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Dear Client

RE: Your property purchase matter

Our Ref:

Date:

Please ask for: Mr Mathew or Chris Berry

We understand that you wish our firm to act on your behalf in respect of your proposed conveyancing transaction.

Our professional practice rules dictate that we inform you of a number of matters concerning this matter and how we intend to deal with it on your behalf. We appreciate that this is a lengthy document, but it is important that you read it thoroughly. If there are any matters within it that you require further clarification on, please do not hesitate to contact our office to discuss same. We would ask you to sign & return the copy of this letter to indicate your agreement to the terms of engagement. Our full business terms are found within the accompanying 'terms of business booklet', please ensure you have read through this document in its entirety. Once we are in receipt of same we can then proceed to deal with this matter on your behalf.

As highlighted in the below contents of this letter, please:

- Sign the two sections of the instruction form and return this to our office
- Make the initial payment to our client account so that we may submit searches
- Complete and return any enclosed documentation
- Please provide your photo ID (e.g. passport/ driving licence) and 'proof of address' identification (dated within the last 3 months) e.g. council tax letter, utility bill. If it is not feasible for you to pop into our office with your ID, you will need to have the above documents certified by an authorised third party. Please refer to the enclosed 'terms of business' booklet for further information.

Responsibility for Work:

Chris or Mathew Berry will have day-to-day conduct of the matter and as principal of the firm, Chris Berry will have overall supervisory responsibility for your matter.

Terms of Instruction

In the course of the transaction, I will be carrying out the following work on your behalf:

- a) investigating the title to the property, to include:
 - i) carrying out appropriate searches with respect to the property and local government information.
 - ii) raising and reviewing enquiries made of the seller regarding the property.

- b) negotiating a purchase contract;
- c) negotiating a transfer deed;
- d) if applicable - advising in respect of your mortgage offer;
- e) if applicable - acting for your mortgage lender including advising them of any inconsistencies or peculiarities of your transaction and ultimately requesting the mortgage advance.
- f) reporting to you on the title and search results;
- g) proceeding to exchange of contracts and then completion of the purchase;
- h) if applicable - calculating stamp duty land tax on the purchase and preparing and submitting the appropriate return form;
- i) transferring funds by telegraphic transfer to the seller's solicitors and to HMRC re stamp duty land tax (if applicable); and registering the purchase and the mortgage at the Land Registry

We will not carry out a physical inspection of the property.

Documentation forwarded to you for completion:

I have also enclosed a Client Instruction form for your kind consideration and completion.

When we are nearing the completion stage of your purchase, I will send you both copies of the contract, transfer deed and your Stamp Duty Land Tax form (if applicable), for your signatures and return.

Purchase Price:

We understand that the proposed purchase price is to be advised by you and we kindly await same.

Information required:

If you have not already informed us, please advise us as to the name address and telephone number of the Estate Agents dealing with this matter.

If you are obtaining a mortgage to assist you in your purchase please advise us as to the name and address of the person or firm who is arranging your mortgage and the name and address of the lender and the amount you are borrowing. Furthermore, if you are obtaining additional funds from sources other than your personal savings then you must advise us in writing by return as we are under an obligation to report on same to your Lender and this may impact whether funds will be released to enable completion to take place.

Please note that you will be expected to furnish a ten percent deposit of the purchase monies to enable the exchange of contracts to take place. If for whatever reason you believe you will be unable to provide same you must advise us in writing by return.

Please note as from April 1st 2016. Those purchasing a second home or buy to let property will need to pay 3% above whatever their normal rate of stamp duty would have been, had the purchase been of a primary residence.

Please advise us in writing by return if you fall within the above category so that we may re-calculate your stamp duty liability.

Our Charges

It is important that you understand your responsibilities for the legal costs incurred in this matter. As advised you will be responsible for our costs details of which are more particularly set out hereinafter.

On the information available at the present time the conveyancing charges are listed below. Base fees plus vat (based on the prevailing VAT rate of 20%) – (please see the below VAT section for further details) and standard disbursements & standard additional charges as follows:

Base fees (excluding VAT):

The Base transaction charge is determined by the agreed purchase price of your property- Please refer to the table below for base fee applicable to your purchase matter :

Band	Fee (Excluding VAT)
0 – 100K	£850 (plus VAT at the prevailing rate of 20%)
100K – 200k	£900 (plus VAT at the prevailing rate of 20%)
200k – 300k	£1,000 (plus VAT at the prevailing rate of 20%)
300k – 400k	£1,100 (plus VAT at the prevailing rate of 20%)
400k – 500k	£1,200 (plus VAT at the prevailing rate of 20%)
500k – 600k	£1,300 (plus VAT at the prevailing rate of 20%)
600k +	2% of the property price plus our hourly rate as outlined in our Terms of Business.

