

Snakes and property ladders

Richard Barr wonders whether solicitors have missed a trick when it comes to conveyancing



A few years ago we bought a house. The house we live in is in trust for a member of the family who is disabled. My wife and I have both been married before and we felt it would be a good idea to climb back onto the property ladder.

With uncanny inevitability our purchase was completed exactly as house prices peaked and started their decline, gentle until the banks crashed and then precipitous.

“There was a time when estate agents charged about twice the legal fee for a house transaction. That seemed bad enough, so where has it all gone wrong? Are solicitors charging too little or estate agents charging too much?”

The house had been built in the 1980s and looked like it but it was in a pretty village, so at a stretch it could be called a cottage (its previous name had been Taxal – which sounded as though it had been named by a greedy employee of the inland revenue). We renamed it Bay Tree Cottage after one of the biggest trees in the garden.

We then went into the holiday letting business. Instead of merely leaving the key under a brick, we made up the beds and supplied fresh towels, wafted pot pourris and greeted each new family who came to stay. Soon word spread and our guests returned and sent their friends too.

In some ways the process was not a lot different from the client care that is thrust upon us – except that if we got it wrong there was no regulation authority to fine us. There were lessons all the same: if you make clients feel special they will stick with you.

In the end it all became too much. Our weekends (oases in the desert of legal practice) were shortened by a day, and even though we succeeded in letting it continuously for the summer months, it remained empty for much of the other half of the year. The mortgage, council tax, and utilities still had to be paid and although you can (just) set mortgage payments against holiday income, you still lose ground over the year.

With an uncertain future in the legal profession we decided to cut our losses and get off the property ladder (which by then had become a snake) and were ushered into the wonderful world of property transactions.

We discovered that estate agents are very optimistic people. “This is just the kind of property that people are interested in. £235,000 is about right for the asking price.” That was much more than we had paid, so we signed up, agreed to pay £4,500 plus VAT

and a bit extra to be put at the top of their website listing and waited for the punters to appear.

Nobody came. “Perhaps it would be good to reduce the price,” said the estate agent. “And your bill?” we asked. “No, just the price,” they replied.

So £235,000 became £225,000 then £220,000 but still no one beat a path to the door. The agents advised that it needed to come down a price bracket. “How about offers over £210,000?”, and would their bill be reduced too? No.

Eventually a pleasant lady resembling the Vicar of Dibley (complete with dog collar) came to look around Bay Tree Cottage. She brought her elderly mother who grumbled all the way round the house. “The grand piano will not fit,” she said. I could have told her that. “And I don’t like these steps or the decoration,” croaked her old mother.

Then after a long gap we had an offer of £170,000 – just £65,000 less than the original price suggested by the estate agents. Should we take it, we asked. No firm advice was given either way, except that the agents’ fee was to remain the same. We refused that offer and another, and another after that until eventually it was increased to £215,000 which was a little more than we had paid, and a lot less than we had invested in the property.

Then came the legal side. I once did conveyancing, but they tell me that there are now no such things as conveyances and abstracts of title – so I left it to someone more up to date. We were helped on our way by Charlotte, a highly efficient legal executive who works in my old firm. She ushered us through the process and charged less than a tenth of the agents’ fee and gave us far better value for money.

There was a time when estate agents charged about twice the legal fee for a house transaction. That seemed bad enough, so where has it all gone wrong? Are solicitors charging too little or estate agents charging too much? The answer must be both, with emphasis on the latter. Conveyancing is less creative than other legal endeavours: if conveyancing is done well it does not make for a better house or bigger proceeds of sale but it is still a highly skilled process and if things go wrong the risk is very high. Somewhere along the line the legal profession has lost the initiative and allowed the process to be controlled by estate agents.

I end with a thought. High street solicitors are under threat. Estate agents do them no favours because they usually have their own arrangements with pet solicitors miles away from where the clients live. What would there be to stop the solicitors in every market town opening their own estate agency – co-operatively owned – which can undercut the other agents, but provide sensible remuneration for its members. It could be an ABS-olute winner.

Perhaps that will not be necessary. Now that word is out that the Barrs have dropped out of the property market, prices will shoot up, new houses will be built and furniture companies will start to sell their wares again. It will be boom time – and all because we sold Bay Tree Cottage.



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