# LMS & Optima Legal – ADDITIONAL CHARGES

## FEES WHICH CUSTOMERS MAY NEED TO PAY

**HSBC UK will cover the following legal fees:**

- Legal processing fee
- Search and Land Registry fees
- Telegraphic Transfer fee to redeem the previous lender

**Points to note:**

- Customers must be advised that additional disbursements and/or legal costs may arise and will be payable by the customer; these may only become apparent once the legal work is in progress.
- Where additional legal work is required (e.g. Transfer of Equity, Shared Ownership final share, Buy to Let, Islamic Finance remortgage or repayment of Help to Buy Equity Loans), the customer will be responsible for the legal processing fee for the additional legal work and any associated disbursements. The panel firm will notify the customer of any additional fees before proceeding. The panel firm may also request all or part of the relevant legal processing fee upfront.

**VAT**

All fees quoted are **exclusive of VAT** unless stated otherwise. Disbursements (including Land Registry-related searches) are **subject to VAT**, such as Priority Searches, Office Copies, Title Plans, Index Map Searches, and Bankruptcy Searches.

| INDEPENDENT LEGAL ADVICE (ILA)<br>**ILA may be required due to the purpose of the lending and/or who benefits from the lending** | |
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| Legal Services Fee<br>*Fee for liaising with the customer's chosen ILA provider* | £94.00 plus VAT |
| Independent Legal Advice<br>*To ensure the depositor fully understands the implications of providing security when they do not benefit from the lending.* | The customer must appoint a Solicitor, Legal Executive or Licenced Conveyancer. Fees will be negotiated by the customer with their chosen provider. |

| LEASEHOLD PROPERTY – ALL APPLICATION TYPES | |
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| Leasehold Supplement Fee<br>England, Wales and Northern Ireland only<br>*For reviewing the existing lease and terms to ensure it meets bank requirements.*<br>*Northern Ireland: this fee is only applicable for leasehold property:*<br>1. *Where the property is a flat*<br>2. *Where there is a management company looking after the communal areas*<br>3. *Where the property has a lease with NIHE and there are less than 100 years remaining on the term.* | £95 plus VAT |
| Obtaining the copy of the lease<br>*A copy of the lease is required for this check if the customer cannot provide this, then there will be a charge to obtain this from the Land Registry* | Copy lease, per Land Registry fee scales |
| Notice to Freeholder or Management Company<br>*To obtain their consent to the new security being registered* | Fee in accordance with terms of the lease or transfer |

| RESDENTIAL or BUY TO LET REMORTGAGE, REMORTGAGE WITH HL, UNENCUMBERED HL | |
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| Telegraphic Transfer Fee<br>*To redeem previous first charge lender* | Included in standard legal costs paid by HSBC |
| Telegraphic Transfer Fee<br>*To distribute HL monies to the customer or any other third party* | £25.54 plus VAT per transfer |
| Fee for dealing with third party in relation to disbursement of funds<br>*For example, dealing with conveyancer for an onward purchase. This is in addition to the Telegraphic Transfer to send the funds.* | £40.00 plus VAT |

| BUY TO LET | |
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| Drafting Assured Shorthold Tenancy (optional) | £95.00 plus VAT |

| ISLAMIC FINANCE REMORTGAGES | |
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| Islamic Finance Remortgages Legal Fee<br>*Surrender/Determination/Merging of the existing leasehold title with the superior/main title (as a new charge is taken over the superior/main title only)* | £195.00 plus VAT |

| HELP TO BUY EQUITY LOAN REMORTGAGES | |
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| Legal Fee<br>*For dealing with the removal of the second charge* | £75.00 plus VAT |
| Telegraphic Transfer Fee<br>*To send funds to redeem the HTB Loan* | £25.54 plus VAT |

| REMOVAL OF SECOND & SUBSEQUENT CHARGES | |
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| Legal Fee<br>*For dealing with the removal of the second charge* | £30.00 plus VAT per charge |
| Telegraphic Transfer Fee<br>*To send funds to redeem the finance secured by any second charge* | £25.54 plus VAT per charge |

