

Information

Our Residential Property Fees

This note sets out the likely costs involved when we deal with the sale, purchase or mortgage of residential property.



At a glance

We charge by time spent at an hourly rate (and not, like many, a percentage of property value).

The fees set out below are inclusive of VAT (currently at 20%) but do not include disbursements and expenses (such as search fees, registration fees, stamp duty land tax and bank transfer charges) which will be payable in addition. They also exclude advice on tax planning. In terms of the likely disbursements and expenses, we have provided an example of these below along with the VAT inclusive figure for them (unless stated otherwise).

Our fees

We offer clients a service appropriate to the requirements of their specific transaction and this is reflected in the estimate of our costs. After all, no one transaction is the same as another. We will discuss your requirements and objectives with you, identifying the nature and level of legal expertise that you require. We will then provide you with a tailored cost estimate and detailed explanation of what is, and is not, included within that estimate.

Our current hourly rates for the lawyers who will typically be involved in this work are:

- **Partner:**
£756 to £840 (which is £630 to £700 plus VAT)
- **Associate/Senior Associate/Principal Associate/Consultant:**
£348 to £582 (which is £290 to £485 plus VAT)
- **Paralegal/Senior Residential Property Executive:**
£234 to £372 (which is £195 to £310 plus VAT)

All work is supervised at partner level, but most of the work is dealt with by an experienced lawyer to keep costs down. For a list of the lawyers who deal with residential property sales, purchases and mortgages please see the team sheet below.

Although we charge on the basis of the time it takes us to deal with a matter, our experience is that the greater the value of the property, the higher our costs tend to be. This is because generally the more valuable a property is, the more complexities tend to arise. This table gives examples of our fees for a straightforward sale or purchase of residential property.

Transaction value	Typical fee *
£0 - £800,000	£6,300 (which is £5,250 plus VAT)
£800,000 - £1,750,000	£7,260 (which is £6,050 plus VAT)
£1,750,000 - £3,000,000	£8,700 (which is £7,250 plus VAT)

*including VAT (currently at 20%) but excluding disbursements and expenses

Typical disbursements

Disbursements are costs related to your matter which are payable to third parties. We have set out below details of the disbursements that will likely be incurred

on a standard sale, purchase or mortgage of a property.

While we have provided an indication of the likely costs of these below – the actual amount will depend on the nature of the transaction, and the location and value of the property. We will advise you of the likely amount in our initial fee estimate and as the matter progresses.

Purchase of a property *(those with an asterisk apply to leasehold purchases only)*

Copies of title documents from HM Land Registry - the number required will depend on the type of property and the complexity of the title. These cost £8.40 per document (which is £7 plus VAT).

Search fees - the costs of these vary depending on the location of the property and the extent of the searches required but are usually between £600 and £1,800 (which is £500 to £1,500 plus VAT).

HM Land Registry Registration fee - the registration fee depends on the type of application and the price of the property. They are usually between £20 and £1,105. These do not attract VAT.

Stamp Duty Land Tax - if you are purchasing a property you will also likely need to pay stamp duty land tax. The amount payable will depend on the value of the property and your personal circumstances (such as whether you are a first-time purchaser or second homeowner).

Bank Transfer fees - there will usually be bank transfer fees of between £12 and £30 (which is £10 to £25 plus VAT) per transfer.

***Notice of Transfer fee** - this fee is chargeable if the lease requires notice to be issued to the landlord upon change of ownership. Often the fee is between £60 and £480 (which is £50 to £400 plus VAT).

***Notice of Charge fee** - this fee is chargeable if the lease requires notice to be issued to the landlord upon the lease being used as security. This fee is set out in the lease. Often the fee is between £60 and £480 (which is £50 to £400 plus VAT).

***Deed of Covenant fee** - this fee is charged by the landlord or their lawyers or the management company and can be difficult to estimate. Often it is between £150 and £1,140 (which is £125 to £950 plus VAT).

***Certificate of Compliance fee** - this fee is charged by the landlord or their lawyers or the management company and can be difficult to estimate. Often it is between £150 and £540 (which is £125 and £450 plus VAT).

****These 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 instructed and as the matter progresses.**

You should also be aware that a service charge and ground rent are likely to apply

throughout your ownership when purchasing a leasehold property. We will confirm the ground rent and the anticipated service charge as soon as we receive this information.



Sale of a property

Typically, disbursements are limited to the following:

Copies of title documents from HM Land Registry - the number required will depend on the type of property and the complexity of the title. These cost £8.40 per document (which is £7 plus VAT).

Leasehold management information pack (for leasehold sales only) - this fee is charged by the landlord or their lawyers or the management company and can be difficult to estimate. Often it is between £360 and £780 (which is £300 and £650 plus VAT).

