

# NELSONS SOLICITORS

## **Purchase of a Leasehold Residential Property**

Nelsons solicitors have secured membership to the Law Society's Conveyancing Quality Scheme which is the mark of conveyancing excellence for the home buying and selling process.

We provide a high quality personal service.

The purchase of a property may turn out to be one of the most important decisions of your life and you should consider the choice of solicitor very carefully.

Our fees cover all of the work required to complete the purchase of your property, including dealing with registration at the Land Registry and the payment of Stamp Duty Land Tax if the property is in England, or Land Transaction Tax if the property is in Wales.

The fee will be dependent on the type of value of property being purchased. Therefore once you have found a property to buy then please telephone our office supplying full details of the property in question and we will provide a full breakdown of all the legal fees and expenses involved in your transaction thus allowing you to budget to the very last penny from the very beginning of the transaction.

We do offer a "drop in service" whereby you are able to attend our office to discuss our fees and expenses payable in relation to your particular transaction. This is a free service and should you wish to take advantage of this service then please contact our office and we will make the necessary arrangements.

Nelsons Solicitors have devised House Purchase Notes which are specifically designed for either first time buyers or for those that have not bought a property for some time. These notes provide a detailed explanation of the conveyancing process and also help to explain and define any technical terms you may come across. These notes are available to you upon your instruction of Nelsons Solicitors and will be sent out to you at the very beginning of the conveyancing process.

### **Conveyancer's fees and disbursements**

- Legal fee from £850 plus VAT\*
- I.D. / AML Electronic Search £35 plus VAT
- Panellink Fee £ 30.00 plus VAT (if applicable)
- Lawyer Check £ 35.00 plus VAT
- Electronic money transfer fee £35 plus VAT

- Contribution towards the Indemnity Insurance Fee £125 plus VAT
  - Copying Charge £20 plus VAT
  - Incidentals (Postage, Telephone Calls etc.) £40 plus VAT
  - HM Land Registry search fee £3 - £20 plus VAT
  - Local Authority Search Fee £76 - £400 depending on the local authority plus VAT
- \*VAT payable at the prevailing rate.

In addition to the compulsory local authority search there are a number of additional optional searches. These additional searches include (but are not limited to) environmental search, drainage and water search and a planning search. The costs of these searches are completely dependent upon searches providers and therefore can range from £50 to £100 plus VAT, each.

It is our usual practice to carry out searches and enquiries at the earliest opportunity which means we would then be in a position to exchange contracts once you are happy to do so. This will save you a significant amount of time.

Disbursements are costs related to your transaction that are payable to third parties, such as Land Registry fees. We handle the payment of the disbursements on your behalf to ensure a smoother process. There are certain disbursements which will be set out in the individual lease relating to the property. The disbursements that we anticipate will apply depending on the terms of the lease. We will update you on the specific fees upon receipt and review of the lease from the seller's solicitors.

Disbursements are not included in our fee ranges, however, these typically include:

- HM Land Registry Registration fee from £20 - £910 depending on the transaction

### **Stamp duty or Land Tax**

This depends on the purchase price of your property. You can calculate the amount you will need to pay by using the HMRC's website or if the property is located in Wales by using the Welsh Revenue Authority's website.

### **Further Potential Leasehold Disbursements Paid Out to Third Parties**

I would explain that the following additional disbursements are not automatically payable and are dependent upon the terms and provisions of the respective Lease for that particular property. Nelsons solicitors provide a full report on the terms and provisions of the Lease and we will notify you at the earliest opportunity if any of the following disbursements are payable.

- Notice of Transfer and Charge fee – this fee if chargeable is set out in the lease. Often the fee is between £100 - £300
- Deed of Covenant fee – to be confirmed upon receipt of the Lease. Often the fee is between £100 - £300

- Certificate of Compliance fee- to be confirmed upon receipt of the lease. Often the fee is between £100 - £300

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 always be aware that the 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.

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 the assignment of an existing lease and is not the grant of a new lease
- c. The transaction is concluded in a timely manner and no unforeseen complications arise
- d. All parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation
- e. No indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

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

This will depend on a number of factors. The average process takes between 8 to 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 property from a seller with no related purchase, and a mortgage agreed in principle, it could take 8 weeks. However, if you are buying a leasehold property in a long chain or one that requires an extension of the lease, this can take significantly longer. In such a situation, additional charges may apply.

Nelsons Solicitors have acted for clients where exchange of contracts and completion has taken place within 24 hours. Therefore provided the circumstances allow Nelsons Solicitors can tailor make the service to suit your particular circumstances.

### **Stages of the Process**

- Take your instructions and give you initial advice.
- Check finances are in place to fund purchase and contact lender's solicitors if needed
- Receive and advise on contract documents
- 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 received
- Go through conditions of mortgage offer with you
- Send final contract to you for signature
- Draft Transfer
- Advise you on joint ownership
- Obtain pre-completion Land Registry searches
- Agree completion date (date from which you own the property)
- Exchange contracts and notify you that this has happened
- Arrange for all monies needed to be received from lender and yourself
- Complete purchase
- Deal with payment of Stamp Duty/Land Tax
- Deal with assignment requirements under the lease
- Deal with application for registration at Land Registry
- Forward you completed registered title documents so that you are aware that everything has been finalised

We hope the above is clear. We do encourage contact between ourselves and our clients and therefore if you have any questions or queries regarding any of the above information then please telephone our office on 0207 403 4000 and we shall be only too pleased to assist.