Additional Fees (excluding VAT):

These are additional fees that may apply to your property sale matter. If you are unsure as to which fees will apply to you, please contact our office.

- Leasehold fee £ 275.00 (plus VAT at the prevailing rate of 20%)
- Mortgage fee £ 275.00 (plus VAT at the prevailing rate of 20%)
- Unregistered fee £ 275.00 (plus VAT at the prevailing rate of 20%)
- Shared ownership fee £ 275.00 (plus VAT at the prevailing rate of 20%)
- New build fee £275.00 (plus VAT at the prevailing rate of 20%)
- Help to buy Equity Loan £275.00 (plus VAT at the prevailing rate of 20%)
- Help to buy ISA fee £275.00 (plus VAT at the prevailing rate of 20%)
- Buy to Let or Second Home £275.00 (plus VAT at the prevailing rate of 20%)
- Right to Buy £275.00 (plus VAT at the prevailing rate of 20%)
- Islamic Mortgage £275.00 (plus VAT at the prevailing rate of 20%)
- Auction / Repossession £400.00 (plus VAT at the prevailing rate of 20%)
- Gifted Deposit £275.00 (plus VAT at the prevailing rate of 20%)
- Complex Title Fee £275.00 (plus VAT at the prevailing rate of 20%)
- CHAPS Administration Fee (per transfer) £45.00 (plus VAT at the prevailing rate of 20%)
- If applicable an SDLT administration charge of £100.00 will be charged. (plus VAT at the prevailing rate of 20%)

Disbursements (payment to third parties):

Land registry fees - The amount is dependent on various factors including the purchase price. We will be able to advise on same when we have more information about your matter, however to provide a broad ranging guide - £20.00 for purchase prices of (£0-£80,000) - £1,105.00 (for properties over £1million and certain leasehold and/or registration factors are present).

Stamp Duty – This tax may apply to your matter. The amount is dependent on various factors including the purchase price. We will be able to advise on same when we have more information about your matter.

Search Pack £ 260.00

ID Verification Service £7.20 Per Individual

Anti-Money Laundering Search £ 10.00 per individual or £15.00 for 2 people

Bankruptcy Search £6.00 per person

Official Search Fee £7.00 per search

Please note the agreed fee covers the conveyance of the said property based on the information currently known and assuming the matter does not require none standard work or unknown complications. We reserve the right to pass on to you any increases in Disbursements that may be incurred on your behalf as the matter progresses. Equally, should it become apparent that an additional fee(s) e.g. Unregistered Fee/ Leasehold Fee, is applicable to the matter, but has not been listed in the above listed conveyancing charges, we reserve the right to raise such additional charge(s) within our final invoice.

Value Added Tax (VAT)

Please note – regarding Value Added Tax (VAT) this is a tax charged at the prevailing rate of 20% of the specific fee referred to. For instance if a listed fee above is listed as ‘excluding VAT’ this means that the listed Fee will have an additional VAT sum added to this fee. For example, if an additional leasehold fee of £275.00 is applicable to your matter, VAT of 20% will apply meaning the fee inclusive of VAT would total £330.00. This applies throughout our fees listed herein.

Initial Payment on Account:

So that we may submit your searches, as per our standard business procedures, we require an initial payment on account of £300.00 to proceed with this matter. Please find our client account details below:

Name of Bank – Lloyds Bank

Account Name – Berrys Solicitors Clients Account

Sort Code – 30 90 90

Account Number – 02073953

When making any payment, please ensure that you use our reference number found on the first page of this letter and please contact our office account department to confirm our bank details before sending any monies and advise as to the amount of money being transferred.

Terms of business:

The enclosed Terms of Business together with this letter will apply to the work carried out for you. Your continuing instructions will amount to acceptance of the terms of this letter and the enclosed documents, but please sign and return the enclosed Form of Acceptance to me. On receipt of this, we can be confident that you have understood the basis on which we will be acting for you.

Professional Advice:

We are professionally obliged and strongly urge you to have a separate and independent structural survey carried out on the property before exchange of contracts. You may well find seeking to rely upon your Lender survey will afford you little or no protection if defects are subsequently found.

In general, the average length of time for a simple conveyancing procedure to complete is 8-12 weeks. We will endeavor to ensure your conveyancing matter will complete as soon as possible and will seek to update you on the

progress of your matter as frequently as possible. However, there are many factors which can impact upon the timescale of a property transaction, in particular the number of parties involved in the chain and their desired timescale and also the financial arrangements of all parties concerned. Typically we require more information for a leasehold transaction from a wider variety of sources and this can lead to delays in some cases. In other words, the chain will not be able to proceed until all parties involved are ready, willing and able to go ahead. In addition, the completion date will not be legally binding and therefore definite until exchange of contracts has taken place.

