



## **PURCHASE OF A LEASEHOLD RESIDENTIAL PROPERTY**

### **What does the service cover?**

The precise stages involved in the purchase of a freehold residential property vary according to the circumstances but the following gives an overview of the key stages:

- Pre-Exchange of Contracts – review and advice on legal title, lease, search results, Landlord/Management Company information pack, replies to legal enquiries and mortgage offer conditions, report to lender, procurement of signed documents and deposit money.
- Effecting the Exchange of Contracts - whereby you enter a legally binding contract to purchase the property.
- Pre-Completion – procure signed documents, pre-completion checks and searches, prepare financial statement, draw down of funds.
- Effecting Completion - transfer of money to the seller’s solicitors, release of keys and apportionment of ground rent and service charge.
- Post Completion - payment of Stamp Duty Lax Tax (England) or Land Transaction Tax (Wales) and the relevant tax return where applicable, notification of change of ownership to Landlord/Management Company and submission of application for registration of your ownership at Land Registry.

### **How much does the service cost?**

We offer fixed fees for a standard leasehold purchase transaction. The following is designed to be a general guide to costs but we can provide a personalised and accurate quote if you would like to call our office on 01462 427558 or email [steve@susanhall.co.uk](mailto:steve@susanhall.co.uk)

### **Legal fees and costs subject to VAT**

Cost	£
Legal Fees	995.00 to 1,100.00 plus VAT
Bank Transfer Fee	30.00 plus VAT
Stamp Duty Form Completion and Submission Fee	40.00 plus VAT
File Storage Fee	10.00 plus VAT

The following additional costs may also apply-

Cost	£
Drawdown of a Help to Buy ISA Bonus	50.00 plus VAT
Second mortgage	75.00 plus VAT
Help to Buy Equity Loan	250.00 plus VAT
New build	100.00 plus VAT
Declaration of Trust	100.00 plus VAT

Although we reserve the right to increase our fixed fee quote if the matter becomes more complex or protracted than expected, that would be very unusual.

### **Disbursements not subject to VAT (payable to third parties)**

We handle the payment of the disbursements on your behalf to ensure a smoother process.

Cost	£
Approximate cost for local, drainage and environmental searches	250.00 to 350.00
Bankruptcy Search (per person)	2.00
Land Registry	3.00
Stamp Duty Land Tax (England)	This will vary depending on a number of factors. Please use the HMRC calculator on the link below: <a href="https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/">https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/</a>
Land Transaction Tax (Wales)	This will vary depending on a number of factors. Please use the calculator on the Welsh Government link below: <a href="https://www.beta.gov.wales/land-transaction-tax-calculator">https://www.beta.gov.wales/land-transaction-tax-calculator</a>
Land Registry Fee	This will vary depending on a number of factors. Please use the Land Registry website link below: <a href="https://www.gov.uk/guidance/hm-land-registry-registration-services-fees">https://www.gov.uk/guidance/hm-land-registry-registration-services-fees</a>
ID Check (per person)	4.80
Case Management Cost	27.60

### **Leasehold disbursements**

There are certain disbursements to be paid to third parties which will be unknown at the beginning of your leasehold purchase. These fees vary from property to property and can, on occasion, be significantly more than the ranges given below. This list is not exhaustive and other disbursements may apply depending on the terms of the lease. We will confirm the exact amount of these disbursements when the information becomes available.

Cost	£
Notice of Transfer and Charge Fee	100.00 plus VAT to 400.00 plus VAT
Deed of Covenant Fee	50.00 plus VAT to 200.00 plus VAT
Certificate of Compliance	50.00 plus VAT to 200.00 plus VAT

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 and make the necessary apportionments as at the date of completion.

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

How long it will take from your offer being accepted until you can move in to your property will depend on a number of factors. The average process takes around 10 weeks but it can be quicker or slower, depending on the parties in the chain. For example, if you are a first time buyer, purchasing a leasehold property with a mortgage in principle and no onward chain, it could take as little as 6 weeks. However, if you are buying a property with several other connected freehold or leasehold transactions in the “chain”, this can take significantly longer. If you are buying a leasehold property that requires an extension of the lease, the extension process could take anything between 4 and 12 weeks on average and possibly longer in some cases and additional charges may apply.