Will we charge you if the matter does not complete?***

We reserve the right to charge for a reasonable proportion of work which may have been carried on your behalf if the transaction fails to complete. However, as we are anxious to look after our Clients who we hope will remain with us we will always seek to strike a fair balance.

### Physical State of the Property

The Seller has no duty to draw defects to your attention. Accordingly, you must satisfy yourself in relation to the structural integrity of the property and also any workings included (i.e. plumbing, electrics, white goods etc). In this regard, all purchasers are strongly recommended to commission a "Homebuyer's Report" from a surveyor and consider having the plumbing, heating systems and electrics checked by an appropriate engineer. In addition, you may wish to enquire via the estate agent as to whether there are any service records available. Your mortgage lender (if relevant) may have carried out a basic valuation report but this is limited in its scope and the duty of care to you in terms of accuracy is also limited.

As part of the examination of the property, you or your surveyor must exclude the existence of invasive weeds such as Japanese Knotweed, Bohemian Knotweed & Himalayan Balsam (and perhaps any Triffids!). The existence may be a potentially serious blight which can render a property almost unsellable and unmortgageable. A Seller may or may not know if there this is a known risk. An untruthful seller may be liable after completion but (a) you would not be entitled to know where the seller has moved to and (b) he/she may not have funds to pay compensation. Buildings insurance is most unlikely to cover consequential loss. Thus, you should consider raising this with your surveyor or with someone qualified to advise you on the point.

Please note that we are concerned primarily with the investigation and transfer of the legal title. We will raise enquiries as to the physical state of the property as prescribed by the Law Society Sellers Property Information Forms. We will of course be happy to raise additional matters and if there are issues you would like us to investigate further please let us know by email.

You will of course have visited the property you are buying. We would always suggest that you consider revisiting it shortly prior to exchanging contracts (the point at which the parties commit to the transaction – we will tell you when this point approaches) to check that it is still in the state you expect to take it on completion of the purchase (and that all keys to all locks are available). It is always worth remembering that you are not entitled to know where the sellers are moving to after the completion and so resolving issues "after the event" is notoriously difficult.

We should be grateful if you would advise whether there are areas of open land adjacent, or near, to the property as we will investigate the status.

If there are any items in need of repair or if you are concerned whether or not certain bulky contents will be removed by the Seller please let us know so that we can address any such matters at this stage.

### Survey/Homebuyer's Report

Whilst we emphasise above that you should consider having a homebuyer's report/survey (rather than rely on any standard mortgage valuation report) for the sake of checking the property physically, there is also a second reason why this is recommended.

During the course of your purchase it is possible there may be a weakness in the Seller's documentation (such as lack of building regulations certificates or some other technical defect etc) in relation to which an "indemnity policy" may be arranged to protect you and your mortgage lender against loss in the event of adverse circumstances arising from the absence of such absence/weakness of documentation. This would be subject to our prior advice but such a policy is a common legal device.

However, such an "indemnity policy" may require that as a term of the cover provided that you first will have had a survey/homebuyer's report (in relation to which any defect notified therein would not be covered by the policy). Thus, the absence of such a report may undermine the validity of such a policy.

### Environmental Factors and Optional Additional Searches

Please note that approximately 5 million householders in the UK live in areas subject to possible flood risk. Therefore, you must satisfy yourself that this property is not in an area of risk and that your buildings insurer will provide flood cover. We would recommend as follows:

**Flood Report** which is £50.00. This will take approximately 5 working days to be prepared and sent out to you. If you do not wish to incur this expense we would nevertheless recommend the following steps:-

1. You should consider telephoning the Council's Environmental Department which should be able to provide information on risk.
2. You may wish to speak to the adjoining neighbours to enquire whether there has been any risk of flooding.

**Environmental Report** which is £90.00 (to establish any environmental risks in the area).

**PlanSearch** which is £90.00. This identifies any planning applications/approvals within a 250 metre radius of the property. Please let us know if you would like this commissioned. Our advice is that these optional searches should always be commissioned to exclude otherwise unforeseeable risks and thus help avoid future expense or loss. Having said that, we appreciate that these additional searches represent additional outlay and thus we will leave it to your discretion whether these reports are ordered.

**Highways Extended Search** which is £75.00. We will in any event be checking whether the road serving the property is adopted by the local authority (insofar as being subject to maintenance/repair at public expense). There are two reasons why you may have an extended search:

- a. On rare occasions, there may be an apparent gap (i.e. a wide verge or the like) between the extent you will own and the highway. Thus, we may need to check that the intervening area is part of the highway to ensure that you have a right to pass over the area in question.
- b. It is possible for the extent of highway to extend over private land (i.e. over part of the property you are buying) and where this is the case you may be limited insofar as the use of that affected area (i.e. you may not build over it, block it or use it in any way which may affect the purpose for which highway is granted).

It is worth noting that any pre-contract investigations (i.e. survey, searches or the like) are not recoverable from a seller in the event the purchase fails to proceed to exchange of contracts.

### Mortgages/Timing between Exchange of Contracts and Completion

Exchange of contracts is when the parties commit to each other and it is when the completion date (the moving day) is set. There are penalties/consequences (which we shall set out in our advice to you) in the event you cannot then achieve the completion date.