As a estimate of the timescales involved for each stage of the matter and with reference to the terms of instructions listed above herein – we would advise as follows:

Items A-C = 0-3 weeks
Items D-F = 3-8 weeks
Items G-I = 8-12 weeks

There are occasions when a transaction with a party can no longer proceed. In such circumstances you will be responsible for the costs and disbursements relating to such transactions. Equally please note, if you no longer proceed with the matter or you wish to transfer your file then you will be responsible for the payment of our fees, which will become due and payable at that time. In order to calculate our charges, we would advise that our standard charges are £282.00 - £255.00 per hour (plus VAT at the prevailing rate of 20%) for attendances and dealing with documentation and £28.20 - £25.50 (plus VAT at the prevailing rate of 20%) for each standard letter or telephone call. Correspondence or telephone attendances exceeding a unit of six minutes will be costed on time and rounded up to the next unit. In addition, you will be responsible for vat on our costs and any payments made on your behalf (disbursements). Such calculation of costs will not in any event exceed the actual fee stated.

Mortgage Funds:

When mortgage funds are being sought we try to ensure that no undue delays are encountered on the day of completion we therefore seek such funds a day prior to the date set for completion. Your mortgage repayment will commence from the date of receipt of funds.

A broad outline of our work:

- Supplying information to you and those involved in the transaction.
- Checking the title of the property
- Preparing the Transfer Deed
- Agreeing contract terms
- When all parties are ready and moving dates agreed proceed to exchange of Contracts at which time you will be committed to the transaction.
- Making the pre-completion legal arrangements and seeking funds from appropriate parties
- Dealing with post completion legal arrangements including dealing with the Land Registry

Please note if you are taking a mortgage we will be acting for your lender to make sure that their interests (as well as your own) are properly protected.

There may of course be likely complications which commonly arise in relation to this type of matter or additional work to be undertaken and as a consequence this will involve additional costs for such work to be undertaken to deal with such matters. We enclose a note of such possible complications which gives an indication of such issues but this is not a comprehensive list.

Work That is not Included

As far as practically possible we will define our agreed instructions in this letter, however as a matter of course our advice shall not include advice upon

- The laws of any jurisdiction other than England and Wales; or
- Taxes or duties (other than Stamp Duty); or
- Financial planning; or
- Accounting.

Any deviation to this will be agreed in writing before hand.

Balance monies:

We will forward, at the relevant stage, our account for your attention. Please note the following information relating to payment of our Account and completion statement relating to payment of any balance monies due.

Please ensure payment is made at least five clear working days prior to completion as it is a requirement of the Bank/Building Society that all funds are in place to complete this matter before their advance can be utilised. We are unable to complete a transaction until all funds are cleared.

Please note if you are paying by cheque it takes five working days to clear, accordingly same could not be utilised until the ninth date following receipt.

In order to avoid delays and possible breach of contracts we would recommend that you forward the balance monies by CHAPS transfer from your own Bank or Building Society Account to our firms account. Please contact our office for our Bank details which you will need to furnish to your own Bank. Please advise us once the monies have been sent so that we may ascertain the monies have been received and allocated to your account.

We do not recommend that funds are sent by Internet Banking as in our experience inordinate delays are experienced and time spent checking for the funds to be shown as appearing in our Account and indeed in some instances such funds are not cleared funds. Five clear working days are required to clear funds. If Internet Transfer is adopted a minimum Administration fee of £50.00 will be charged to cover the additional work involved, with our costs basis set out below.

Cash sums exceeding £500.00 cannot be accepted in any event due to the Money Laundering Regulations 2003.

Please note, in order to comply with the Money Laundering Regulations 2003, all funds required must be drawn from an account held in this country and held in the name of the client.

If funds are forwarded from any other source or person then we are subject to dealing with same under the Money Laundering Regulations. We would anticipate at least a three week delay if not longer. Considerable additional work will be incurred in dealing with and seeking to comply with the Money Laundering Regulations. Minimum additional costs will arise in respect of same of at least £300.00 (plus VAT at the prevailing rate of 20%) & any disbursements incurred. The basis of our costs dealing with the Money Laundering Regulations are £282.00 - £255.00 per hour (plus VAT at the prevailing rate of 20%) for attendances and dealing with documentation and £28.20 - £25.50 (plus VAT at the prevailing rate of 20%) for each standard letter and telephone call. Correspondence or telephone attendances exceeding a unit of six minutes will be costed on time and rounded up to the next unit. In addition you will be responsible for vat on our costs and payments made on your behalf (disbursements). We would not be able to discuss the matter with you or any other party as that is a criminal offence with parties being subject to imprisonment sentences. If contracts have been exchanged then you will be in breach of Contract and suffer punitive financial penalties and additional legal costs for which you will be responsible. In

addition we would have to report the matter to your mortgage lender & this may prejudice your ability to obtain funding from your Lender. If that would be the case then you would have to seek alternative funding.

