

PURCHASE OF A RESIDENTIAL LEASEHOLD PROPERTY

Costs guidance

Please note: the figures given in this notice in relation to fees are provided as a quote, for the purpose of our pricing transparency. If a particular matter requires additional and/or complicated work, then the fees shown below may be greater – but in such a case, we would inform the client, at an early stage.

Subject to what is stated at the end of this example*, our fees cover all the work required to complete the purchase of your new home. This will include: (i) dealing with registration at the Land Registry and (ii) 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.

Conveyancer's Fees & Disbursements

Your bill from us will state our fees and third-party disbursements. (These latter are costs related to your matter, payable to third parties e.g. Land Registry fees. We handle the payment of the disbursements on your behalf, making it a smooth process).

Fees and disbursements will include the following:

- Legal fee £1,850-£2,200 to £2,750-£3,750 (depending on value of property and nature of Leasehold)
- Search fees £500
- HM Land Registry fee £150
- Electronic money transfer fee £30
- VAT (currently 20%) where applicable

Stamp Duty or Land Tax in Wales: please note that, in addition to fees and disbursements, one of these taxes applies on a purchase. The amount payable will depend on your property's purchase price. We calculate the amount you must pay.

Please note that certain other disbursements may be set out in the individual lease relating to the property. We will update you on these after we have received and reviewed the lease from the seller's solicitors.

Anticipated Disbursements

- Notice of Transfer fee: this fee if chargeable is set out in the lease; often, the fee is between £50 and £400
- Notice of Charge fee (if the property is to be mortgaged): this fee is set out in the lease or confirmed by the management company; frequently, the fee is between £25 and £150
- Deed of Covenant fee: this fee is confirmed by the management company for the property and can be difficult to estimate; usually, it is between £100 and £250

- Certificate of Compliance fee: to be confirmed upon receipt of the lease, as can range between £25 and £100

However, disbursements vary from property to property and can, on occasion, be significantly more than the ranges above stated. We can give you an accurate figure once we have sight of the documents specific to your transaction.

Please note: 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 from the seller's solicitor.

Worked Example: Basic Leasehold Purchase for a property with a purchase price of £300,000 being made by a couple with a mortgage – Fees, Disbursements, Stamp Duty / Land Tax and VAT will include the following:

	Fees	VAT
W Davies legal fee	£1,850.00- £2,200.00	£370.00- £440.00
Search fees	£500.00	£100.00
HM Land Registry fee	£150.00	
Stamp Duty Land Tax	£2,500.00	
Electronic money transfer fee	£30.00	£6.00
Bankruptcy search x 2	£4.00	£0.80
Priority Search at Land Registry	£3.00	
Sub-totals	£5,037.00- £5,387.00	£476.80- £546.80

Estimate for total of Fees, Disbursements and Stamp Duty / Land Tax (inc VAT) ranging from: £5,513.80 - £5,933.80

(This estimate should provide you with a clear understanding of the total cost of the transaction, and accordingly the full funds you will need to complete your purchase).

How long will my house purchase take?

How long it takes from acceptance of your offer until you can move in to your house depends

on numerous factors – but the average process takes between 8 and 12 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 (leasehold) property with a mortgage in principle, it could take longer but this is dependent upon when the property is built and when it is ultimately ready for occupation. However, if the leasehold property you are buying requires an extension of the lease, this can take significantly longer, between 3 and 6 months. In such examples, additional fees and other charges would apply.

Stages of the process

The precise stages in a residential purchase vary according to circumstances.

However, below, we set out some key stages in our conveyancing work:

- Take your instructions and give you initial advice
- Comply with Anti Money Laundering requirements
- Check finances are in place to fund purchase and the source of finance
- Contact lender's solicitors, if needed
- Receive contract documents and the lease
- 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 we receive
- Go through conditions of mortgage offer with you
- Send final contract to you for signature
- Draft Transfer
- Advise you on joint ownership
- Agree completion date (i.e. the date from which you own the property)
- Collect deposit funds (usually 10% of purchase price)
- Exchange contracts and notify you that this has happened
- Obtain pre-completion searches
- Arrange for all monies needed to be received from you and from your lender including any apportionments of service charge and ground rent
- Complete purchase
- Advise you when you can collect the keys from the estate agent
- Deal with payment of Stamp Duty/Land Tax
- Deal with application for registration at Land Registry
- Confirm to you that the registration process has been concluded

*Our fee, referred to above, 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

- The lease is acceptable and does not contain any defects or clauses unacceptable to a lender
- 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

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