

COX & HODGETTS

SOLICITORS

solicitors@coxhodgetts.uk T : 01386 442513

Purchase of a Residential Leasehold Property

Price Information

Our charges will be calculated mainly by reference to the time actually spent by the solicitor and other staff in respect of any work which they do on your behalf. This may include meetings with you and perhaps others; reading, preparing and working on papers; making and receiving telephone calls; emails and faxes; preparation of any detailed costs estimates and bills and time necessarily spent travelling away from the office.

Routine letters and emails that we send and receive and routine telephone calls that we make and receive are charged at one tenth of the hourly rate. Other letters, emails and calls are charged on a time spent basis.

The current hourly rates are set out below. We will add VAT to these at the rate that applies when the work is done.

- Partners: £240.00
- Solicitors: £230.00
- Legal Executives and Residential Conveyancers: £200.00
- Trainee Solicitors: £165.00

These hourly rates will be reviewed periodically to reflect increases in overhead costs and inflation. Normally the rates are reviewed with effect from 1st April each year. If a review is carried out before a particular matter has been concluded you will be informed of any variation in the rate before it takes effect.

In cases involving particular complexity or requiring specialist expertise an additional charge may be made to that calculated on the basis of time spent. This may have regard to the price of the property or other financial benefit. This value element reflects the importance of the transaction and consequently the responsibility falling on the firm.

If for any reason a matter does not proceed to completion, we will be entitled to charge you for work done on a time spent basis and for the expenses, sometimes called disbursements, incurred. Property sales and purchases which fail to complete often involve as much work as those which reach completion.

Disbursements are costs related to your matter that are payable to third parties such as search fees, Land Registry fees for registration of transactions, Stamp Duty Land Tax (England) and Land Transaction Tax (Wales). We handle the payment of disbursements on your behalf to ensure a smoother process.

Cost of the Purchase of a Residential Leasehold Property

The fees set out below are the minimum fees that we would charge for all work required to complete a standard purchase and mortgage of a residential leasehold property at an asking price of £200,000.00 or less.

Legal Fees

- Legal fee for acting on your behalf - £1,250.00 plus VAT £250.00 = £1,500.00 *
- Legal fee for acting on behalf of the mortgage lender - £195.00 plus VAT £39.00 = £234.00 *
- Funds Transfer fee to transfer monies - £35.00 plus VAT £7.00 = £42.00 per transfer

Disbursements

- Search fees, assuming the property is in the Wychavon area and we are instructed to undertake the usual local search and enquiries of the local authority, drainage and water enquiry (CON29DW) with Severn Trent Water and Groundsure Homebuyers through our search provider - £330.00 including VAT (estimated);
- Pre-completion search fees - £7.00 plus VAT = £8.40 (estimated);
- H.M. Land Registry fee - £100.00, assuming a purchase price of between £100,001.00 and £200,000.00 and the application may be submitted electronically at the reduced rate;

COX & HODGETTS

SOLICITORS

solicitors@coxhodgetts.uk T : 01386 442513

- Stamp Duty Land Tax (England) and Land Transaction Tax (Wales) - please see the separate note set out below **
- Notice of transfer fee – this fee, if applicable, will be specified in the lease.
It is often between £50.00 plus VAT £10.00 = £60.00 and £150.00 plus VAT £30.00 = £180.00;
- Notice of mortgage fee – this fee, if chargeable, will be payable if you are mortgaging the property, and will be specified in the lease. The fee is often between £50.00 plus VAT £10.00 = £60.00 and £150.00 plus VAT £30.00 = £180.00 **
- Deed of covenant fee – the lease will provide whether you are required to enter into a deed of covenant with either the Landlord and / or the Management Company and if such deed is required, the lease will specify any fee that will be payable to the Landlord and / or the Management Company **
- Certificate of compliance fee - £75.00 plus VAT £15.00 + £90.00 (estimated) **

Estimated Total - £2,724.40 including VAT * but excluding Stamp Duty land Tax (England) or Land Transaction Tax (Wales) in respect of which please see the note below ***

* Assumptions

Our minimum fees and the disbursements outlined above are based on the following assumptions: -