Mortgage of a property

Property searches may be required as above, or the lender may accept search insurance which would be a lower cost. As the price of cover depends on various factors, a quotation for this can only be given once details are known. Land Registry fees would also be payable along with bank transfer fees. There may also be additional fees payable for a leasehold property which we would advise at the outset and as the matter progresses.

Typical timescales and key stages

A straightforward sale or purchase with, or without, a mortgage

usually takes between five and eight weeks from the point at which we are instructed until

exchange of contracts. If completion does not occur at the point of exchange, then this usually takes an



additional one to four weeks to occur.

Cash transactions involving no chain generally proceed quicker. Transactions which form part of a lengthy chain involving purchasers with mortgage requirements, or funds dependent on resolution of matrimonial proceedings, equity release arrangements, gifted deposits, or other external factors, tend to take a little longer. If you are buying a leasehold property that requires an extension of the lease, this can take significantly longer, usually between 1 and 4 months. In such a situation, additional charges would apply.

The usual key stages for a purchase are as follows: *those with an asterisk only apply to leasehold purchases. Those with a double asterisk apply when we are also acting on the mortgage*

Stage 1 (which tends to take between 1 and 4 weeks)

- Attending to onboarding administration (including ID and conflict checks).
- Compliance with regulatory matters such as collation of source of funding information.
- Submission of due diligence searches.
- Review of title documents and other property information.
- *Review of the lease and the leasehold management information pack.

Stage 2 (which tends to take between 4 and 12 weeks)

- Dealing with pre-contract enquiries.
- Negotiation of the contract and transfer documentation.
- * Negotiating any formal consents required under the lease - such as a licence to assign.
- **Reviewing and reporting on the form of mortgage and dealing with all the lender's requirements.
- Reporting to you on the transaction.
- ** Preparing a report on title for the lender.
- **Arranging drawdown of the mortgage funds.
- Exchange of contracts.

Stage 3 (which tends to take between 1 and 4 weeks)

- Completion of the transfer of the property.
- Post completion requirements (such as applying for registration at the Land

Registry and paying SDLT).

- *Serving post completion notices (such as notice of transfer and/or charge).
- **Applying to register the new mortgage at the Land Registry.

The usual key stages for a sale can generally be broken down as follows: *those with an asterisk only apply to leasehold purchases*

Stage 1 (which tends to take between 1 and 4 weeks)

- Attending to onboarding administration (including ID and conflict checks).
- Collecting all relevant information and drafting documents.
- Issuing the sale contract, title and supporting paperwork.
- *Requesting the leasehold management information pack.

Stage 2 (which tends to take between 4 and 12 weeks)

- Dealing with enquiries raised by the buyer's solicitors and agreeing the sale documents (*including any formal consents required under the lease - such as a licence to assign).
- Issuing documents for signing.
- Exchanging contracts.

Stage 3 (which tends to take between 1 and 4 weeks)

- Completing the sale.
- Redeeming any mortgage.

Our typical fee (on page one) includes the usual key stages set out above. Those with an asterisk form part of our standard scope of services when instructed on a leasehold matter or when acting on a mortgage. The typical additional costs for these are set out in the table below.

There are various factors which can affect the overall costs and time it takes to complete a transaction. Factors that are likely to increase costs (and the typical increase, although this can vary depending on the particular circumstances) include the following:

Examples of additional work	Typical additional cost*
New build property	£2,838 (which is £2,365 plus VAT)
Leasehold title	£2,310 (which is £1,925 plus VAT)
Land not registered at the Land Registry	£1,650 (which is £1,375 plus VAT)
Mortgage lending being secured on the property at point of purchase	£1,740 (which is £1,450 plus VAT)
Declaration of trust (limited to confirmation of percentage division of beneficial ownership)	£780 (which is £650 plus VAT)
Acquisition of a shareholding or interest in a company which owns the freehold of the building in which a leasehold property is located	£660 (which is £550 plus VAT)

*including VAT (currently at 20%) but excluding disbursements and expenses

Where there are issues which cause a matter to become protracted, this can increase costs. In addition, these figures do not take into account non-standard matters such as:

- A requirement for tax planning or analysis of the rate of SDLT applicable.
- Non-compliance with planning, listed building, building regulations and/or lease and/or title covenants.
- Environmental issues (including Japanese knotweed).
- Title defects or restrictive covenants.
- Heritage listings.
- The need for a conditional contract or retention.
- Boundary issues and disputes.
- Lease extensions or a grant of a new lease.
- The need to grant or reserve rights over adjoining land.
- Building Safety Act requirements (e.g. cladding and/or fire safety).

