

SOLICITORS CHARGES FOR DOMESTIC CONVEYANCING

THE SOLICITORS (NON-CONTENTIOUS BUSINESS) REMUNERATION ORDER 1994 provides that costs shall be such sum as may be fair and reasonable to both solicitor and client having regard to all the circumstances and in particular to:

- (a) the complexity of the matter or the difficulty or novelty of the questions raised
- (b) the skill, labour, specialised knowledge and responsibility involved
- (c) the time spent on the business
- (d) the number and importance of the documents prepared or perused, without regard to length
- (e) the place where and the circumstances in which the business or any part thereof is transacted
- (f) the amount or value of any money or property involved
- (g) whether any land involved is registered land
- (h) the importance of the matter to the client and
- (i) the approval (express or implied) of the client to:
 - i. the solicitor undertaking all or any part of the work giving rise to the costs, or
 - ii. the amount of the costs.

If properly applied the Order produces a correct charge for the particular job - because no two cases are identical - in contrast to the "swings and roundabouts" method of a commission or scale.

When applying the relevant factors to a sale or purchase: We record all time spent on the matter in minimum units of one-tenth of an hour per item of work (or half that for letters received) and cost that time at the rate of £236.00 per hour for a Director, and £215 for an Assistant . These rates are somewhat less than our standard hourly charges, but if the matter proceeds to completion we add a value factor at $\frac{1}{4}$ of 1% of the price. In a straightforward transaction our fee usually works out at about 0.6% of the value of the property, often somewhat less for larger transactions or more for less valuable properties, but you will understand that if difficulties are encountered the time/rate element of our fee can increase rapidly.

These hourly rates are high, as are our overheads which build-up every hour of every day. Nevertheless, a solicitor can only work on one client's business at a time and is doing well if he can record five hours chargeable work a day: and that is only on the days he is working on clients' matters.

On a sale we have to provide the buyer with a copy of your title. If that title is registered the Land Registry charges £10 for a copy of the title with an additional £6 for any deed on the title.

We have to pay off your mortgage out of the proceeds of sale.

We normally also discharge your agent's commission account, the amount of which you should have agreed with the agent before putting the property in the agent's hands.

On a purchase we make a search and enquiries of the District Council or Unitary Authority and also an environmental search. The fees charged by councils vary. We may also advise a drainage search of Thames Water Authority and a Coal Authority search. There will be other search fees, in total the search fees should not exceed £300. On completing your purchase you have to pay Stamp Duty. That is calculated on the entire price at 1% of the price if over £175,000 but no more than £250,000; 3% if more than that but no more than £500,000; and 4% if more than £500,000. Additional Duty may be payable on the rent in a new lease or if VAT is payable on the price or rent.

We must register your purchase and any mortgage at H. M. Land Registry which charges a scale fee of (by way of example) £100 on a £100,000 purchase and £220 on a £500,000 purchase.

If you are raising a mortgage most lenders will instruct us to act for them - but at your expense of course! Where the mortgage is contemporaneous with the purchase, our fee is likely to be about £150 on a £30,000 mortgage, rising to about £250 on a £100,000 mortgage. The additional search fees are usually less than £10. No extra Land Registry fee is payable. Where the mortgage is independent of a purchase (e.g. on a re-mortgage) the fee is based largely on the amount of time that we have to spend on the matter at the hourly rates shown above plus an uplift of 20%. The search fees will be much the same as for a purchase, for in effect the lender is purchasing the property from you. The registration fee is, by way of example, £40 on a £100,000 mortgage. There is no stamp duty payable on a mortgage.

VAT at the standard rate has to be added to our fee. Unlike many other solicitors we do not add anything for travelling expenses, photocopying or the like, and any bank to bank transfer of funds by us is free of any charge by our bank.

RICHARD WILSON & CO., Solicitors, Cymbal House High Street, Goring on Thames Reading, RG8 9AU
Tel: 01491 879100 **Fax:** 01491 874187 **e-mail:** goring@richard-wilson.co.uk **January 2009**