

## **STEPS INVOLVED IN A TYPICAL FREEHOLD OR LEASEHOLD RESIDENTIAL PROPERTY PURCHASE OR SALE, OR PROBATE**

- **Purchase**
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  - Initial dealings with the Estate Agent and seller's conveyancer
  - Initial forms and paperwork
  - Searches
  - Enquiries
  - Contract and transfer
  - Report on title
  - Mortgage
  - Exchange of contracts
  - Pre-Completion
  - Completion and Post-completion
- **Sale**
  - Client Engagement
  - Initial dealings with the Estate Agent and buyer's conveyancer
  - Initial forms and paperwork
  - Enquiries
  - Contract and transfer
  - Mortgage
  - Exchange of contracts
  - Pre-Completion
  - Completion and Post-completion
- **Probate (Based on a simple estate with a Will)**
  - Client Engagement
  - Due Diligence
  - Prior to the Grant of Probate
  - After the Grant of Probate has been issued

## **TYPICAL FEE SCALE AND DISBURSEMENTS**

- Property sale, purchase, re-mortgage or transfer of equity
- Probate

## **POTENTIAL ADDITIONAL FEES**

- Property
- Probate

## **TYPICAL TIMEFRAME**

- Property
- Probate

## **THE TEAM**

## STEPS INVOLVED IN A TYPICAL FREEHOLD OR LEASEHOLD RESIDENTIAL PROPERTY PURCHASE OR SALE, OR PROBATE

### Purchase

(Steps coloured blue are only relevant where the property is leasehold)

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| <b>Client Engagement</b>  |
| Before we start work on your purchase, we must formally engage with you and carry out identification checks. This will include:                     |
| 1. Sending you our engagement letter and receiving a signed copy from you.  |
| 2. Receiving identification documents from you (as set out in our engagement letter) and carrying out electronic searches to confirm your identity. |
| 3. Carrying out a conflict check against the seller, to ensure that we are not instructed by the seller on the same transaction.                    |
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| <b>Initial dealings with the Estate Agent and seller's conveyancer</b>  |
| We must also liaise with the estate agent and seller's conveyancer. This will include:  |
| 1. Receiving the memorandum of sale.  |
| 2. Writing to the estate agents to confirm our instructions.  |
| 3. Writing to the seller's conveyancer to confirm our instructions.   |
| 4. Carrying out a check on the seller's conveyancer.  |
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| <b>Initial forms and paperwork</b>  |
| We will ask you and the seller to complete/provide some initial forms and paperwork. These include:   |
| 1. Client details form  |
| 2. Matter details form  |
| 3. Property information form  |
| 4. Overriding interests form  |
| 5. Fittings and contents form   |
| 6. Leasehold information form   |
| 7. Office Copy Entries  |
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| <b>Searches</b>   |
| 1. Received money on account of search costs.   |
| 2. Carry out searches (general pack).   |
| 3. If no searches are required, this must be approved by the lender if the lender is taking a mortgage over the property.                           |
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| <b>Enquiries</b>  |
| Enquiries cannot be raised until we have received the initial forms and paperwork and the results of the searches. The enquiries stage includes:    |
| 1. Reviewing the initial forms and search results and raise enquiries.  |
| 2. Reviewing replies to enquiries.  |

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| 3. Raising additional enquiries (if required).   |
| 4. Reviewing replies to additional enquiries.  |
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| <b>Contract and transfer</b>   |
| 1. Draft contract and transfer and send to seller's conveyancer.   |
| 2. Obtain approval of draft contract and transfer from the seller's conveyancer.   |
| 3. You sign and return the contract and transfer (undated).  |
| 4. If not buying with vacant possession, write to the tenant to notify them of the change of landlord and the new rent payment details.                |
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| <b>Report on title</b>   |
| 1. Draft report on title based on initial forms, searches, replies to enquiries and mortgage requirements and issue to you.                            |
| 2. <a href="#">Draft report on lease and issue to you.</a>   |
| 3. You confirm that you have read the report and complied with any conditions specified in the report (i.e. the lender's special conditions).          |
| 4. Demands and Needs Statement sent (where applicable).  |
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| <b>Mortgage</b>  |
| The following steps are only necessary if you are borrowing money and the lender is taking a mortgage over the property.                               |
| 1. Notify the lender if there are any adverse points to note in respect of the report on title.  |
| 2. Review mortgage conditions and mortgage deed and report on the mortgage to you.   |
| 3. You sign and return the mortgage deed.  |
| 4. Send certificate of title to the lender.  |
| 5. Send drawdown request to the lender.  |
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| <b>Exchange of contracts</b>   |
| The following checks must be carried out before contracts are exchanged:   |
| 1. Receive written confirmation from you that we can exchange.   |
| 2. Receive schedule of insurance from you (only if a lender is involved).  |
| 3. Carry out a bankruptcy search against the seller, or a Companies House search to check for a winding up petition if the seller is a company or LLP. |
| 4. Carry out a priority search.  |
| 5. Post exchange, send your signed contract to seller's solicitors and receive the seller's signed contract.   |
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| <b>Pre-Completion</b>  |
| In the period between exchange and completion:   |
| 1. Receive completion statement and funds from you/your lender.  |
| 2. Check that the bankruptcy search and priority search have not expired.  |
| 3. Send buyer's undertaking and completion information form to seller's conveyancer.   |
| 4. Check SDLT calculation against all documents and confirm to you in completion   |