| SHARED OWNERSHIP – PURCHASE OF A FINAL SHARE, REMORTGAGE OR UNENCUMBERED HL | |
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| Purchase of a Final Share Legal Fee<br><br>*Note: Customer may appoint the LMS panel firm or Optima Legal to act for them, or another conveyancer. If they choose another conveyancer, LMS or Optima Legal will act for HSBC UK and Separate Legal Representation applies, and the same Legal Services Fees is paid by the customer to LMS or Optima Legals in addition to the fees payable to their own conveyancer.* | Legal Fee per jurisdiction:<br><br>England & Wales - £425 plus VAT<br>Scotland - £465 plus VAT<br>Northern Ireland - £390 plus VAT<br><br>**Simple Transaction: where there is one lease or sub lease to be transferred to the customer or demised**<br><br>Example of a Simple transaction:<br>1. House – Freehold in name of housing association, lease to borrower. On purchase of the final share the lease will be terminated, and the freehold is transferred to the borrower in its entirety. The borrower then becomes the freehold owner of the property.<br>2. Flat – Freehold in name of landlord, head lease to housing association, sub-lease to borrower. On purchase of the final share the sub-lease will be terminated, and the head lease is |

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| | transferred to the borrower. The borrower then becomes the owner of the leasehold title directly under the freeholder<br><br>**Complex Transaction: where there is more than one lease or sub lease to be transferred to the customer or demised and / or a new title needs to be created** |
| "No Local Authority Search" Indemnity Insurance | Variable cost, dependent on lending and property value<br><br>Note: applies to both Simple and Complex Transactions |
| First registration of new lease / title creation | £95.00 plus VAT<br><br>Note: applies to a Complex Transaction where a new lease / title needs to be created. |
| Leasehold Supplement (if applicable – for reviewing the existing lease and terms) | £95.00 plus VAT<br>Charged per lease.<br><br>Note: may apply to both Simple and Complex Transaction and on a Complex Transaction, there will be more than one lease. |
| Land Registry Fees payable in connection with the purchase of the final share | Above £40.00 and in accordance with Land Registry Fee Scale |
| Housing Association or Landlord or Management Company fees or any other third-party disbursements in connection with the final share purchase, including their legal costs (if applicable) | Variable and as requested by the Housing Association or Landlord or Management Company under the terms of the shared ownership lease |
| Removal of a Restriction | £150.00 plus VAT |
| Stamp Duty Land Tax Administration fee (if applicable and purchase of additional share only) | £75.00 plus VAT |
| Stamp Duty Land Tax (if applicable) | In accordance with Land Registry Fee Scale |

| **TRANSFER OF TITLE / EQUITY** | |
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| Legal Services Fee<br>*Customer may appoint the LMS panel firm or Optima Legal to act for them, or another conveyancer. If they choose another conveyancer, LMS or Optima Legal will act for HSBC UK and separate Legal Representation applies, and the same Legal Services Fees is paid by the* | £245.00 plus VAT |

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| *customer to LMS or Optima Legals in addition to the fees payable to their own conveyancer.* | |
| Obtain copy of Land Registry filed plan | £3.00 plus VAT |
| Bankruptcy Searches<br>*Fees vary by jurisdiction* | Cost per customer and in accordance with Land Registry Fee Scales |
| Identification - Electronic Check<br>*This is undertaken for any person who is a client of the firm as part of the transaction or who signs the deed.*<br><br>*A basic electronic check will initially be undertaken but Enhanced Identification checks may also be required.* | £2.54 plus VAT<br><br>Please refer to Enhanced Identification. |
| Identification Checks – Outgoing Party/ies<br>*Where there is an outgoing party, there are separate identification requirements which require completion of form ID1 and provision of a certified photograph- this will need to be undertaken by a solicitor.*<br>*The Land Registry will require evidence that appropriate identity checks have been completed for all parties to the transaction.* | Costs dependent on provider |
| Stamp Duty Land Tax Administration fee<br>*If applicable, this fee is payable where there is a tax liability, for calculating and dealing with payment of the tax to the authorities.* | £75.00 plus VAT |
| Stamp Duty Land Tax fee<br>*If applicable* | In accordance with Land Registry Fee Scale |
| Land Registry Fee<br>*To change the owners of the property* | In accordance with Land Registry Fee Scale |
| Telegraphic Transfer Fee<br>*For distribution of funds, e.g.*<br>*- To send consideration monies to the outgoing party*<br>*- To send any surplus funds to the customer* | £25.54 plus VAT per transfer |
| Indemnity Insurance<br>*Required to protect HSBC UK against any identified risks associated with the transfer of title such as transfer at undervalue.*<br>*This is a bank policy requirement.* | Variable cost, dependent on lending and property values |

| **FEES WHICH MAY BE PAYABLE WHEN TAKING SECURITY - ALL APPLICATION TYPES** | |
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| Qualified Electronic Signature (QES) of Mortgage Deed.<br><br>This includes the signing of mortgage deed and required biometric identity checks.<br><br>Note: the customer can still opt to sign a paper mortgage deed. | £10 plus VAT per customer |