Subject to the above any balance monies due to the client will be furnished by cheque made payable only to the client and delivered by way of the postal services the next working day following the date of completion.

If client wishes the monies to be sent by way of CHAPS transfer then instructions together with bank details must be furnished in writing to our offices within seven days following the date of this letter. An administration charge of £35.00 (plus VAT at the prevailing rate of 20%) and Chaps fee of £10.00 (plus VAT at the prevailing rate of 20%) will arise. If written instructions are received after this date then a minimum charge of £75.00 plus vat (plus VAT at the prevailing rate of 20%) and Chaps fee of £10.00 plus vat (plus VAT at the prevailing rate of 20%) will arise. CHAPS transfer will only be made into an Account held in this country and held in the name of the client. Requests for funds to be paid to one party only when the property is jointly held will only be considered if supported in writing (not faxed copy) and signed by all parties. A minimum administration charge of £40.00 plus vat (plus VAT at the prevailing rate of 20%) and Chaps Fee of £10.00 plus vat (plus VAT at the prevailing rate of 20%) will arise. Requests for funds to be paid to any other party will only be considered if it is supported in writing (not faxed copy), signed by client and forms of Identification of the proposed Payee be furnished as set out above. A minimum Administration charge of £75.00 (plus VAT at the prevailing rate of 20%) and Chaps fee of £10.00 plus vat (plus VAT at the prevailing rate of 20%) will be charged.

The administration charges above are subject to our costs basis as set out above. Our firm reserves the write to furnish funds only to our named clients and to be delivered by way of postal services.

In conveyancing matters when acting for you as a purchaser, we may also be acting for your proposed lender and as such we have a duty to fully reveal to your lender all relevant facts about the purchase and mortgage. This includes but is not limited to:

- Any differences between your mortgage application and information we receive during the transaction;
- Any cash-back payments or discounts that a seller is giving you.

Please ensure that you follow the above carefully.

Conclusion

We aim to offer all our clients an efficient and effective service and we are confident that we will do so in this case.

If you have any queries arising out of this letter, please do not hesitate to contact us. Please return this letter duly signed and dated retaining a copy for yourself.

We would like to take this opportunity of reminding you that it is your responsibility before contracts are exchanged to satisfy yourself about the price and structural condition of the property and the satisfactory condition of the contents of the property and to make sure that all the property's services are connected and operating satisfactorily. Accordingly you should make arrangements for such surveys as you may require of the property to be undertaken and for any necessary specialists to inspect and test the services.

Your required next steps:

- Return your Identification documents as listed
- Sign and return your signed Instructions for us to act
- Pay the initial payment on account as indicated above
- Provide the requested documents listed above and enclosed with this letter

Once the above listed steps have been completed, we will be able to commence matters on your behalf.

Yours sincerely

For and on behalf of BERRYS SOLICITORS

Acknowledgement and Agreement for Berrys Solicitors:

Please sign, date and return this page

I hereby (1) agree and acknowledge the terms and conditions;
(2) consent to process my data.

Signed: _____

Dated: _____

Instruction for Berrys Solicitors to act within the cooling off period

Name:

Compliance with the Cancellation of Contracts made in a Consumer's Home or Place of Work etc. Regulations 2008.

I hereby authorise my Solicitors, BERRY'S SOLICITORS to start work within the cooling off period of the above regulations.

Signed: _____

Dated: _____

Possible complications which may arise

Please note if we are required to attend to filing, lodging, assignment or re-assignment of life, endowment or similar type policy documents an additional fee of £30.00 plus vat will be charged for each action undertaken for each individual policy or document.

In accordance with the 2007 Solicitors Code of Conduct and Lenders obligation we are obliged to advise any Lender if there is a material change in the purchase price whether this is a straightforward price reduction or in the form of allowances, costs, incentives or subsidisation. This will give rise to additional work to be undertaken reporting to the Lender and seeking authorities of the Lender and same will be charged on the hourly rate as stated.

Where we are furnished with a Valuation/Survey report either by yourself or your Lender we are professionally obliged to report on same to you and if appropriate your Lender. Under such circumstances our costs for dealing with same will be based on the hourly rate as above mentioned.

