



## Leasehold Purchase Price and Service Information

### Legal Requirements

The Solicitors Regulation Authority have rules regarding Transparency, which means that solicitors are required to provide cost and service information in respect of specific areas of advice, such as residential conveyancing work.

Savage Silk provide a full range of services in respect of residential conveyancing, including sales, purchases, re-mortgages and transfers of equity.

### Our fees

Our fees cover all of the work required to complete the purchase of your new home, 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.

Disbursements are costs related to your matter that are payable to third parties, such as Land Registry fees. We handle the payment of 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 you are purchasing and we will update you on specific fees for these upon receipt and review of the lease from the seller's solicitors.

The following disbursements are usually incurred when purchasing a leasehold property, however it's important to note that these fees vary from property to property and can, on occasion, but significantly more than the figures given below. We can give you accurate figures once we have sight of your specific documents. Please note: VAT is currently charged at 20% and all references to VAT made below are at this rate:

- Notice of Transfer fee – it will be set out in the lease if this fee is chargeable and it is often between £120 - £250 (plus VAT).
- Notice of Charge fee (if the property is to be mortgaged) – again, this will be set out in the lease if it is payable and is often between £120 - £250 (plus VAT).
- Deed of Covenant fee – this fee is provided by the management company for the property and can be difficult to estimate. Usually it is between £120 - £250 (plus VAT).
- Certificate of Compliance fee – this will be confirmed once we receive the lease, but can range between £120 - £250 (plus VAT).

You should also be aware that ground rent and service charges are likely to apply throughout your ownership of the property. We can confirm the ground rent and the anticipated service charge as soon as we receive this information.

It is worth noting the estimate given for our fee assumes the following:



- This is a standard transaction and that no unforeseen matters arise, including (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;
- This is the assignment of an existing lease and is not the grant of a new 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 from third parties providing documentation or information; and
- No indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

You can find out details of what the costs would be for the specific property you are looking to buy by using our online quote facility, which will give you a detailed breakdown of all fees, disbursements and any taxes payable. Please note that our fees are not fixed but have been calculated using our standard hourly rate for the number of hours we believe it will take to progress your file from start to finish. We will always try to adhere to the fee quoted and will notify you as soon as we are aware if further fees are payable. This will normally be if your transaction is more complicated than expected or there are additional updates or chases required to those quoted for. Our hourly rate is calculated depending on who is dealing with the additional work and below is a fee scale for this:

Partner/Consultant	£300.00
Senior Associate	£250.00
Solicitor	£225.00
Trainee	£120.00
Paralegal	£120.00

#### Stamp Duty or Land Tax (on a purchase)

The amount of Stamp Duty/Land Tax payable depends on the purchase price of your property. You can calculate the amount you will need to pay by visiting [HMRC's website](#) if the property is located in England, or by visiting the [Welsh Revenue Authority](#) if the property is located in Wales.

#### What's involved?

The exact stages involved in the purchase of a residential property can vary depending on the circumstances, however below is a list of the usual steps in the process:

- Provide initial quotation for work involved;
- Carry out searches;
- Check finances are in place to fund purchase and contact lender's solicitors if needed;
- Receive and advise on contact documents;
- Make any necessary enquiries of seller's solicitors;
- Obtain further planning documentation if required;
- Provide Report on Title detailing all advice on documentation and information received, including your mortgage offer (if applicable);
- Send final contact and transfer to you for signature;



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- Obtain pre-completion searches;
- Agree completion date (date from which you will own the property);
- Arrange for all monies needed to be received from lender and you;
- Exchange contracts and notify you this has happened;
- Complete purchase (this could happen at the same time as exchange of contracts);
- Deal with payment of Stamp Duty/Land Tax; and
- Deal with application for registration at the Land Registry.

#### How long will my house purchase take?

The length of time it will take from your offer being accepted until you can move into your new home will depend on a number of factors. The average process usually takes between 8-12 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 6 weeks. However, if you are buying a leasehold property that requires an extension of the lease, this can take significantly longer, between 4-6 months. In these circumstances additional charges would apply.



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