Please note that mortgage lenders generally need a week's notice to draw down the mortgage funds (something we will arrange for you). It is important therefore that you have confirmation from me that the mortgage lender has confirmed receipt of the request for the mortgage advance and has authorised the money for release before committing to exchange contracts.

If you decide to authorise us to exchange contracts with less than a week's notice and in the absence of having received confirmation from us that the lender has authorised funds release, please note that we cannot guarantee to you that the funds will be available for you to complete (with the consequences that follow from failure to complete under the terms of the contract).

In summary, there may be pressures during a transaction to commit in short order to a completion date but we would advise you to resist rushing into committing to a completion prematurely.

### The Completion Statement

Before you commit to the transaction legally, we will let you have a completion statement listing the expenses (purchase price, redemption figure, stamp duty, professional fees etc) and the credits (deposit, mortgage advance, monies on account etc).

We would need from you any balance noted in the statement in good time prior to the completion date. If any of the funds are not received (including, for the avoidance of doubt, the amount required to discharge any stamp duty liability) we will not process the completion and this may incur for you late completion penalties. Thus, it is critical that all funds are received in good time.

### The Exchange of Contracts

When we report to you, we will let you have the contract to sign/return to me and when the parties are agreed on a completion date we shall seek your authority to exchange contracts which shall be the "point of no return" insofar as this is the moment all parties are contractually committed to the agreed price and the agreed completion/moving date.

In addition to committing you to the transaction, the authority from you to us to exchange the contracts shall also act as your full and irrevocable authority for us to do the following actions:-

- To proceed to complete on the completion date (unless for any reason we advise otherwise)
- (if you have a related sale) to authorise the release of the keys from your estate agent to the buyer
- (if you have a related sale) To redeem your existing mortgage (if any) in accordance with the written demand from your mortgage lender
- To carry out the necessary steps to register you as the owner which shall include paying on your behalf the stamp duty and submitting as applicable the documentation to the Inland Revenue and the Land Registry

### The day of Completion (the moving day for most people)

This is the day on which the transaction will become effective insofar as the main sale/purchase monies will change hands between the respective solicitors and ownership/keys shall pass from one party to the other.

It would be usual for the completion to take place around lunchtime (sometimes a little earlier and sometimes if the banking system is slow it can drift into the afternoon but all solicitors do endeavour to conclude matters as early as possible for the parties).

We will let you know once the transaction has completed and so please ensure that you are contactable preferably by mobile phone.

If you have a linked sale then please note that you should arrange for your estate agent to have a set of keys prior to the completion. Once we have received the completion monies from your buyer's solicitors we shall (as your agent) contact your estate agent and authorise the release of the keys (with usual advice that in relation to your linked purchase that this is yet to conclude so that a buyer remains patient in the meantime). It would be important for you to ensure that you can effectively and smoothly move from your existing home to your new house once completion on the purchase has also been confirmed. For example, if you were to intend to return to the property or spread the moving arrangements through the afternoon then this may prevent your buyer from moving in. Thus, if you intend any unusual arrangements please ensure they are agreed via us with your buyer beforehand.

## Miscellaneous Considerations

One sensitive risk to be aware of is the possibility of you inheriting nuisance neighbours. The Seller will have confirmed in the Seller's Property Information Form whether or not there have been any previous disputes. If the Seller has been economical with the truth then there may be a possible right of action in the event of subsequent loss. However, this is an "after the event" option. You should always consider speaking to neighbours to enquire whether there is any history of disputes or antisocial behaviour.

Neighbouring properties may sometimes be tenanted and, if this is the case, then you should bear in mind that the occupants are likely change every now and again with the risk of unreasonable tenants taking up residency.

Similarly, where you may be relying on street parking you should consider whether this may be a particular difficulty due to the capacity for parking and any restrictions imposed by the local authority. Some local authorities are actively extending restrictions and this should be borne in mind.

If the property is sold with the benefit of remote cameras you may wish to ensure that the encrypted access password is changed to exclude any third party peering through the devices after you have completed your purchase.

Please note that most properties do not enjoy an inherent right to light and unless I advise otherwise, you should take it that this is the case in this instance. Thus, if in the future a neighbour were to erect an extension or the like blocking your natural light, this may not necessarily be actionable.

It is also worth noting that properties do not include a right to a view. This may mean, for example, that if a house or apartment enjoys a view over a pleasant landmark or countryside, the subsequent erection of an intervening structure is not actionable on the basis that it spoils the view.

In terms of specific media to the property (i.e. cable television, broadband connection, freeview coverage etc) you may wish to make investigations with the relevant utility providers to check the availability.

If you believe there are any trees or hedges which may represent a nuisance or which may be in influencing distance of the foundations of the property please would you refer to your surveyor for advice generally and also notify us in writing/by email so that we can consider whether to raise any specific enquiries on your behalf.

