

## Purchase of a leasehold residential property

Our fees cover all the work\* required to complete the purchase of your 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 total cost of a purchase includes legal fees and other payments, often called disbursements, which are costs related to your matter that are payable to third parties, such as search providers and the Land Registry. We handle the payment of the disbursements on your behalf.

Each transaction and each property is different. On our website, we can only provide you with a general indication of the likely costs. We can provide more precise information after discussing the details of your transaction and your requirements with you. We will ensure that your matter is handled by the member of the team with appropriate seniority and experience for your transaction. The residential property team members and their experience can be found [here](#).

When you are budgeting for the cost of your purchase, you should allow for the following:

### **Conveyancer's fees and other payments:**

**Legal fee\*** – The complexity of the matter and the seniority and experience of the member of the team handling the day-to-day work will affect the final fee. Our legal hourly rate varies between £165 – £300 plus VAT per hour. Broad cost estimates can be found [here](#).

**Electronic identity verification check** – We are required by law to verify the identity of our clients. To satisfy this requirement we carry out online ID verification checks on our clients and we charge a fee of £15 – £20 plus VAT for each check undertaken.

**Searches** – Searches will be undertaken on your behalf and on behalf of your lender (if any) to find out more information about a property you plan to purchase. These will typically include Local Authority, Water and Drainage and Environmental searches. Search fees can differ between properties and local authorities but typically, these will range from £270 – £450 plus VAT.

**Electronic bank transfer fee** – This is a standard fee of £35 plus VAT.

**Bankruptcy search** – £2 plus VAT per check

**Land Registry (OS1) fee** – £3 plus VAT

### **[steeleraymond.co.uk](http://steeleraymond.co.uk)**

Steele Raymond LLP is a Limited Liability Partnership registered in England and Wales under number OC311376. Steele Raymond LLP is authorised and regulated by the Solicitors Regulation Authority (SRA number 419728) whose rules can be accessed via [www.sra.org.uk](http://www.sra.org.uk). Registered office Richmond Point, 43 Richmond Hill, Bournemouth, Dorset, BH2 6LR, where a list of members' names is open to inspection.

### **\*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 not a new-build property purchased from the developer
- 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 statutory declarations or indemnity policies are required. Additional disbursements may also apply if indemnity policies are required.
- f. we do not discover that building regulations approval or planning permission is missing
- g. there are no joint ownership issues indicating a requirement for a declaration of trust

### **Other Disbursements**

There are certain disbursements which will be set out in the individual lease relating to the property. These 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 conveyancers.

- **Notice of Transfer fee** – This fee is a usual requirement in the lease. Often the fee is between £50 – £350 plus VAT.
- **Notice of Charge fee** (if the property is to be mortgaged) – This fee is a usual requirement in the lease. Often the fee is between £50 – £350 plus VAT.
- **Deed of Covenant fee** – This fee is set by the freeholder or managing agents for the property and can be difficult to estimate. Often it is between £50 – £350 plus VAT.
- **Certificate of Compliance fee** – To be confirmed upon receipt of the lease, often this can range between £50 – £350 plus VAT.

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 be payable by you throughout your ownership of the property. We will confirm the ground rent and the anticipated service charge once we receive this information.

### **VAT**

Where an amount is stated as “plus VAT” we will charge VAT at the rate of 20% which is payable in addition to the amount stated.

### **steeleraymond.co.uk**

Steele Raymond LLP is a Limited Liability Partnership registered in England and Wales under number OC311376. Steele Raymond LLP is authorised and regulated by the Solicitors Regulation Authority (SRA number 419728) whose rules can be accessed via [www.sra.org.uk](http://www.sra.org.uk). Registered office Richmond Point, 43 Richmond Hill, Bournemouth, Dorset, BH2 6LR, where a list of members' names is open to inspection.

## Stamp Duty or Land Tax

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

## Land Registry registration fee

There is a Land Registry fee to register the transfer of your property, and any mortgage, in your name. This depends on the purchase price of your property. The Land Registry scale can be found at <http://landregistry.data.gov.uk/fees-calculator.html>

## Stages of the process

The precise stages involved in the purchase of a residential leasehold property vary according to the circumstances. However, below are some key stages:

- Take your instructions and give you initial advice
- Check finances are in place to fund purchase and contact lender's solicitor if needed
- Receive and advise on contract documents
- Carry out searches
- Make any necessary enquiries of seller's conveyancer
- Give you advice on all documents and information received
- Go through conditions of mortgage offer
- Send final contract to you for signature
- Draft transfer document
- 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. At this stage, the parties are committed to the transaction
- 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
- Serve Notice on freeholders

## steeleraymond.co.uk

Steele Raymond LLP is a Limited Liability Partnership registered in England and Wales under number OC311376. Steele Raymond LLP is authorised and regulated by the Solicitors Regulation Authority (SRA number 419728) whose rules can be accessed via [www.sra.org.uk](http://www.sra.org.uk). Registered office Richmond Point, 43 Richmond Hill, Bournemouth, Dorset, BH2 6LR, where a list of members' names is open to inspection.

## How long will my property purchase take?

How long it will take from your offer being accepted until you receive the keys to your property will depend on a number of factors. The average process takes between 6 – 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 property with a mortgage in principle, it could take 5 weeks. However, if you are buying a leasehold property that requires an extension of the lease, this can take significantly longer, between 3 – 6 months. In such a situation, additional charges would apply.

## Contact us

For further details on the residential conveyancing process please [contact us](#) or call 01202 294 566 and we will be happy to go through the process in more detail.