

## Costs of Moving

### Deposit

When contracts are exchanged a deposit is usually required and paid through your solicitor.

### Valuation / Surveys

To make sure the property is an acceptable security for a loan, the mortgage lender's surveyor will need to inspect and value the property. The cost, if any, of this valuation depends upon which lender you choose.

### Legal Costs

Usually a solicitor or licensed conveyancer needs to be appointed to deal with the legal aspects of purchasing a property. This will incur costs. You can ask for an estimate of these costs before you instruct the legal expert.

### Local Authority Search

Your legal adviser will carry out a local authority search to discover if there are any plans for future developments that could affect the value and purchase of your chosen property.

### Land Registration

This verifies legal ownership of the property and registers the owner at that address.

### Stamp Duty

This is a government tax based on the property's purchase price and is calculated as follows:      o Up to £125K - Nil  
o £125,001 - £250K - 1%      o £250K - £500K - 3%      o £500K+ - 4%.      o Please note that the applicable rate of Stamp Duty must be applied to the whole of the consideration paid to acquire the property.

### Arrangement Fee

Most lenders charge an arrangement or application fee for a mortgage. Some lenders will allow you to add this to the mortgage and the fee varies depending on the lender chosen and the mortgage offer.

### High Lending Charge

This is an insurance policy designed to protect the lender against losses incurred if the property needs to be taken into possession because of arrears. This insurance is commonly used for high loan to value mortgages, where the value of the property is not much more than the requested amount of the loan. This charge is usually passed on to the borrower but it is important to remember that this is insurance for the lender, not the borrower, but paid for by you.

### Insurance

Lenders insist that the property is insured with a buildings insurance policy, covering against the usual risks. In addition to this you will need contents insurance to cover theft, fire, damage etc. Another form of insurance is a mortgage payment protection plan that is designed to offer income protection against unemployment, sickness and redundancy.

### Life Assurance

Most lenders need life assurance to be taken out to cover the value of the loan if you die.