You may be aware of a government backed scheme whereby a home owner can fund improvements to certain parts of the property and the cost is repaid by increased utility bill payments. It is therefore important that steps are undertaken to check if such a scheme affects the property you are purchasing (as it remains repayable irrespective of who entered into the original agreement). We will make enquiries with the Seller's Solicitors and also the Energy Performance Certificate ("EPC") will be checked. Please be aware of this issue as an EPC can be valid although may not necessarily contain this information and a Seller may not know (i.e. executors/institutional sellers). Thus, you should ask your surveyor to report on any apparent recent improvements. This is a link to a helpful website:

<https://www.gov.uk/green-deal-energy-saving-measures/how-the-green-deal-works>

As you are aware, the intended HS2 high speed rail network affects some areas from the north west through to London and to this end please do satisfy yourself that the property will not be affected for the purposes of noise nuisance, spoilt view or other blight which may impact on value/enjoyment. Please refer this issue to your surveyor if you are in any doubt. Here is a useful link:-

<https://www.hs2.org.uk/where/route-map/#8/52.453/-1.488>

## Insurance

It is common for there to be a short period in between exchanging contracts and the subsequent completion (i.e. to enable the parties to finalise the transfer of funds and to book removals). It is important that you arrange your buildings insurance to commence from and including the date of exchange of contracts (as opposed to the subsequent completion) because the risk of the property passes from the Seller to the Buyer at that point. For example, if the property were to be, say, damaged by fire or suffer a failure of electrics/central heating in between the exchange of contracts and the completion date then the Buyer is responsible (unless of course the Seller has caused the incident but of course by completion the whereabouts of the Seller will not be known) and, hence, it is important there is buildings insurance in place. For this reason, we emphasise that you should have the property thoroughly checked as part of your investigations prior to committing in contract to the purchase.

Bearing in mind specific environmental or other factors (i.e. flood risk, underpinning or the like) it is most important that you obtain quotes for insurance early on (certainly before agreeing dates) to make sure you are have cover in relation to all necessary risks and with a satisfactory premium/excess.

We emphasise that (unless you are purchasing a new-build house or a managed flat) you must commence your buildings insurance from exchange of contracts (we shall let you know when this time approaches). When you have commenced a policy please ensure that the level of cover is at least that recommended in you your mortgage valuation or by your surveyor. We would ask you to let me have a copy for my records and you can usually arrange this by emailing to us the policy schedule.

## Stamp Duty for Second Homes as from 01.04.16

If, at the point of your purchase of this property you own another property (or have a share in another property) in the UK or anywhere else, and unless you are replacing your main home by selling it, then (in addition to standard stamp duty) the recent 3% stamp duty charge for second properties may apply.

An assessment of liability for stamp duty (both in terms of the property and also your personal circumstances) is a matter of personal taxation and whilst we can complete the necessary forms for you, the applicability of tax is a matter for you to satisfy yourself on (we will invite you to approve and sign the tax return in due course). You are recommended to refer to an accountant/tax consultant for independent advice.

There can be complex issues concerning stamp duty such as where a property may consist of an annex capable of independent living insofar as representing potential for stamp duty savings. This is something you would need to investigate with your surveyor and accountant. If your surveyor and accountant consider there is such a lawful scheme of potential saving available please would you let us know in writing or by email. We shall not otherwise be investigating any such scheme and do not give any warranty as to whether the property may or may not be subject to such a scheme.

## Stamp Duty surcharge refund where you are Buying and subsequently Selling

If you are completing the purchase of your new main home in advance of the subsequent completion of the sale of your existing home then you shall need to pay the 3% stamp duty surcharge at the point of your purchase.

You may be entitled to a refund of the 3% stamp duty surcharge after the subsequently sale of your previous main home. You would need to have completed such sale no later than 3 years after your purchase. In addition, you would need to submit to HMRC the request for refund (which can be done online or by post in a prescribed form) no later than 3 months from the date of your sale. This is a process that falls outside my remit and which you would submit personally. This is a link to the HMRC site and information/application form which would be used to apply for a refund: <https://www.gov.uk/government/publications/stamp-duty-land-tax-apply-for-a-repayment-of-the-higher-rates-for-additional-properties>

Whilst you may apply for the refund directly, should you require assistance in completing and submitting the form we would charge a fixed fee of £175.00 plus VAT.

### Capital Gains Tax (CGT)

As of 6<sup>th</sup> April 2020, new rules introduced by the Finance Act 2019 means that a Seller must report a gain and pay the CGT within 30 days of the disposal. Failure to comply will trigger a penalty and incur interest on unpaid CGT. The new rules also apply to trustees of trusts for UK residents that dispose of UK residential property.

The new rules apply to disposals of main residences, holiday homes, residential letting and inherited **homes that are not used as main residences** throughout the period of ownership. However, the 30 days deadline is disapplied if any of the following apply:

- The legally binding sale contract was made before 06.04.2020.
- Principal private residence relief is available.
- The disposal was made to a spouse or civil partner.
- The capital gain (together with any chargeable residential property gains in the same tax year) are within the annual CGT exempt amount.
- The property was sold at a loss.
- The property is outside the UK.

HMRC has arranged for an online facility for reporting and paying CGT from April 2020 which can be used by UK residents and non-UK residents making disposals from 6<sup>th</sup> April 2020.

Please note we do not give advice on capital gains tax and therefore you are recommended to seek prior advice from an accountant/tax consultant.

