

## **Purchase of a leasehold residential property**

Our fees cover all the work required to complete the purchase of the property, including dealing with registration at the Land Registry and dealing with the 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.

The following fees apply only to the purchase of a leasehold property with a purchase price of £125,000 and it is subject to change depends on the purchase price.

### **Conveyancer's fees and disbursements**

#### **Purchase of a leasehold property with a purchase price of £125,000**

##### **Legal Fees**

Legal Fees £1,200.00 plus 20% VAT (£1,440)

##### **Additional Costs**

Anti-Money Laundering Check (per person) £4.00 plus 20% VAT (£4.80)

Lawyer check £10.00 plus 20% VAT (£12.00)

Bank CHAPS TT Fee £25.00 plus 20% VAT (£30.00)

##### **Disbursements**

Land Registry fee £95.00

Stamp duty £0 (Please see below)

Search pack Between £400.00 - £600.00

Bankruptcy Search (per person) £2.00

Land Registry Search (per title) £3.00

**Estimated Total £1,986.80**

\*Although we have used our best endeavour to ensure that the above estimate is accurate, we reserve the right to raise additional charges should the complexity or amount of work involved surpass the current levels anticipated, or if prices change after the date the estimate was provided. We will inform you in advance if there are any additional charges anticipated.

Please note that these fees do not apply to any referral arrangements we have in place. If a referral arrangement applies we will confirm the relevant fees to you

### **Disbursements**

Disbursements are the third parties expenses related to your matter, for example, search fees, Land Registry registration fee. In addition to the disbursements noted above, as you are purchasing a leasehold property, the lease will often set out certain disbursements specifically relating to the property. The most common disbursements in relation to the lease which we anticipate will apply are set out below:

- Notice of Assignment fee – The lease may require service of notice to the relevant parties (usually the landlord and/or management company) to inform the change of ownership following completion. Often the fee is between £150.00 - £300.00;
- Notice of Charge fee - If the property is to be mortgaged, the lease may require service of notice to the relevant parties (usually the landlord and/or management company) to notify them of the mortgage. Often the fee is between £150.00 - £300.00;
- Deed of Covenant fee – If required in the lease, the landlord/management company may require you to enter into a Deed of Covenant. The Deed of Covenant is usually issued by the landlord/management company, their fee can be difficult to estimate, but it often is between £180.00 - £300.00;
- Certificate of Compliance fee – Similar to Deed of Covenant, if required by the lease, the landlord/management company may issue a Certificate of Compliance following completion, their fee can range between £180.00 - £300.00

Please note, the above list is non-exhaustive and there could be other disbursements in the lease. We will confirm the disbursements upon receipt of the lease from seller's solicitors.

You should be aware that the above are estimation only as these fees can vary from property to property. Occasionally, these could be significantly more than the ranges given above. We can give you an accurate figure once we have sight the specific documents.

Please 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 we receive this information.

### **Stamp Duty/Land Tax**

The amount of Stamp Duty/Land Tax payable depend on various factors, such as the purchase price, if you or your spouse have an interest in another property following completion. You can calculate the amount you will need to pay by using HMRC's website:

<https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>

If the property is located in Wales by using the Welsh Revenue Authority's website:

<https://littcalculator.wra.gov.wales/>

### **Key stages of the process**

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

- We receive your instructions and give you initial advice;
- We provide you with our client care pack which includes the initial documentation for you to complete;
- You return the completed initial documentation and signed client care letter to us;
- Check finances are in place to fund the purchase and contact lender's solicitors if needed;

- We receive the contract documents and management information pack from seller's solicitors and we advise you on the same;
- We conduct searches;
- Obtain further planning documentation if required
- Make any necessary enquiries including leasehold enquiries of seller's solicitors;
- Report to you on all documents, information and replies to enquiries received;
- Send final contract to you for signature;
- Draft transfer and send to the sellers solicitor for approval and send final transfer to you for signature (if applicable);
- Obtain pre-completion searches;
- We liaise with you and seller's solicitors for a completion date;
- Arrange for all monies needed to be received from lender and you;
- We exchange contracts and notify you that this has happened;
- Complete the purchase;
- We serve notice of transfer and/or mortgage to the landlord/management company;
- We file the Stamp Duty/Land Tax return and make payment on your behalf if applicable;
- We submit an application for registration at Land Registry;
- Report to you with completed registration and forward any title deeds and documents

#### **How long will it take?**

The amount of time it will take to complete your purchase will depend on various factors. The average process takes between 8-12 weeks, however, you should be aware that this timescale is purely an estimate and it could take shorter or longer depends on the circumstance of the transaction. For example, if you are a first time buyer purchasing a property from a seller without an onward chain and the mortgage offer is in place, it could take less than 12 weeks to complete the purchase. In contrast, if you are purchasing a leasehold property from a seller with an onward chain, this can take significantly longer. In such a situation, we may also raise additional charges.

#### **Who will carry out the work?**

The work will be carried out by one of the member from our conveyancing team, Mr. Xiaolin Ma, the firm's director and a qualified solicitor, will be the supervisor on each matter.

#### **Our fee assumes that:**

- a) 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;
- b) this is the assignment of an existing lease and is not the grant of a new lease;
- c) the transaction is concluded in a timely manner and no unforeseen complication arise;
- d) all parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation;
- e) no indemnity policies are required. Additional disbursements may apply if indemnity policies are required;