

## Sale of a leasehold residential property

Our fees cover all the work\* required to complete the sale of your property, including dealing with redemption of any existing loan that you may have secured on the property.

The total cost of a sale includes legal fees and other payments, often called disbursements, which are costs related to your matter that are payable to third parties, such as managing agents 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 sale, 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 £195 – £355 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.

**Copy deeds** – There is a fee payable to the Land Registry to obtain official copies of the title entries and plan for a registered title for which there is a charge of £18 plus VAT with a further charge of £3 plus VAT for an official copy of each additional document.

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

**Bank account checker fee** – Before remitting sale proceeds to you, we must check that the sale proceeds will be sent to a bank account in your name. The cost of this check is £3.75 plus VAT.

### **\*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. the transaction is concluded in a timely manner and no unforeseen complication arise

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- c. all parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation
- d. no statutory declarations or indemnity policies are required. Additional disbursements may also apply if indemnity policies are required.
- e. we do not discover that building regulations approval or planning permission is missing

## Other Disbursements

There are other disbursements which can be payable on the sale of a leasehold property and which depend upon the terms of 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 and after making contact with any managing agents.

- **Management Information fee** – This fee is charged by the freeholder or managing agents to provide information about key management details required by the buyer. Often the fee is between £150 – £500 plus VAT.
- **Deed of Covenant fee** – This fee can be a requirement of the lease and 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.
- **Licence to Assign fee** – A few leases require permission from the freeholder before then can be transferred and a fee will be charged by the freeholder which cannot be estimated and can only be confirmed once the details are obtained from the freeholder. We advise you budget 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.

## 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.

## Stages of the process

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

- Take your instructions and give you initial advice
- Obtain your replies to standard enquiries about your property
- Obtain management information from the freeholder or managing agents
- Review the lease and the title to the property
- Prepare the contract and supporting papers and send these to the buyer's conveyancer

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- Receive and respond to enquiries from the buyer's conveyancer
- Settle the transfer document
- Obtain your signature to all required documents
- Agree the completion date
- When all parties are ready, exchange contracts and notify you that this has happened. At this stage the parties are committed to the transaction
- Obtain figures to pay off any existing mortgage or loan secured on the property
- If you have sold through an estate agent, obtain their account
- Apportion ground rent and service charges so that you are reimbursed for any payments made in advance that cover the period after completion
- Provide you with a completion statement to show the financial transactions
- On the day of completion, receive the purchase money from the sale and pay off any mortgage or loan, pay the estate agents and account to you
- Complete the paperwork formalities with the buyer's conveyancer

### **How long will my property sale take?**

How long it will take from accepting the offer from your buyer until you receive the money from the sale 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. The transaction can only proceed as fast as the slowest person in the chain. For example, if you are selling to a cash buyer who does not require a mortgage and has no property to sell, it could take 5 weeks. However, if you are selling 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.

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