Where advice is required on any issue which was not anticipated at the outset of a matter, we will provide you with a best estimate of the likely costs involved as soon as possible, and revised estimates as and when circumstances change.

SDLT and tax planning

Please note that our fees do not cover advice on tax planning, or analysis as to whether SDLT is payable at anything other than the standard rate (for example, because you, or another joint purchaser, have an

interest in other property, or because the property is not solely used for residential purposes).

Should you require advice on SDLT or tax planning generally we will put you in touch with our Tax Team, who will provide you with a separate fee estimate.

If you do not require any SDLT advice from our Tax Team, although we can facilitate the completion of the SDLT return on your behalf, and submit it electronically to HM Revenue & Customs, we will be solely reliant on the information provided by you in doing that, and will not seek to analyse or assess the accuracy of that information or the underlying calculations.

Billing

We will normally send you an invoice at completion and, if necessary, a final invoice



once registration at the Land Registry has been completed. If the matter becomes protracted, we may issue interim invoices usually on a quarterly basis.

If your transaction falls through, we will charge you for time spent up to that point.

Transparency Statement

This information is provided in accordance with the Solicitors Regulation Authority's transparency requirements regarding price and service. It is correct at the time of publication and subject to revision

Meet our experts



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Amanda qualified as a solicitor in 1998 and has wide experience of all aspects of residential real estate law. She is a leading expert in shared equity housing schemes for educational institutions and also specialises in rural properties and estates and ground rent investment.



Victoria Davies

Partner

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Victoria is a specialist residential real estate solicitor with over 20 years of experience in the acquisition, disposal, refinance and development of residential property. She qualified as a solicitor in 2005 after gaining a 2:1 in Law at the University of Bristol and a Distinction in the Legal Practice Course at the University of Westminster. She completed her training contract at Harbottle & Lewis LLP and joined Mills & Reeve in 2019. She became a partner in 2023.

She acts for UHNW and HNW clients on both personal and investment matters, and provides support to the private wealth, family and probate teams on real estate matters relating to private wealth structuring, trust arrangements, wills, court orders and divorce settlements. She has a broad client base including numerous media personalities.



Christina Wilderspin

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Christina is a Principal Associate and Chartered Legal Executive (CILEX Fellow) who acts for HNW individuals, landed estates, UK and overseas investors, charities, Universities and Oxbridge colleges. She deals with sales, purchases, mortgages, first registrations and offers a wide variety of residential property advice including co-ownership trusts, structuring and implementing shared equity ownership and loan schemes for HEI clients.



Louise Kerr

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Louise qualified as a solicitor in November 2022 after achieving a First in Law from Anglia Ruskin University in Cambridge, and a Pass in the LLM Master of Laws Legal Practice Course at BPP University in Cambridge. She completed her training contract at Fairhurst Menuhin & Co solicitors and joined Mills & Reeve in January 2023 shortly after qualifying.

Louise acts for HNW individuals in all aspects of residential property work whether relating to main residences or investment properties and this includes advising on auction purchases and first registrations. She also acts for landlords in a range of commercial letting transactions as well as assisting with precedent document drafting for property developers disposing of newly built properties. Louise also supports senior fee earners.



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Lindsey is a CILEX Conveyancing Practitioner and is an associate in the team.

Lindsey has over 15 years' experience in advising an extensive range of clients from charities to HNW individuals, London and Oxbridge Universities and Colleges in the acquisition, disposal and refinance of residential property.

She has experience in advising on freehold/leasehold sales and

purchases, lease extensions, residential tenancy agreements granted by individuals and commercial entities, mortgages, loan schemes for HEI clients and first registrations of various estates (whether voluntary or gifted). She also provides support on private real estate matters relating to private wealth structuring and trusts and transfers arising from divorce settlements.



Sarah McNish
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Sarah joined Mills and Reeve from BDB Pitmans (now Broadfield LLP) Private Real Estate team in April 2024, having previously worked at both Eversheds Sutherland and Shoosmiths LLP. She has over 27 years of residential real estate experience and holds a 2:1 Law Degree from the University of Leeds.

Sarah specialises in advising HNW clients on freehold and leasehold sales & purchases, lease extensions, residential tenancy agreements, mortgages, portfolio transfers, unregistered property, reconstituting titles, new build homes and apartment transfers, transfers of part and pre-emption agreements.

She has also acted for large institutional lenders in relation to their residential portfolios, including distressed sales.

She additionally provides a wide variety of residential property advice including support on private real estate matters relating to private wealth structuring, UK asset transfers by overseas entities, and trusts and transfers arising from divorce settlements.
