

**PURCHASE OF LEASEHOLD
RESIDENTIAL PROPERTY**

FEES & PROCEDURE



E BARING
SOLICITORS & CO

Purchase of a Leasehold Residential Property

We are required by the Solicitors Regulation Authority to publish certain information in accordance with their "Transparency Rules" which is set out below, however, as there are so many variables that can apply on a property by property basis you may find the table below helpful to consider before reading the additional information that we are obliged to provide as it sets out a range of typical examples.

The following table applies to a typical leasehold property purchased in the London area, presuming that the buyers are a couple with a mortgage at Standard SDLT rates.

Our fees cover all the work* required to complete the purchase of your new home, including dealing with registration at the Land Registry and payment of Stamp Duty Land Tax (Stamp Duty) if the property is in England, or Land Transaction Tax (Land Tax) if the property is in Wales.

Conveyancer's fees and disbursements

•Our Charges

Leasehold Purchase	Up to 1m	£1500.00
	£1m above	Quote available by contacting us direct

(All exclusive of VAT)

•We do not charge an additional fee for acting on behalf of the mortgage lender.

•Search fees vary from Local Authority to Local Authority but are normally in the range of £250.00-£500.00

•HM Land Registration fees

	Purchase Price	Paper application	Electronic application	
NB				most matters are subject to electronic registration
	£0 to £100,000	£80.00	£40.00	•Priority and Bankruptcy search fees
	£100,001 to £200,000	£190.00	£95.00	Bankruptcy searches (each) £2.00
	£200,001 to £500,000	£270.00	£135.00	Priority search £3.00
	£500,001 to £1,000,000	£540.00	£270.00	
	£1,000,001 and over	£910.00	£455.00	•Electronic money transfer fee £25.00
plus	£0 to £100,000	£40.00	£20.00	VAT
	£100,001 to £200,000	£60.00	£30.00	Where you are referred to us by an Estate Agent or Mortgage broker we pay them a referral fee, however, this is included in our fees and is not payable by yourself.
	£200,001 to £500,000	£80.00	£40.00	
may	£500,001 to £1,000,000	£120.00	£60.00	
	£1,000,001 and over	£250.00	£125.00	

Disbursements

Disbursements are sums related to your matter that are normally payable via us to third parties, such as search fees. We handle the payment of the disbursements on your behalf to ensure a smoother process. There are certain disbursements which will be set out in the individual lease relating to the Property. The disbursements which we anticipate will apply are set out separately below. This list is not exhaustive and other disbursements may apply depending on the term of the lease. We will update you on the specific fees upon receipt and review of the lease from the seller's solicitors.

Anticipated Disbursements*

- HM Land Registry fees:
- Search fees (partly subject to VAT:
- Notice of Transfer fee – This fee, if a chargeable provision will apply in the lease. Often the fee is between £50.00 and £250.00 (the higher rate applying to new prestigious builds in the London area)
- Notice of Charge fee (if the property is to be mortgaged) – Provision is likely to appear in the lease. Often the fee is between £50.00 and £250.00
- Deed of Covenant fee – This fee is provided by the management company for the property and can be difficult to estimate. Often it is between £75.00 and £250.00
- Certificate of Compliance fee - To be confirmed upon receipt of the lease, as can range between £75.00 and £350.00

*These fees vary from property to property and can on occasion be significantly more than the ranges given above. We can give you an accurate figure once we have sight of your specific documents.

You should also be aware that ground rent and service charge are likely to apply throughout your ownership of the property. We will confirm the ground rent and the anticipated service charge as soon as this we receive this information.

Stamp Duty Land Tax

This depends on the purchase price of your property. You can calculate the amount you will need to pay by using HMRC's website or if the property is located in Wales by using the Welsh Revenue Authority's website, see <https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>

Procedure

The precise stages involved in the purchase of a residential leasehold property vary according to the circumstances. However, below we have listed the key stages:-

- Take your instructions and give you initial advice
- Check finances are in place to fund purchase and contact lender's solicitors if needed
- Receive and advise on contract documents
- Carry out searches
- Obtain further planning documentation if required
- Make any necessary enquiries of seller's solicitor
- Give you advice on all documents and information received

- Go through conditions of mortgage offer
- Send final contract to you for signature
- Draft Transfer
- Advise you on joint ownership
- Obtain pre-completion searches
- Agree completion date (date from which you own the property)
- Exchange contracts and notify you that this has happened
- Arrange for all monies needed to be received from lender and you
- Complete purchase
- Deal with payment of Stamp Duty/Land Tax
- Deal with application for registration at Land Registry

How long will my house purchase take?

How long it will take from your offer being accepted until you can move in to your house will depend on a number of factors. The average process for a leasehold property takes between 6 and 8 weeks. It can be quicker or slower, depending on the parties in the chain. For example, if you are a first time buyer, purchasing a new build property with a mortgage in principle, it could take 4 to 6 weeks.

However, if you are buying a leasehold property that requires an extension of the lease, this can take significantly longer, between 8 and 12 weeks. In such, a situation additional charges would apply.

*** Our fee assumes that:**

- this is a standard transaction and that no unforeseen matters arise including for example (but not limited to) a defect in title which requires remedying prior to completion or the preparation of additional documents ancillary to the main transaction
- this is the assignment of an existing lease and is not the grant of a new lease
- the transaction is concluded in a timely manner and no unforeseen complication arise
- all parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation
- no indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

For further advice on our conveyancing services please contact a member of our conveyancing team:

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