



## **Leasehold Residential Purchase Pricing**

### **Fee**

On residential matters, we ordinarily work on a fixed fee basis, so that our clients are aware of what the fees will be for a transaction from the very beginning.

Our clients are provided with a cost estimate in writing – this way we can ensure that all fee estimates are adhered to and that there aren't any hidden fees. If, however, new developments take place during the course of the transaction and it involves additional work, we will discuss any modification in fees with you first.

### **Leasehold Residential Property Fees**

**In most transactions, our legal fees for handling the conveyancing on the purchase of a leasehold residential property, by individuals, ranges from £650 - £1200 plus VAT.**

**The legal fee is determined by the property price.**

**We operate a fee scale system, with increments of £50.00 per band.**

Our legal fees cover all the work required to complete the purchase of your new home, including preparing and submitting the registration application at HM Land Registry and dealing with the payment of Stamp Duty Land Tax to HMRC.

Please note, the fee range quoted above assumes that it's a standard transaction and no unforeseen matters arise including, for example (but not limited to), a defect in title which requires remedying before completion, or the preparation of additional documents supplementary to the main transaction, that this is the assignment of an existing lease, and not the grant of a new lease, the transaction is concluded in a timely manner and no unforeseen complications arise, all parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation, no indemnity policies are needed (there may be additional fees and disbursements if indemnity policies are required) and we are also instructed to act for your lender to complete the registration of the mortgage on your property.

**The following is a list of things that we consider to be supplementary and not included in standard quote:**

- Acting for Lender - £95.00 plus VAT
- Gifted Deposit - £75.00 plus VAT
- First Time Buyer ISA - £60.00 plus VAT
- Arranging Indemnity Insurance (per policy) - £50.00 plus VAT
- Telegraphic Transfer Administration Fee - £30.00 plus VAT
- Shared Ownership - £150.00 plus VAT
- Help to Buy Scheme (including Forces Help to Buy) - £120.00 plus VAT
- Digital Archiving Fee - £25.00 plus VAT.

### **Factors that may affect our Fees**

During a transaction, there can be instances that may lead to an increase in our fees. Examples of this are, the requirement for planning/building regulations indemnity, unregistered property and defective title. The examples stated are not definitive. If we

believe that a factor is likely to affect your fees, we will of course notify you first before adding an additional fee to your transaction.

### **Disbursements**

Disbursements are payable to third parties and are costs related to your matter, an example of this is Land Registry fees. We will tell you about any additional disbursements if they arise and agree these with you in advance.

Some Leases will set out certain disbursements. The most common disbursements which we envision will apply are detailed below. Please note, this list is not definitive, and, in some circumstances, other disbursements may be applicable – these are of course determined by the individual terms of the Lease.

Once we have had the opportunity to peruse the contract documentation provided, we will inform you on any specific fees payable.

### **Most common disbursements**

- **Notice of Transfer fee** - your conveyancing solicitor will be required to serve a Notice of Transfer on the landlord or the management company detailing the change of ownership. If this fee is payable, it will be detailed in the Lease.

The fee for this notice can range from £30.00 to £500.00.

The actual fee is contained in the Leasehold pack received from the landlord or management company.

- **Notice of Charge fee** - A Notice of Charge is the notification sent to the landlord or management company providing details of any mortgages on the property (if the property is to be mortgaged).

The fee for this notice can range from £30.00 to £500.00.

- **Deed of Covenant fee** - Deeds of Covenant are often used in conveyancing to ensure a new purchaser agrees to pay any service charges that may be levied against a property for such things as paying for maintenance and repair of common areas.

The fee for this notice can range from £50.00 to £300.00.

- **Certificate of Compliance fee** - A certificate of compliance is a document required by the Land Registry to confirm that all the covenants of the lease have been complied with. This is required if a restriction against transfer is registered the title register and no conveyance can be completed on such affected properties without the necessary certificate of compliance.

The fee will be confirmed upon receipt of the lease, and the range can be £50.00 to £200.00

Please note, the fees can vary and can be significantly more than the ranges given above. We can give you an exact figure once we have perused your documents.

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

## Referral Fees

As a business we have developed relationships with various other professionals both regionally and nationally to ensure that we can offer our services in a competitive market place. In some instances, we may pay fees for work referred to us.

Blackfriars Law pays such fees from our business marketing budget. We feel that this is important so that our clients are not obliged to pick up the cost of a referral.

The typical fee paid is between £75.00 and £350.00.

## The stages of a typical transaction –

- Carry out Identification and Money Laundering checks;
- Obtain full details of the transaction from you and any estate agent/introducer;
- Obtain contract documentation and report in detail on all relevant aspects;
- Make all relevant enquiries on the title to the property;
- Make all relevant searches against the property and report to you;
- Review any mortgage offer applicable to your purchase and report to you;
- Liaise with all parties with regard to exchange of contracts, negotiate the deposit payable and the completion date;
- Obtain your signature to the contract and effect exchange of contracts;
- Prepare Transfer Deed and obtain your signature to it;
- Prepare Mortgage Deed, if applicable, and obtain your signature to it;
- Raise any queries on the title with your seller's solicitors and obtain relevant undertakings to discharge outstanding liabilities;
- Carry out Land Charges and HM Land Registry searches and report to you on any adverse results;
- Liaise with your Lender, if applicable, and draw down loan in readiness for completion;
- Prepare financial statement showing monies required from you;
- Supervise completion arrangements, release of keys, transfer of funds;
- Attend to payment of any Stamp Duty Land Tax together with preparation of Returns to HMRC;
- Attend to registration of your title at HM Land Registry and forward copy documentation to you and, where applicable, your Lender.

## The following is what we cannot assist with:

- Advise on tax as this is a specialist area;
- Advise on insolvency matters; and
- Advise on any other matter without first agreeing the fee with you

## Timescales

### *How long is a piece of string...?*

There are various factors that can determine how long a transaction will take. In our experience, the typical leasehold purchase process can normally take between 8-12 weeks to reach completion. Although the *rate limiting step* is often the parties in the chain and in particular management companies.

Additional reasons which may affect the time span include:

- How fast we obtain your signed client care documentation and payment on account
- The swiftness of other parties involved in the transaction or chain

- Any unexpected situations
- With new build matters, the timeframe will be determined directly by the developers i.e. how long it takes for the builder to complete construction.

All issues that may affect your matter in terms of time will be discussed with you at the earliest opportunity.