- 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 exchange of contracts or completion, or the preparation of additional documents ancillary to the main transaction;
- The property is sold with vacant possession on completion;
- Where the transaction relates to the sale or purchase of a residential leasehold property it is assumed to be the assignment of an existing lease and not the grant of a new lease. It is also assumed that the lease is not a shared ownership lease and that no lease extension is required;
- Title to the property is registered at the Land Registry;
- The transaction is concluded in a timely manner and that no unforeseen complications arise;
- All parties to the transaction are cooperative and there is no unreasonable delay from third parties providing documentation;
- No indemnity policies are required. Please note additional disbursements may apply if indemnity policies are required;
- There is no lack of the required consents in relation to the construction of the property and all alterations

** Anticipated Disbursements

The notice of transfer fee, notice of mortgage fee, deed of covenant fee and certificate of compliance fee vary from lease to lease and whether all or any of these fees are payable and the amount of the payment will depend in each case on the specific provisions contained in the lease which creates the leasehold interest in the property that you are looking to purchase. You should bear in mind that, on occasion, these fees may be more than the fees indicated. As and when we have sight of the lease and the standard leasehold sale information pack we will be able to provide accurate information in respect of these fees.

You should also be aware that the lease will contain specific provisions concerning the payment of ground rent and service charge that will apply throughout the term of the lease. We will be able to confirm the amount of the ground rent and the anticipated service charge as and when this information is provided by the seller.

Service Information

All conveyancing work within this firm is undertaken by Solicitors, a Residential Conveyancer and a Specialist Paralegal with many years' experience in residential conveyancing namely: -

- Ian Long B.A. (Solicitor, admitted 1999);
- John Madge B.A. (Solicitor, admitted 1983);
- Clare Moss (Specialist Paralegal, qualified 2020);

COX & HODGETTS

SOLICITORS

solicitors@coxhodgetts.uk T : 01386 442513

- Vicki Talliss (Residential Conveyancer)

Occasionally a Trainee Solicitor will assist under the supervision of one of the above named.

How long will my house purchase take?

How long it will take from the seller accepting your offer until you are able to move into the property (the completion date) will depend on a number of factors. The average process takes between 8 to 12 weeks. It may be quicker or slower depending on the number of parties in the chain and their individual circumstances.

Stages of the process

The precise stages involved in the purchase of a residential freehold property vary according to circumstances. We have however set out below some key stages which you should bear in mind.

- Taking your instructions and providing initial advice, including our terms of business and a fee estimate that reflects what we have been able to ascertain at the initial stages, regarding the proposed transaction;
- Taking your instructions with regard to the financial arrangements that you are putting in place to fund the purchase and, if necessary, making contact with the lender's solicitors;
- On receipt of the draft contract, copy lease, standard leasehold sale information pack and supporting papers liaising with you where necessary and ordering all of the usual searches;
- On receipt of the results of the searches and the complete contract package from the seller's solicitor, perusing the same carefully with a view to raising enquiries of the seller's solicitor, amending/approving the draft contract and preparing the draft transfer deed;
- On receipt of replies to enquiries reporting to you either by post, email or in person in connection with the contract, lease, transfer deed and supporting papers;
- Where part of the purchase monies are being provided by way of mortgage, perusing the mortgage offer and mortgage instructions and reporting to you as required;
- Making arrangements for you to sign the contract and execute the transfer deed and any mortgage deed and deed of covenant (required under the terms of the lease) in anticipation of exchange of contracts and completion;
- On being advised that you are content to proceed, liaising with the seller's conveyancer with regard to the proposed date for exchange of contracts and the suggested completion date;
- Exchanging contracts and, where part of the purchase monies are being provided by way of mortgage, submitting the certificate of title to the lender;
- Completing the purchase and any related mortgage and subsequently dealing with the payment of Stamp Duty Land Tax (England) or Land Transaction Tax (Wales) and thereafter making the application to H.M. Land Registry for registration of the change of ownership and any related mortgage;
- Serving notice of transfer and, if the property has been mortgaged notice of mortgage, on the Landlord and / or Management Company in accordance with the terms of the lease and paying to the Landlord and / or Management Company any fee payable under the terms of the lease for the service of such notice;
- Where necessary, reporting to the lender following completion.

De Montfort House, 115 High Street, Evesham, Worcestershire WR11 4HS
T : 01386 442513. F : 01386 765452 E : solicitors@coxhodgetts.uk

Cox & Hodgetts is authorised and regulated by the Solicitors Regulation Authority - SRA Number 70314

Copyright © 2021 Cox & Hodgetts Solicitors