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| statement.   |
| <b>Completion and Post-completion</b>  |
| 1. Send funds to seller's conveyance.  |
| 2. Complete and submit SDLT within 14 days of completion.  |
| 3. Prepare and submit registration within priority period.   |
| 4. If you are a foreign national (non-UK resident, company or individual), submit a non resident CGT return within 14 days of completion.  |
| 5. If you are a company which has acquired residential property, provide ATED information to the accountants within 14 days of completion. |
| 6. Once registration is complete, send title to you.   |
| 7. Send closing letter to you.   |

## Sale

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| <b>Client Engagement</b>  |
| Before we start work on your sale, we must formally engage with you and carry out identification checks. This will include:   |
| 1. Sending you our engagement letter and receiving a signed copy from you.  |
| 2. Receiving identification documents from you (as set out in our engagement letter) and carrying out electronic searches to confirm your identity.                                     |
| 3. Carrying out a conflict check against the buyer, to ensure that we are not instructed by the buyer on the same transaction.  |
| 4. Carrying out Anti-Money Laundering checks.   |
| <b>Initial dealings with the Estate Agent and buyer's conveyancer</b>   |
| Before we start work on your sale, we must also liaise with the estate agent and buyer's conveyancer. This will include:  |
| 1. Receiving the memorandum of sale.  |
| 2. Writing to the estate agents to confirm our instructions.  |
| 3. Writing to the buyer's solicitor to confirm our instructions.  |
| 4. Carrying out a check on the buyer's conveyancer.   |
| <b>Initial forms and paperwork</b>  |
| We will ask you to complete some initial forms and paperwork. These include:  |
| 1. Client details form including bank details.  |
| 2. Matter details form.   |
| 3. Property information form.   |
| 4. Fittings and contents form.  |
| 5. <a href="#">Leasehold information form</a> .   |
| 6. Obtain Office Copy Entries and send to the buyer's conveyancer.  |
| 7. Prepare the draft contract pack and supporting documentation.  |
| <b>Enquiries</b>  |
| Usually, the buyer's conveyancer will not raise enquiries until we have provided the initial forms, draft contract pack and received the results of their searches. Once enquiries have |

been raised, we will:

1. Reply to enquiries and any additional enquiries. Property specific enquiries will be directed to the client.
2. Deal with further enquiries as required.
3. Landlords will make a charge to you for the supply of leasehold information. In our experience this charge can be up to £500 plus VAT. We will ascertain the cost from the landlord and/or management company, then request funds on account from you to obtain the pack(s) or information as required.
4. Demands and Needs Statement sent (where applicable) for any indemnity policies.

### **Contract and transfer**

It is customary for the seller's conveyancer to draft the contract. Therefore, we will:

1. Draft and approve the draft contract.
2. Obtain your signature to the approved contract and any occupier over 17, for example children.
3. Approve the transfer deed (undated) once received from the buyer's solicitor and forward to you for signing.

### **Mortgage**

The following will only be necessary where there is a mortgage to be redeemed:

1. Requested a redemption statement from the lender at least 5 days prior to completion. We will do this for all charges on the property if there is more than one.

### **Exchange of contracts**

The following checks must be carried out before contracts are exchanged:

2. Receive written confirmation from you that we can exchange.
3. Post-exchange, send your signed contract to the buyer's conveyancer and receive the buyer's signed contract.

### **Pre-Completion**

In the period between exchange and completion, we will:

1. Prepare a completion statement and send to the buyer's conveyancer.
2. Receive your bank details by telephone.
3. Prepare an apportionment statement for any ground rent or service charges due back to the seller.

### **Completion and Post-completion**

1. Redeem mortgage from sale proceeds (if relevant).
2. Settle estate agents fees from sale proceeds (if relevant and subject to client's instructions).
3. Settle our fees from sale proceeds and provide you with our receipted invoice.
4. Send balance of sale proceeds to you.
5. Send signed transfer and other original documents (e.g. FENSA, gas certificate, lease, etc.) to buyer's conveyancer or advise you to leave original documents at the property if we do not hold them.