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| Indemnity Insurance<br>*Required to protect HSBC UK against any identified risks when taking security.* | Variable cost, dependent on lending and property values |
| First Registration: England & Wales, unregistered land (compulsory) | £95.00 plus VAT |
| Professional Charges for completing an application | In accordance with Land Registry Fee Scale and above £40.00 |
| First Registration: Scotland, Sasine Registry property (compulsory) | £95.00 plus VAT |
| Professional charges for completing an application: Complex Cases – hourly rate | £130.00 plus VAT |
| Land Registry fee and all other disbursements, including Level 3 plans report | All Land Registry Searches are subject to VAT |
| Solar Panel Leases<br>*Checking and approving an existing lease where the property has solar panels, and the roof space is subject to a lease to a third party* | £90.00 plus VAT |
| Land Registry amendments | £10.00 plus VAT per change |
| Change of name or registration address or correspondence address at Land Registry England, Wales, Scotland and Northern Ireland<br>*Includes verifying the change to Land Registry* | £25.00 plus VAT plus disbursements per change |
| Restrictions, Cautions, Inhibitions<br>*Removal or satisfying* | £150.00 plus VAT |
| Satisfying an anti-fraud restriction<br>*The customer will appoint their own legal representation to witness the mortgage deed being signed and provide the required certification.* | £75.00 plus VAT<br>The customer will also be responsible for paying their chosen legal representative fees. This cost will need to be agreed directly with them. |
| Consent to Charge<br>Where 3rd party consent is required, other than an adult occupier, this fee will apply. | £130.00 plus VAT |
| Estate Rent Charges – England & Wales only<br>Legal Fee to check that the rent charge meets bank requirements including arranging for a Deed of Variation to be entered into if the rent charge does not meet bank requirements | £195.00 plus VAT<br><br>The customer is also responsible for any legal costs including legal fees incurred by the rent charge owner to agree to the Deed of Variation. |
| Declaration of Trust<br>*Drafting and obtaining* | £195.00 plus VAT |
| Deed of Postponement<br>*Obtaining and registering* | £195.00 plus VAT |
| Ordering documents or leases referred to in office copies | £10.00 plus VAT plus disbursements |
| Identification- borrower based overseas<br>*Obtaining certified identification* | £25.00 plus VAT per borrower |

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| Identification – Enhanced Checks<br><br>*An electronic ID check is undertaken as part of the fees assisted incentive conveyancing process. Enhanced ID checks may be required where:*<br>- *the customer is based overseas & the electronic check fails or*<br>- *the customer fails the electronic ID check for another reason or*<br>- *due to the nature of the transaction, for example unencumbered, Transfer of Title, buy to let.*<br><br>*Enhanced check options are typically:*<br>- *Certified ID provided by a solicitor or Independent Financial Advisor (IFA)*<br>- *Digital solutions using biometric facial recognition and digital document verification using passport and driving licence* | Certified ID from a solicitor or IFA option: available to all customers, costs dependent on individual provider.<br><br>Digital Solutions:<br>- Optima Legal instructed only: £20 plus VAT using CREDAS, requires a UK passport and UK driving license |
| Telegraphic Transfer fee<br>*Payable for sending funds to the customer or any third parties* | £25.54 plus VAT per transfer |
| Fee for dealing with third party in relation to disbursement of funds<br>*For example, dealing with conveyancer for an onward purchase. This is in addition to the Telegraphic Transfer fee to send the funds.* | £40.00 plus VAT |
| Providing copy of title information document/updated Register of Title to customer<br>*Optional – customer request only* | £10.00 plus VAT |
| Pre-registration deeds/documents | £10.00 plus VAT |
| Returned to customer by Special Delivery / First Class post<br>*These are not retained by HSBC UK* | No charge |
| Redemption Statement fee<br>*This is an existing lender charge and not all lenders charge this type of fee. Typically 2 redemption statements are required per remortgage.* | Variable |