### Financial Advice

Solicitors are not generally regulated to give financial advice and our remit excludes matters of a financial nature such as, but not limited to, the following subjects (in relation to which you are recommended to seek advice from an accountant for the purposes of applicability/interpretation/analysis to exclude adverse issues):-

- Tax
- Insurance products (life policies and such like)
- Financial elements of mortgages (we shall advise on the legal elements)
- Buildings insurance
- Leasehold Management Year End Accounts

### Is the property you are buying registered or unregistered?

#### *If the property you are buying is already registered*

The Land Registry formalities when we register you as the owner shall be straight forward insofar as when you become the owner of the new property, We shall apply to register electronically with HM Land Registry and the new title is issued usually within around 4-8 weeks of the transaction.

#### *If the property you are buying is unregistered or involves a new lease or is a new-build*

The Land Registry formalities when we register your title will be more complex. The application shall take the Land Registry around 6-9 months. This could cause you nuisance if you intend to deal or dispose of the property within that period. It may possible to supply evidence to the Land Registry of any subsequent urgent pending transaction you intend but it shall always be in the discretion of the Land Registry whether the application will be expedited or not.

### Leasehold Property

If you are purchasing a leasehold property we would recommend that at the outset, please see if you can find out from the Seller's estate agent the following items as we may need to give you early initial advice from me before you commit to the cost of proceeding with the purchase:-

- Current ground rent
- Current term of the lease

### Cladded Building

Following the Grenfell disaster, it is necessary to consider whether the building is safe. If you are having a mortgage your lender may require that this is certified (not many high-rise buildings at this time have certification known currently as an "EWS1" and this is a complicated process involving flammable-tests on cladding samples).

Whether or not you are having a mortgage and whether or not your lender has raised an enquiry about this, it is our advice that you seek professional advice from a surveyor as to whether the building is of a type that may attract the recent certification requirements. If it is, and if there is not a certificate then it would be against our advice for you to proceed.

Please note some guidance on this issue from the Royal Institute of Chartered Surveyors: <https://www.rics.org/uk/news-insight/latest-news/fire-safety/cladding-ga/>

### New-build Property

If you are buying a new property then prior to you paying a reservation fee to the builder's agent I would recommend that you contact me as there may be matters I would recommend be explored first to include (amongst other things which I may advise at the time):-

- Will there be an NHBC certificate (there may be other versions offer but some are not as reliable as NHBC)?
- Will the road serving the property be private or will it be adopted by the local authority (i.e. some private road can cause complication insofar as repairing obligations, public liability and the possible effect on local authority services such as whether bin lorries will drive over private areas)?



- Will there be any form of management scheme to which you shall be required to contribute (there are some forms of scheme which can have a negative/adverse effect on your enjoyment of the property or its future marketability/mortgageability)?

### Mortgages - 1

If you are having a mortgage on the property you are purchasing please note:

1. We shall make a small charge a fee of £36.00 (inclusive of VAT) for acting on behalf of your mortgage company. This is to cover the administration of attending to the lender's requirements and documentation.
2. If there is any adult occupier (who will not be on the mortgage and deeds) moving in with you then that person will need to sign an "occupiers consent form" which is a common requirement of mortgage lenders. Accordingly, please let us know if this is applicable.
3. If you have any existing mortgages (i.e. on other property you already own) you will need to let us know. It is a common requirement of mortgage lenders that existing mortgages should be redeemed or otherwise written consent may be required.
4. If you are intending to take out a simultaneous mortgage on another property, again, this is an important feature you would need to let us know.
5. If you are having a mortgage, the lender will issue one part of the mortgage offer to you and another part to us. The mortgage offer will be relied upon at the point of committing to the transaction (i.e. "exchange of contracts") and so please do ensure that the offer is still valid at the point of committing. If for any reason the offer has been declined after it has been issued, the lender will not necessarily contact us to advise of this.
6. Please note that as a matter of prudent practice, we may order funds to arrive from your lender on the preceding working day to completion and you would therefore be responsible for mortgage interest from the date of draw-down.

### Mortgages – 2

It is usual for your mortgage company to instruct us on their behalf to deal with all of the legal work (as you and your mortgage lender are generally rowing along together). On rare occasions, your lender may insist on another firm of solicitors acting for them. If this is the case then generally we do not act in these circumstances. If you do not advise us by email that there is to be separate representation then acceptance of instructions is not to be taken as being this firm's agreement to continue acting if the lender is separately represented by any another firm of solicitors. Such a situation would be assessed on a case by case basis.

### If you are purchasing jointly

If you are buying the property with one or more persons, it is most important that you each consider how you would intend to hold the property together.

### Overview

You must decide which type of joint ownership you want if you buy, inherit or become a trustee of a property with someone else.

### How to hold the property together:- Joint Tenants or Tenants in Common?

If you jointly buy, inherit or become a co-proprietor of a property you will need to decide how you will legally hold the property. This concerns the shares in the value of the property.

You can hold the property as either '**joint tenants**' or '**tenants in common**'. The word "*tenants*" in this context simply means "*owners*" and it is irrelevant whether the property is freehold or leasehold.

The mode of ownership will determine the following events:-

- The apportionment of the value/proceeds of sale if the property is subsequently sold or transferred.
- What happens to the share(s) in the property if one party were to die.
- The applicability/assessment of tax liability (if any) on your respective shares. You are recommended to seek advice from an accountant or tax consultant because, as solicitors, we are not regulated to provide financial or tax advice.