## Probate (Based on a simple estate with a Will)

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| <b>Client Engagement</b>  |
| Before we start work on your matter, we must formally engage with you and carry out identification checks. This will include:                       |
| 1. Sending you our engagement letter and receiving a signed copy from you.  |
| 2. Receiving identification documents from you (as set out in our engagement letter) and carrying out electronic searches to confirm your identity. |
| 3. Carrying out Anti-Money Laundering checks.   |
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| <b>Due Diligence</b>  |
| Identify the legally appointed Executors and the beneficiaries of the estate.   |
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| <b>Prior to the Grant of Probate</b>  |
| 1. Obtain valuations of all assets and liabilities of the estate, including liaising with all necessary third parties.                              |
| 2. Prepare estate accounts in order to value the estate.  |
| 3. Identify the type of HMRC return that is necessary and complete the return.  |
| 4. Obtain the relevant documents required to make the Probate application.  |
| 5. Draft the statutory declaration for the Executors to swear to support the Probate application.   |
| 6. Make the application to the Probate court.   |
| 7. Keep the client up to date with progress.  |
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| <b>After the Grant of Probate has been issued</b>   |
| 1. Arrange for posting in the Gazette and local newspaper.  |
| 2. Collect in assets.   |
| 3. Settle any debts, funeral expenses etc and also settle any outstanding tax.  |
| 4. Finalise estate accounts and obtain approval from Executors.   |
| 5. Carry out bankruptcy searches on all beneficiaries.  |
| 6. Distribute assets in the estate.   |

## TYPICAL FEE SCALE AND DISBURSEMENTS

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| <b>PROPERTY SALE, PURCHASE, RE-MORTGAGE OR TRANSFER OF EQUITY</b>   |
| Your fee will reflect the work involved in your transaction and is based on a typical transaction, as outlined above. However, no two transactions are the same and therefore there may be additional documents and requirements of your specific transaction. We have set out in the <b>Potential Additional Fees</b> section situations that may arise which would require us to charge you additional fees. We will of course notify you of any additional costs and disbursements before they are incurred. |
| Please note that if for any reason we are unable to proceed or you choose to close your   |

matter after you have instructed us, you will still be charged for any work (including additional work) that we have carried out.

The fee scale assumes a sale or purchase of a registered freehold residential property. Where the property that you are buying or selling is leasehold, the fee scale set out above will be increased by £199 plus VAT. Further, where the property that you are buying or selling is unregistered land, the fee scale set out above will be increased by £199 plus VAT.

| <b>PROPERTY PRICE</b>   | <b>ZGROUP'S FEES FOR A SALE OR PURCHASE</b>                  | <b>VAT</b>      |
|-------------------------|--|-----------------|
| Up to £400,000          | £1,100.00  | £220.00         |
| £400,001 - £500,000     | £1,350.00  | £270.00         |
| £500,001 - £600,000     | £1,450.00  | £290.00         |
| £600,001 - £750,000     | £1,700.00  | £340.00         |
| £750,001 - £1,000,000   | £2,000.00  | £400.00         |
| £1,000,001 - £1,500,000 | £2,250.00  | £450.00         |
| £1,500,001 and above    | 0.15% of the purchase/sale price                             | 20% of the fees |
|                         | <b>ZGROUP'S FEES FOR A RE-MORTGAGE OR TRANSFER OF EQUITY</b> | <b>VAT</b>      |
| Minimum fee             | £650.00  | £130.00         |
| Minimum fee for both    | £925.00  | £185.00         |

In addition to our fees, you will also have to pay a number of disbursements in connection with your transaction and these are listed below. Please note that the amount of some disbursements are calculated by reference to the purchase price (see notes column) and for the purpose of giving examples of disbursements below, we have assumed a property price of £500,000. Prices stated are exclusive of VAT.

| <b>DISBURSEMENT</b>   | <b>TYPICAL COST</b> | <b>NOTES</b>  |
|---|---------------------|---|
| Searches pack (purchase or re-mortgage only)                  |                     | The cost will depend on where the property is located and the number of searches that have to be carried out. |
| Land registry searches  |                     |   |
| Land registry registration fee (purchase or re-mortgage only) |                     | This is calculated by reference to the purchase price.  |
| Stamp duty land tax fee (purchase only)                       | £75.00              |   |
| Bank transfer fee   |                     |   |
| Electronic ID check (per person)                              | £15.00              | £3.00   |
| Stamp duty (purchase only)                                    |                     | Calculated by reference to the  |

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|  |  | purchase price. |
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**PROBATE**

The time range for dealing with the administration of a simple estate (excluding any property) usually takes between 15 to 40 hours' work, which will be charged based on our hourly rates. This equates to a fee range of £4,000 to £10,000 plus VAT and disbursements, based on an hourly rate of £250 per hour.