Where Deeds and Documents are referred to us for safe keeping then a securitisation of Deeds and Documents administration charge will arise in the sum of £40.00 plus vat (plus VAT at the prevailing rate of 20%) per entry into securitisation.

In the case of Leasehold and occasionally in Freehold property it is sometimes required by the Landlord or other party and or your lender that notices are served upon appropriate parties. In such cases an administration charge of £40.00 plus vat (plus VAT at the prevailing rate of 20%) per notice will be charged in order to cover costs. In some instances Deeds of Covenants or similar type documents have to be drawn and in such cases an additional charge commencing from £85.00 plus vat (plus VAT at the prevailing rate of 20%) will be charged per document.

On occasions it will be necessary to obtain insurance indemnity policy and in such instances an additional administration charge of £40.00 per document will be charged in addition to the cost of the policy. If we are required to furnish up to date accounts for service agreements or other documentary evidence or information is required an additional administration charge of £30.00 plus vat (plus VAT at the prevailing rate of 20%) per document/information will be charged in addition to the fees of the landlord or management company may seek.

Where existing Planning Permission and Building Regulation or other consents documents have to be sought then apart from any fees from the relevant authorities a administration charge of £20.00 plus vat (plus VAT at the prevailing rate of 20%) will be charged in respect of each document.

In most cases the property has been registered at the Land Registry and our anticipated costs is based on this premise. However, if the property has not been registered at the Land Registry then we will be obliged to ascertain the unregistered Title and raise any necessary enquiries to ensure that the Abstract/Epitome of Title (which evidences ownership, restrictions and rights) is satisfactory. Further following completion we will need to apply for first registration with her Majesties Land Registry as opposed to applying for amendment to the register. With majority of cases we would anticipate approximately an additional hours work to be undertaken. However there may be circumstances due to the complexity of a Title and satisfying Land Registry requirements that the one hour time scale will be exceeded. In such cases we will seek to advise as to anticipated further additional charges as soon as we can make a considered assessment.

We would normally anticipate completing your sale transaction 10-21 working days from the date of the exchange of contracts, this enables all the necessary documents to be prepared. However there are occasions when clients seek or by reason of circumstances or by virtue of late exchange of contracts are compelled to complete within a

shorter period of time. We will seek to carry out completion within the time constraints to the best of our ability, although this will automatically incur additional costs as we are having to chase parties for urgent responses and informations without which we cannot complete the transaction within the time scales. As a result this involves a significant amount of time being expended which would not otherwise have had to be undertaken under normal time constraints. Under such circumstances you would need to legislate at least one hour additional cost based on the hourly cost rate as stated in order to seek to deal with such issues however if we foresee any greater costs then we shall wherever possible seek to advise you as to same. Furthermore sometimes parties seek to work to early completion dates without the benefit of fixing a date by the exchange of contracts and seek to exchange and complete virtually simultaneously. This again gives rise to similar issues as to seeking urgent responses and informations which results in additional time being spent which would not otherwise have had to be undertaken under normal time constraints. Under such circumstances you would need to legislate at least one hour additional cost based on the hourly cost rate as stated. Please note if that date is not met by the parties in the chain then significant additional work & costs incurred has to be undertaken to work to another date. We would anticipate additional costs of at least one to one and half hours would be needed to be legislated for based on the hourly cost rate plus disbursements (fees paid) will apply respectively for a Purchase for each alternative date set or proposal by parties in the chain thereafter.

There are occasions when there is a defect to the title of the property under such circumstances we will advise you as to the problem and seek to indicate how the issue can be rectified and the likely costs of rectifying the defect based upon the hourly rate as stated in this letter together with the likely charges & fees.

It is common to find that certain extensions on the property do not have planning permission and or building regulation approval or other required consents. Again we will advise you as to the situation and the options open to you and the likely costs based on the hourly rate as stated together with the likely charges & fees.

There are occasions when the mortgage lender has to issue revised mortgage instructions. In such instances we have to further report to you and this gives rise to additional work to be undertaken and costs. Our charges are assessed on the time spent and charged on the hourly rate as stated We would anticipate further reporting cost to be in the region of half an hour based on the hourly rate as mentioned.

Furthermore if you are obtaining building insurance other than from your Lender then we are obliged to check that the buildings insurance cover complies with the requirements of the Lender. This can be extremely time consuming and we may also have to provide a report to your Lender and clearly this gives rise to additional work to be undertaken and costs. We would anticipate a further reporting charge to be in the region of at least half to three quarters of an hour based on the hourly rate as previously mentioned.