

Sale of a leasehold residential property - flat

Our fees are based on the amount of time it takes us to complete your sale efficiently and the seniority and experience of the lawyers and other fee earners working on your transaction. Our fees will be specifically agreed with you at the outset of your transaction, once we know the details and circumstances involved, and will cover the work required to complete your sale. Where the transaction does not proceed to completion a reduction of 25% to 50% is usually applied to the agreed fees depending on how far advanced the transaction is.

Our current hourly charge rates range from £250 for a recently qualified solicitor to £435 for a senior partner/consultant.

Occasionally a transaction becomes unexpectedly more complex e.g. there might be problems with your lease that need to be rectified with the co-operation of your landlord. We would notify you of this as soon as reasonably practicable, so that you can decide whether you wish to continue with a sale at that time with the additional expense of us dealing with the unexpected extra work.

Our fees

<u>Sale price of property</u>	<u>Fee range</u>
Less than £350,000	£1,400 - £1,600
£350,000 - £500,000	£1,600 - £1,900
£500,000 - £750,000	£1,900 - £3,000
£750,000 - £1,000,000	£3,000 - £4,500
£1,000,000 - £2,000,000	£4,500 - £7,000
£2,000,000 - £3,000,000	£7,000 - £8,500
£3,000,000 - £4,000,000	£8,500 - £10,000
£4,000,000 - £5,000,000	£10,000 - £12,500
£5,000,000 +	£12,500 +

Our fee ranges assume that:

- This is a standard transaction and that no unforeseen matters arise including for example (but not limited to) a defect in the lease which requires remedying prior to completion or the preparation of additional documents ancillary to the main transaction
- This is the assignment of a lease where all necessary landlord's consents have been obtained, there have been no breaches of the lease and the landlord's consent is not required to transfer the lease
- The transaction is concluded in a timely manner and no unforeseen complications arise
- All parties to the transaction are co-operative and there is no unreasonable delay in

- third parties providing documentation
- No indemnity policies are required to cover problems. Additional disbursements will apply if indemnity policies are required and the buyer does not agree to pay for them.

Disbursements

Disbursements are costs related to your transaction that are payable to third parties, such as Land Registry fees to obtain official copy title documents and the managing agents' fees for supplying the management pack containing the service charge, insurance and other management information we will need to supply to your buyer's solicitors. We handle the payment of the disbursements on your behalf to ensure a smoother process. Disbursements are not included in our fee ranges, however, these typically include:

- Managing agents' fees for supplying the management pack (where required): these usually cost in the region of £150 to £400 plus VAT
- Electronic money transfer fee: 50p - £15 plus VAT to transfer the mortgage discharge payment to your lender and the balance of sale proceeds to you, where you have no related purchase.

Any photocopying that is required will be charged at a commercial rate. This would usually be no more than £100 plus VAT where relevant.

Other possible disbursements under the Lease

There are certain additional disbursements which may be payable under your lease of the Property. For example, if the consent of your landlord is required to transfer your lease you will be required to meet your landlord's legal costs. These are likely to be in the region of £1,000 to £2,000 plus VAT. We will update you on such specific fees payable upon receipt and review of the lease.

VAT

VAT is payable at 20% on all legal fees and taxable disbursements.

Example transaction

Example leasehold sale transaction with the property being sold for £500,000 and a mortgage to be discharged, but no consent to the transfer is needed from the landlord.

Legal fee	£1,900.00
Electronic money transfer fees	<u>£30.00</u>
Subtotal	£1,930.00
VAT	<u>£386.00</u>
Total legal fees, disbursements and VAT	<u>£2,316.00</u>

How long will my sale take?

How long it will take from accepting your buyer's offer until you can complete the sale of your property will depend on a number of factors. The average process takes between 4-8 weeks to exchange contracts and then between 2-4 weeks from exchange to completion. It can be quicker or slower, depending on the parties in the chain. For example, if you are a seller to a first time buyer, who has a mortgage agreed in principle at the outset, it could take overall 6-8 weeks. However, if you are selling a leasehold property that requires the landlord's consent to

transfer, this can cause delay, on average between 6 and 10 weeks. In such a situation additional charges would apply for dealing with the landlord's consent.

Stages of your sale

The precise stages involved in the sale of a residential leasehold property vary according to the circumstances. However, below we set out some key stages that are relevant to most transactions:

- Take your instructions and give you initial advice
- Send a Property Information form, Leasehold Information form and Fittings and Contents form to you to complete
- Obtain details of your buyer's solicitors and the terms agreed from your estate agents
- Obtain title information and your lease (or a copy of your lease)
- Prepare the draft contract and send the draft contract, copy title documents and copy lease to your buyer's solicitors
- Request the sale management pack from the managing agents
- If your landlord's consent is required, contact the landlord's solicitors to obtain their requirements
- Send the forms completed by you to your buyer's solicitors with supporting information
- Reply to any enquiries raised by your buyer's solicitors
- Negotiate the terms of the contract with your buyer's solicitors
- Contact your lender for a note of its requirements
- Send sale contract to you for signature and agree a completion date (this is the date upon which you will have sold your property and hand it over to your buyer)
- If your landlord's consent is required, deal with your landlord's requests e.g. supplying references on your buyer and agreeing the consent document with your landlord and your buyer's solicitors
- Exchange contracts and notify you that this has happened
- Obtain a redemption statement from your lender to discharge your mortgage on the completion date
- Approve your buyer's solicitors draft transfer, reply to their pre-completion requisitions and provide them with a completion statement (including apportioned rent and service charge)
- Arrange for you and your buyer to sign the transfer and your landlord's consent document (where required)
- Complete your sale
- Discharge your mortgage on the property and obtain the discharge document from your lender
- Send the balance of the sale proceeds to you by bank transfer, if you have no related purchase
- Provide you with a completion statement.

Our team

Name	Status
Janet Armstrong-Fox	Partner

Rory Macpherson	Partner
John Rochman	Consultant
Jane Lindop	Senior Associate
Mandeep Mattu	Associate
Lara Moore	Associate
Aimee Stevens	Associate
Jonathan Wood	Chartered Legal Executive