### **Joint Tenants**

The property (and all the value in it) will automatically pass to the surviving owner(s) if one of you were to die and this principle overrides any *will* that may direct otherwise. Thus, if you have a will, this may be an appropriate time to have the document reviewed and updated if necessary.

You can only sell or mortgage the property with the co-owner's agreement (or in the event of dispute by obtaining a court order).

During your ownership, one of you may unilaterally change the mode of ownership to *Tenants in Common* (known as "*severing the Joint Tenancy*") which would formally divide/split the hitherto merged shares (conducted by means of an application to HM Land Registry). This is a common procedure where a relationship may subsequently break down in relation to which, if there were a disagreement over the given values/proportions of those new divided shares should be then this may be a matter for negotiation/resolution or for a court to decide upon.

### **Tenants in Common**

You will own separate shares in the property.

On the death of either of you, the deceased share may not automatically pass to the survivor. You can pass on your individual share in the property in your *will* or in the event of you not having a *will* then your share will be administered by reference to rules of intestacy in relation to which you may find the following link of assistance:

<https://www.gov.uk/inherits-someone-dies-without-will>

As with a joint tenancy, you cannot sell or mortgage the property with the co-owner's agreement (or in the event of dispute by obtaining a court order).

The starting point for expressing respective shares in the property is 50/50 (or there are more than two of you then in equal shares) and it is free and straight forward to declare this mode of ownership.

During your ownership you may jointly elect to convert this mode of ownership to "Joint Tenants" (i.e. if you are getting married and want to have equal rights to the whole of the property but you must both agree to do so). An application would need to be made to HM Land Registry to give effect to this change.

It is possible to determine the shares and what is to happen to them in a more detailed format which is called a "Declaration of Trust Deed". This may apply if you wish to separate the shares in another way (such as by expressing disproportionate shares [80/20 etc] or perhaps "ring-fencing" a specified sum of money) or to include some other conditionality. In such circumstances, we would recommend that you summarise your intentions. If appropriate, we may prepare a separate Declaration of Trust Deed for you and the cost of this is £300.00 plus VAT.

### Communicating with you and other parties

Our Christopher Dumbleton will have conduct of your matter personally and you may in addition be assisted from time to time by one of colleagues in terms dealing with arising enquiries and matters generally:-

Davinder Johal (legal executive)  
Scott Lea (legal assistant)  
Alison Birch (legal assistant)

### Basis of this firm's charges

Please note that the price we have quoted in relation to this firm's costs is fixed insofar as you will not be charged more than this unless:

1. An issue arises which in our opinion is unusually complex or unusually time consuming arises in which case we will notify you immediately in advance and advise as to the cost of dealing with the issue in question.
2. You require advice unrelated to the matter in hand. Again, we will always let you know in advance of any additional charge.

Whilst it is unlikely, during the course of the transaction, that we will require payment on account from you other than for the purpose of paying for searches or similar such disbursements, we do reserve the right to require payment of monies on account of our costs and to issue an interim invoice.

It may be necessary to enquire as to the other parties' solicitor's general position or to chase up an exchange of contracts or other time-sensitive issue during the transaction and for carrying such chase ups on your behalf we make no charge. Such a chase up may be appropriate perhaps once or twice in any weekly period (or as many as we may consider proportionate for which, as we say, we will make no additional charge). Should you direct us to enquire more frequently then please note that any chase up you instruct exceeding two enquiries per week will be charged at £17.50 plus VAT per item (applying to written correspondence, email or telephone correspondence).

The fixed stated charges (limited to my service plus any searches/disbursements commissioned for you) will apply whether the matter completes or not.

This firm's charges noted in the estimate supplied are based on a transaction involving regular funding. In relation to any mortgage involvement, this assumes that your lender instructs this firm (as is usual) to conduct the mortgage administration. If your mortgage lender (as is unusual) instructs a separate conveyancing firm then this will inevitably involve additional works on our part and so the costs estimate would need to be revised.

The Search fees quoted will be inclusive of an expense payable to the search agent and this firm's charge in commissioning and processing the same in relation to which the total combined amount will not exceed what we have quoted to you in the attached statement.

The registration administration/fee quoted is inclusive of an expense (50%) payable to the Land Registry and also this firm's charge (50%) in submitting electronic registration if applicable in relation to which the total combined amount will not exceed what we have quoted to you in the attached statement.

If you are purchasing the property with a company under your control, you agree to be personally responsible for paying legal costs and disbursements in the event that the company fails to pay within 14 days of any invoice issued.

### Instructions from you

It is important that we receive instructions from you as our Client(s). It may be that you ask us to liaise also with a close family member or partner and we shall do so at our discretion. If however, we consider that the matter is best dealt with by corresponding with you directly only then this would be the basis of our instructions.

### Buy-to-let Properties

We will deal with your purchase if this concerns the purchase of a property intended for letting on the basis that the letting is of the house under one tenancy agreement and as one household.

If you are alternatively buying a buy-to-let property which also involves a House in Multiple Occupation (or non-HMO being a multiple occupancy of one dwelling under separate tenancy agreements) then this will be a commercial transaction and one which the quotation given herein will not cover (unless specifically advised). We may in those circumstances refer you to our commercial property practitioners who will be very happy to quote afresh and assist you.