We will provide you with an estimate of the number of hours' work involved, along with the person who will deal with the matter for you and their hourly rate, at the outset of the matter.

In order for a matter to fall within the lower end of the fee range stated above, then there will likely be a small number of beneficiaries, no property and minimal assets (both in number and type). If there are multiple beneficiaries and multiple assets (both in number and type), our fees are likely to fall within the higher end of the fee scale.

The estates which incorporate one or more of the following are likely to make the administration more complex and therefore details of where potential additional fees may be incurred beyond the fee range given above are set out below.

In addition to our fees, you will also have to pay a number of disbursements in connection with the administration of the estate and these are listed below. Please note that the amount of some disbursements are calculated by reference to value of the estate or particular assets and therefore it is not possible to give a figure. Prices stated are exclusive of VAT.

| DISBURSEMENT  | TYPICAL COST                        | NOTES                                |
|---|-------------------------------------|--------------------------------------|
| Clearance fee                                       |                                     | Variable                             |
| Valuation fee                                       |                                     | Variable                             |
| Probate application fee                             |                                     | £155.00                              |
| Swearing of oath                                    | £7 with a Will or £5 without a Will | Cost per Executor                    |
| Bankruptcy search                                   | £2                                  | Cost per beneficiary based in the UK |
| Notifications in London Gazette and local newspaper |                                     | Variable                             |
| Caveat fee (where applicable)                       | £20                                 |                                      |
| Will search (where applicable)                      |                                     | Variable                             |
| Genealogy search (where applicable)                 |                                     | Variable                             |

**POTENTIAL ADDITIONAL FEES**

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| If your property transaction includes any of the matters listed below, or involves |
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unexpected complications, this may incur additional fees. We will always inform you in advance of any additional fees involved in your transaction. Examples of where additional fees may apply are as set out below. Please note that these lists are not exhaustive.

#### **PROPERTY**

- Acting for more than one lender.
- If your lender wishes for another legal representative to act for them.
- Administering service charge retentions in leasehold matters.
- Approving a lease extension.
- Administration fees for unpaid cheques.
- Administration costs for cheques stopped at your request.
- Dealing with a share of the freehold.
- Dealing with sitting tenants or occupiers and/or approving a tenancy agreement.
- Dealing with third party lawyers, e.g. in a matrimonial dispute.
- Dealing with trust property.
- Dealing with a deed of covenant.
- Dealing with a deed of easement.
- Dealing with a deed of gift.
- Dealing with a deed of grant or deed of variation.
- Dealing with a deed of guarantee.
- Dealing with a statutory declaration or statement of truth.
- Dealing with a general Power of attorney.
- Investigating a bankruptcy entry.
- Dealing with a land registry restriction.
- Letter of postponement or deed of postponement.
- Liaising with Trustee in Bankruptcy.
- Mutual Deed of Covenant for flying freehold.
- Obtaining Indemnity Insurance.
- Purchase at an undervalue.
- Shared Equity/ Help to Buy.
- Shared Ownership.
- Staircasing.
- Unregistered land.
- Voluntary First Registration for a sale property.

#### **PROBATE**

- More than four beneficiaries
- Multiple legacies
- Significant portfolios of assets
- Any property in the estate is worth more than £1m
- There are overseas assets
- The estate comprises of a trust
- The deceased is none domiciled in England

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| <ul style="list-style-type: none"> <li>• Inheritance tax and/or capital gains tax is payable</li> </ul> |
| <ul style="list-style-type: none"> <li>• A deed of variation of the Will is required</li> </ul>         |
| <ul style="list-style-type: none"> <li>• There is a dispute in respect of the estate.</li> </ul>        |

**TYPICAL TIMEFRAME**

**Property sale or purchase**

How long it will take from the offer being accepted to completing the transaction will depend on a number of factors. The average process takes between 6 to 8 weeks to exchange, and a further 2 weeks before completion, dependent on all parties involved being agreeable to the completion date.

It can be quicker or slower, depending on the parties in the chain. For example, if the transaction is involved in a chain, or includes a leasehold property that requires an extension of the lease, this can take significantly longer.

**Probate**

On average, the administration of a simple estate can take between 6 to 12 months, depending on the number and type of assets included in the estate.

**THE TEAM**

At Zgroup, your transaction will be handled by a team of people whose experience and hourly charge out rates are set out below. The team members who are responsible for managing your transaction and their hourly charge out rates will be confirmed in your engagement letter.

|  |                 |
|--|-----------------|
| Senior solicitor or senior conveyancer | £250 plus VAT   |
| Solicitor or conveyancer               | £185 plus VAT   |
| Trainee solicitor                      | £140 plus VAT   |
| Paralegal                              | £120 plus VAT   |
| Legal assistant                        | £60.00 plus VAT |