

# **Cost Estimate**

for re-mortgaging a freehold or leasehold residential property

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## 1. Introduction

Use this information to estimate the cost of your re-mortgage of freehold or leasehold property. Please note that most houses are freehold and most flats are leasehold even if they are called “share of freehold”.

To calculate an estimate of your total cost simply add together Lacey's fees for acting for you, add VAT, then add the estimated cost of disbursements from the information included within this document.

If in doubt please do contact us and we will be pleased to provide you with a formal written cost estimate.

## 2. Lacey's Fees for acting for you on your re-mortgage

These are based on the value of the property to be mortgaged as set out in the table below. These are our basic fees for the re-mortgage process which is briefly detailed below. There may be additional fees as set out below. The figures do not include VAT which will be payable on top.

Value of the Property	Lacey's fee for freehold	Lacey's fee for leasehold
Up to £500,000	£850	£1,000
£500,000 - £1,000,000	£1,050	£1,250
£1,000,000+	£1,350	£1,550

## 3. Disbursements

Disbursements are costs related to your re-mortgage that are payable to third parties such as Land Registry fees and searches. These should be roughly the same whichever conveyancer you chose. Common disbursements which are involved in most transactions include:

### Land Registry fees

The Land Registry base their fees on the price or value of the property to be purchased. Assuming the property is a single registered title the usual Land Registry fees are:

Value of property	Land registry fee
£0 to £100,000	£20
£100,001 to £200,000	£30
£200,001 to £500,000	£45
£500,001 to £1,000,000	£65
£1,000,000+	£140

### Searches and indemnity insurance

Some mortgage lenders accept indemnity insurance in lieu of property searches. If the lender accepts indemnity insurance and if we think it is appropriate then the cost of this insurance will depend on the value of the property but commonly the insurance for a property costs around **£75** for a property valued at £300,000 rising to **£250** for a property worth more than £3M. These figures include Insurance Premium Tax.

If your lender requires formal searches to be carried out your conveyancer will consider the searches which are appropriate for the property. Usual searches include Local Authority, Water and Drainage, Environmental, Flooding, Planning, and Chancel repairs. The cost of Local Authority searches varies from local authority to local authority.

On average, the searches that we carry out usually cost in the region of **£350 to £450 including VAT**.

Sometimes additional searches are required dependent on the location of the property or the specific issues with the property identified by your conveyancer. For example, some properties may be in an area where local geology or mining history means it is wise to carry out additional searches. We will let you know as soon as we can if we think any additional searches are required.

## 4. Additional disbursements - leasehold re-mortgages

When you mortgage leasehold property there are often additional disbursements payable to the landlord or managing agents. These costs depend on the terms of the lease and the charges made by the landlord or managing agent.

We will let you know what these costs are as soon as we have the information to hand. Common items include the following (sometimes subject to VAT on top):

Item	Common additional cost
Replies to standard enquiries	£150 to £500
Notice of mortgage	£50 to £100 per mortgage
Certificate of compliance fee	£50 to £100

## 5. Additional legal fees which may also arise

The above sets out the usual costs and disbursements of a straightforward re-mortgage. It assumes that this is a standard transaction and no unforeseen matters arise including for example, but not limited to, a defect in legal title which needs to be rectified before completion or the preparation of additional documents ancillary to the main transaction.

However we set out below some additional fees which do commonly arise together with an estimate of our likely additional fees. The figures do not include VAT which will be payable on top.

Issue	Estimated additional fee
Transfer of equity/change of name on title	£500
Joint ownership advice and/or drafting a declaration of trust	£200-£400
Arranging more than two telegraphic transfers	£25 per transfer
Advising on or preparing tenancy agreements /houses in multiple occupation	£500 to £1,000 per tenancy
New buildings (less than 5 years old)	£500
Help to Buy mortgages	£300
Arranging or approving indemnity insurance	£150
Preparing or approving statutory declarations	£150
Unregistered titles	£300
Shared ownership schemes	£500
Equity release mortgages	£750
Buy to Let mortgages	£400
Deeds of easement	£600
New leases	£700
Deed of variation of lease	£600
Preparation of deed of covenant	£150
Green deal or solar panel leasing or feed-in tariffs	£300 to £750
Transfers of shares in freehold/management company	£100
Advice upon company issues relating to freehold or Management Company	£300 to £1,000

## 6. The process explained – in brief

The precise stages involved in the re-mortgage of a residential property vary according to the circumstances but in the meantime please see below a breakdown of the main processes we undertake within our estimate above:

- ✓ Take your instructions and give you initial advice
- ✓ Check finances are in place to fund re-mortgage and contact lender's solicitors if needed
- ✓ Liaise with your existing lender to obtain redemption statements in readiness for completion
- ✓ Check your legal title
- ✓ Raise enquiries of you about the property to comply with lender requirements
- ✓ Carry out and check searches
- ✓ Obtain further planning documentation if required
- ✓ Give you advice on all documents and information received
- ✓ Go through conditions of mortgage offer with you
- ✓ Obtain your signature to the new mortgage deed
- ✓ Agree completion date
- ✓ Arrange for all monies needed to be received from lender and you
- ✓ Complete re-mortgage
- ✓ Redeem old mortgage and discharge title from legal charge
- ✓ Account to you
- ✓ Deal with payment of Stamp Duty/Land Tax if a transfer of ownership has been involved
- ✓ Deal with application for registration at Land Registry

### How long will it take?

All transactions are different and the speed within which they complete is dictated by many factors. If there is no undue delay from the mortgage lenders and in relation to searches then, on average, most re-mortgages progress from date of new mortgage offer to completion within 3 to 6 weeks.

### Who will carry out my conveyancing?

Please see our [Residential Property page](#) of our website for details of our conveyancers.

If you would like to instruct us, one of our conveyancers would be pleased to speak to you, explain the process, and get the ball rolling for you!