### Energy Performance Certificate ("EPC")

It is a legal requirement that this document be supplied by a Seller of a house or flat.

It is a further and recent requirement as from 01.04.2018 that in order to let a property to tenants, then the property must have an EPC rating of E or better. Thus, if it has a rating of F or G then you should be unable to enter into a new tenancy agreement with a tenant (and any existing rented property must be improved).

A "Buy to Let" mortgage lender may not agree to lend on a property unless it has a minimum rating of E.

Accordingly, would you please check the EPC that shall be available from the Seller's estate agent to satisfy yourself that the property enjoys a minimum rating of E. If you are in doubt about the rating or works which may be required to improve the rating, please refer to your surveyor for further advice.

### The Boiler

Most properties enjoy gas-fired central heating. It is important that you ensure that the boiler has been safely installed and that it is in good/compliant working condition. We would recommend you note the following points:

- If the boiler has been installed in the last 10 years it certainly should have a *GasSafe Installation Certificate*. This is an obligation to ensure that the installer notified GasSafe that the installation had taken place and that the works were carried out in compliance with building regulations requirements. If a Seller does not have such a document to supply to you then we would recommend that you do not proceed unless a heating engineer confirms in writing that the boiler installation is compliant and in good working condition.
- Likewise, you should not proceed unless you have received from the Seller or have arranged for yourself a boiler service. Please note that a Seller does not give you any warranty that the boiler is in good working order and so you may consider it is preferable for you to rely on your own heating engineer in confirming this to you.
- If a boiler does not have clear evidence of its safe installation/operation then it would be against our advice for you to operate the system at all.
- If you are buying a property to rent out what we say above is all the more important because:-

- Ensuring safe installation/compliance with building regulations is the primary obligation of a house owner/landlord.
- If a tenant were to suffer injury in consequence of an unsafe boiler then this may result in criminal prosecution of the house owner/landlord.

Are you buying or selling a property with a septic tank?

If so there are new rules which came into force in January 2020.

#### Buying or Selling a Property with a Septic Tank

There are important recent rules concerning Septic Tanks.

Only a sewage treatment plant (also known as a packaged treatment plan) treats sewage adequately for discharging into a river or stream.

Thus, it is important for you to assess the nature of the equipment and ensure that it is compliant with these Environment Agency rules. We would recommend that you instruct a competent service engineer to assess and advise you.

If you are buying or selling a property with a septic tank that discharges directly to a watercourse you should agree with the buyer or seller who will be responsible for the replacement or upgrade of the existing treatment system. You should agree this as a condition of sale.

#### Using a Company to purchase property

We will deal with your purchase of a property through a company under your direct control.

If the transaction includes mortgage finance for the company then this will be a commercial transaction and one which the quotation given herein will not cover (unless specifically advised). We may refer you to our commercial property practitioners who will be very happy to quote afresh and assist you.

#### Help to Buy ISA Scheme

At the outset, we do process the Help to Buy ISA Bonus Scheme in relation to which there is a standard £50 plus VAT charge.

Please note that if you are having the benefit of Help to Buy ISA Bonus Scheme you must ensure that we receive explicit instruction emailed or written from you to submit your bonus request at least 7 days prior to completing the purchase (this is not something we will automatically do and so we would recommend that you diarise this issue). The bonus cannot be claimed after you have completed the purchase.

Prior to me being able to order the ISA Bonus, I shall need from you two items:-

- First Time Buyer Declaration (whilst this can be downloaded from the government website <https://www.helptobuy.gov.uk/documents/2015/12/eligibility-of-ftbs.pdf> or alternatively please feel free to request this from us and we can email it to you in PDF form).
- Bank Closing Letter. This will be issued by your bank once you close the account.

Thus, please have in mind this procedure prior to committing to the purchase by way of exchanging contracts or agreeing a fixed completion date.

#### Help to Buy Lifetime ISA Scheme (LISA)

At the outset, we do process the Help to Buy Lifetime ISA Scheme in relation to which there is a standard £50 plus VAT charge.

Please note that if you are having the benefit of Help to Buy LISA Scheme you must ensure that we receive explicit instruction emailed or written from you to submit your request at least 30 days prior to exchanging contracts or completing the purchase (this is not something we will automatically do and so we would recommend that you diarise this issue). The withdrawal cannot be drawn down after you have completed the purchase.

Prior to me being able to order the LISA Bonus, we will need from you three items:-

- Investor Declaration Form (please contact your bank/LISA provider who will supply this form).
- Conveyancer Declaration Form. Again, please would you ask your bank/LISA provider to provide this and send it to me for us to complete.
- Photo-ID and evidence of address being less than 3 months old. We may have already obtained this from you but it is worth double checking the date in good time.

Thus, please have in mind this procedure prior to committing to the purchase by way of exchanging contracts or agreeing a fixed completion date.

#### Help To Buy New-Build Purchase

This is not to be confused with the ISA Bonus Scheme or the LISA Bonus Scheme.

Please note that we do not act in circumstances where a new-built purchase is being funded through a Government Help to Buy Scheme and acceptance of instructions at this stage does not amount to our agreement to undertake the transaction under this form of funding.

#### “Modern Method Auction”

If you are purchasing the property under this formal of agreement could you please note that the non-refundable deposit you will have paid to the agent shall form part of the gross purchase price (even though it may appear to you initially that you are paying one price for the property and one price for the seller’s agent’s fees).

Thus, please note:

- The combined sum shall form the purchase price and if you are having a mortgage this shall need to be clarified and approved as early as possible
- Stamp duty may be payable on the combined sum

#### Is it necessary to undertake searches?

Searches shall mean searches carried out with the Local Authority with environmental agencies (and which may be dependent on or differ according to the geographical location of the property)

If a purchaser is having a mortgage then it is always the case that searches will be carried out. This is because, the mortgage company shall insist on such investigation being undertaken.

If you are not having a mortgage then it is open to you to proceed with the purchase without searches being made against the local authority and other environmental agencies. However please note that it would be against our advice for you to proceed in the absence of such searches as we will be unable to exclude adverse matters which may affect enjoyment of the property, marketability/value or which may incur cost.

#### Interest Payments

If Rotherham & Co hold money on your behalf, subject to the terms of this paragraph, interest will be calculated and paid to you in accordance with the Solicitors Accounts Rules 1998. Subject to certain minimum accounts and periods of time prescribed by the Rules interest will be calculated and paid at the rate from time to time less a sum of £20 to take into account the administrative costs of calculation and payment in respect of each amount of interest as and when calculated. The period for which interest will be paid will normally run from the date(s) on which we receive funds until the date(s) of issue of any cheque(s) in discharge thereof.

#### Deeds or other documents for you to keep after a purchase

Please note that after your purchase we will register your new legal title. We shall then send to you or (if appropriate in the event of bulky documentation) invite you to collect the paperwork.

If you do not collect the documentation within 28 days of my notifying you, then we will place it into storage in relation to which an annual fee of £50 plus VAT per annum shall apply unless otherwise agreed between us.

#### Deeds which you may supply to me during a transaction/sale

Any deeds and documents you supply to us (save for any letters or emails you write to us) are available to you forthwith at any time and will remain at all times your own property free from any lien or charge during the currency of any transaction.

#### File

If during or after the transaction you seek the file (to include letters/emails received and written, telephone notes, copy documents procured on your behalf) then please note that the sum quoted by us for the transaction (to include any disbursements or other items agreed during the course of the transaction) shall first be payable by you or on your behalf. In any event you hereby authorise that in the event the file is requested for removal, a copy shall be held here and any reasonable cost of copying shall be payable by you.

The following are documents from the file which shall belong to you and shall be supplied if requested (subject to above):-

1. Original documents sent to us by you.
2. Documents sent or received by us as the agent for you (for example, communications sent to the firm by third parties, and the firm's communications with third parties as agent for the client; this would include correspondence with a counterparty or the giving or receiving of instructions to/from the client's other advisors).

3. Final versions of documents, the production of which was the object of the retainer (for example, agreements or written representations).
4. Final versions of documents prepared by a third party (including the client's other advisers) during the course of the retainer and paid for by you (for example, opinions of counsel and experts' reports).

The following are documents which shall belong to this firm and would be excluded from a copy of the file if requested by you:

5. Documents prepared for this firm's own benefit or protection, or prepared as the means by which the firm discharges its function belong to the firm (for example, file copies of letters written to you, notes regarding time taken, or made for protective purposes regarding advice to the client, drafts and working papers generally).
6. Copies of attendance notes, internal emails and correspondence created during the course of the retainer, and all emails and correspondence written by you to the firm.
7. Accounting records, including vouchers and instructions.

(This note is pursuant to the Law Society Practice note entitled Who Owns the File last updated 14.05.2018).

Our Policy is to retain files for 6 years after which they may be destroyed.

#### Retentions (if applicable) – only relevant on a sale

If you are selling a leasehold property and if you negotiate with your buyer in relation to agree to hold back a sum of money in this firm's Client Account (to set against unpublished year end accounts/surcharges) after the completion of the transaction please note that there would be a charge equivalent to the retention (inclusive of VAT) for us agreeing to provide our banking service and further conduct for this service.

#### Indemnity Policies – only relevant on a sale

Sometimes (usually applicable to a sale only) it may be necessary to prepare and incept a specialist insurance policy to indemnify against a minor defect (i.e. lack of building regulations/planning documentation / lack of rights in deeds) and you be invited to agree to cover the one off premium cost of an indemnity policy (you will also know about this in advance and have the opportunity to agree or decline). Please note that in addition to the insurance premium would be this firm's cost being £75 plus VAT for our assistance. You will always have the opportunity to agree to decline this cost before it is incurred.

#### Deed of Covenant – only relevant to properties subject to a lease or management scheme

Sometimes, it is stipulated in the deeds/title information for a property that a buyer shall be required to enter into specified promises to observe leasehold or other management obligations. This may involve a Deed of Covenant. If we are required to draft such a deed then please note our standard fee shall be £75 plus VAT.

#### Copy Documents only relevant on a sale

It is common for a buyer to ask you to supply copies of installation certificates (i.e. for recent boiler replacement/windows/alterations) and you are encouraged to look these out at an early stage. If you are unable to locate the certificates I can assist in letting you know how you can obtain duplicates. If you prefer



that we apply to the respective agencies for duplicates please note that there would be an administration charge of £50.00 plus VAT for each certificate (plus any charge made by the relevant agency for supplying these).

#### Printing High Volume New-Build Documents - only relevant on purchase

Some developer's solicitors are adopting electronic means of communicating contract documentation for new-build properties and where this is the case it is not uncommon for there to be a large volume of pages to be printed and in such circumstances a one-off printing charge of £50.00 plus VAT will apply.

#### Banking Clearance

If we are required by you or another party to remit funds by bank transfer (whether by CHAPS or another method) then there will be no charge to you for this service. Please note that we are reliant on the banks to clear funds from sender to recipient (or vice versa) and we therefore do not accept any liability or responsibility for any consequences/cost of delay arising from the conduct of the clearing banks.

#### Avoiding Fraud

There has been a recently reported scam whereupon a fraudster intercepted solicitor/client correspondence and then intervened during the course of the transaction with a fake email purporting to be on behalf of the firm causing the victim to remit funds to an account other than that confirmed by the solicitors. Therefore, please note that (a) we will never supply you with alternative bank details (other those quoted above) during the course of your purchase and (b) in terms of email correspondence the only persons at Rotherham & Co authorised to communicate with you on your matter are:

(Chris Dumbleton – solicitor/department supervisor)

(Davinder Johal – Fellow of the Chartered Institute of Legal Executives)

(Scott Lea - assistant clerk/conveyancer)

(Alison Birch – assistant clerk/conveyancer)

(Caroline Jones – cashier)

If you are ever in doubt, please telephone any of the above on the main switchboard number 024 76 227 331.

When sending money to us, it is recommended that you call ahead so that bank details can be verified/double checked at every stage.

#### Addressing Concerns

Please note that as your solicitor our Chris Dumbleton will oversee your transaction. In addition, you may receive communication from another members of our conveyancing department. If you have any substantive query which any of the above mentioned assistants are unable to assist with you must not hesitate to contact Chris Dumbleton at any time.

We are obliged by rules of professional conduct to advise you that during any point that we assist you with your transaction, you may raise any queries or problems with our Chris Dumbleton. If you feel that he has not fully or adequately addressed any concerns or if you have any complaint then please note that our principal at this firm is Mr David Dumbleton and you must feel free to contact him.

### Security Requirements

Please note that we are obliged by the Law Society to make enquiry of Clients as to the source of monies. We may therefore ask to see some evidence as to the source of your purchase funds and if there are other people contributing to your purchase monies then we may need to ask for their ID and seek clarification depending on the circumstances. We appreciate this can be a sensitive issue but please be aware that it is a requirement of every firm of solicitors/conveyancers.

### Data Protection Notice

1. We will only ask you for personal information about you which is necessary for us to have in connection with your matter. You can refuse to give us personal information but that may affect your matter. Please tell us if at any time there is any change in your personal information
2. We will keep secure personal information about you which you give us or which we otherwise receive about you.
3. We will only keep and use your personal information for so long as we are allowed or required to do so by law. Usually this will be for at least six years but may be longer.
4. You are entitled to ask us from time to time what information we keep for you. We will give you the information so far as we are required to do so by law and providing we are satisfied about your identity. If we hold your personal information on an IT system you can ask us to transfer this to an IT system you designate providing it is secure and we are not prevented by law from doing so.
5. We will correct any mistakes in your personal information and will tell you. We will also tell you if there has been an unauthorised disclosure of your personal information.
6. We will not disclose your personal information to anyone else except:-
  - The IT companies which maintain our website/IT system and we will ensure so far as we can that their systems are secure
  - So far as we are required to do so by law
  - So far as we need to do so in respect of your matter and this may be to:-
    - (if you are purchasing a property) The Inland Revenue insofar as the Land Tax Return we are obliged to submit as part of the registration formalities. I will let you have a copy of the completed form in due course so that you can approve the information.
    - (if you are purchasing a property) The Land Registry as part of the registration formalities. The information disclosed will be your full names, your correspondence

address and (if there are two of you) your chosen method of holding the property between you.

- (if you are purchasing and taking out a mortgage) Your mortgage lender insofar as correcting any information they included in the mortgage offer about your full name/ address.
- Any party (including their agent) such as landlord, managing agent, rentcharge holder, management company (and this list is not intended to be exhaustive) in relation to the perfection of your transaction formalities in which case we may disclose your full name, home address, mortgage account number, contact number and/or email address.
- (if you are selling and you have an existing mortgage) Your existing mortgage lender (or beneficiary of any legal charge or other financial incumbrance) insofar as supplying information to identify you, your address and your mortgage account number to obtain redemption information.
- The Solicitors acting for the other party in your sale/purchase. The information which will be disclosed will be your full names, your address and details concerning your legal title to your existing property together with information or replies you give in standard forms which are designed for transmission to the other party's solicitors.
- Your Estate Agents (and, if relevant, your mortgage broker) and the estate agents involved in your chain insofar as we shall give (when asked) confirmation that we are instructed by you in the transaction and provide updates as to progress and information on matters generally (such as confirming receipt of mortgage, search results, replies to enquiries or the like).

7. If you do not understand anything in this Notice please let us know

8. If you think we have not met our duties as set out in this Notice you can complain to the Information Commissioner whose contact details can be obtained from the internet.