

Residential leasehold (flat or maisonette) property sale – guidance on costs

We set out below an indication of our typical charge for a leasehold residential property sale for any given sale price. Most leasehold properties are flats or maisonettes and these figures apply to such a transaction. Please bear in mind that no two property transactions are alike and there are many variables which can affect the overall charges payable. A list of matters that can affect the charges are set out below but this list is not exhaustive and for that reason we would always try, as soon as possible, to take some further details from you and let you have an estimate of our charges and the likely payments to others tailored to your particular transaction and circumstances. In addition, if any issue comes to light during the transaction which may affect the charges we would let you know as soon as possible.

Fee brackets	Leasehold
Up to £125,000	£775
£125,001 – £175,000	£775 – £895
£175,001 – £250,000	£895 – £995
£250,001 – £500,000	£995 – £1,200
£500,000+ by quotation	

Please note that in addition to the figures given above VAT will be payable at the rate applicable at that time. Presently the rate of VAT is 20%.

The figures given in the above scale may be higher if one or more of the following elements was associated with your sale.

- Dealing with the transfer of the ownership of the freehold title simultaneously with the sale of the flat (sometimes required if the freehold is in shared ownership between a number of flat owners). This is likely to have a significant impact on costs due to the necessity of dealing with third parties and dealing with identity requirements.
- The sale of a property with an unregistered leasehold or freehold title.
- Dealing with the sale of a property where the freeholder is unknown or uncontactable.
- Identifying and making arrangements for the sellers to correct or address so far as is possible any missing or unacceptable provisions in the lease document.
- Preparing or agreeing documents to correct any legal problems with the property such as missing rights of access or services.

- Dealing with a property where the title deeds are missing or some part of the property owned by the seller is not shown on their deeds.
- Agreeing or arranging indemnity insurance to deal with any problems or missing documentation which cannot be resolved in any other way.
- Preparing Powers of Attorney.
- Issues relating to neighbouring flats.

As mentioned above this list is not exhaustive and if anything comes to light during the course of the transaction which is likely to affect our charges we would let you know as soon as possible.

PLEASE NOTE: that if it becomes apparent that the remaining term on your lease is too short and needs to be extended to secure a sale this will involve significant extra work and cost and it is not usually practicable to complete a lease extension within the time frame of a normal sale and purchase transaction. If you have any queries or doubts about the length of your leasehold term it is advisable to address these before you look to sell your property.

If for any reason your property sale cannot or does not proceed we would need to make a charge for the amount of work carried out up to the point at which progress stopped. This would be a proportion of the initial estimate given dictated by how far the transaction had progressed and the work that had been undertaken.

In addition to our charges and the VAT payable on them your sale will involve a number of payments to others or 'disbursements'. When selling the property these are generally much lower than those associated with a property purchase. Once again, these can vary depending on the nature of the property being sold but are typically as follows:-

Charges Payable to Freeholder/Landlord

In nearly all leasehold flat sales the seller is required to supply the buyer with the freeholder/landlord's or their managing agents' replies to a set of standard enquiries about the management of the property of which the flat forms part. Sometimes freeholders/managing agents have a sales pack available as a substitute to replies to the standard enquiries. The freeholder/landlord or their agents will make a charge for provision of these replies or the pack and this charge is set by them.

Typically, it can be between £100.00 and £500.00 per pack. The costs for these enquiries and/or pack is borne by the seller. Indeed it is sometimes requisite to obtain sales information from not just the managing agents but from the freeholder themselves if the managing agents do not manage on behalf of the freeholder.

Office Copies

We will obtain up to date details of your property's title from HM Land Registry. The typical cost of these is £6.00 plus VAT. In most cases we will also need to obtain an office copy of your lease and in some cases leases for other properties sharing the same building. The cost of an office copy lease is currently £3.00 plus VAT. In some cases we are also required to obtain copies of earlier title documentation filed at the Land Registry. The charges here are usually £3.00 per document plus VAT per document.

Bank Transfer Charges

If there is a mortgage on your property the mortgage will be repaid by us on the day of completion by means of a bank transfer. The fee for which is £25.00 plus VAT.

Client Verification

We would be required to carry out an online identity check against the names of the registered owners, the charge for which is £8.33 plus VAT per name.

Unforeseen Disbursements

If any issues relating to the title documentation to your property or the rights, covenants or services affecting it need to be clarified or resolved, there may be additional charges such as costs for additional documents from the Land Registry.

As a rough guide the overall charge therefore for the sale of a residential property, in Darlington, at a price of £180,000.00, with no additional elements or complications might be as follows:-

To Latimer Hinks' charge	£790.00
VAT on Latimer Hinks' charge	£158.00
Office Copy Entries	£6.00
VAT on Office Copy Entries	£1.20
Office Copy Lease	£3.00
VAT on Office Copy Lease	£0.60
Bank Transfer Fee	£25.00
VAT on Bank Transfer Fee	£5.00
Client Verification Fee (per person)	£8.33
VAT on Client Verification Fee (per person)	£1.67
Total	£998.80

PLEASE NOTE: The figure given for our charges in connection with your sale does not include the charges associated with giving any specific tax advice such as Capital Gains Tax, Inheritance Tax or more complicated and involved Stamp Duty Land Tax advice. We may be able to assist you further in this connection but that would involve additional charges.

How long will my sale take?

The time taken from accepting a buyer's offer to purchase the property to completion of your sale depends very much on the circumstances of your buyer and the speed at which they proceed. Unfortunately a seller cannot control this and you should bear in mind that there may be issues relating to the buyer's ability to proceed which are not always made clear at the time the buyer's offer is accepted. Delays can also often be caused by the need to obtain information and documentation from third parties such as the freeholder/freeholder's agents. Having said this, if there is no chain involved and the buyer is either a cash buyer or has no difficulty in securing mortgage finance quickly then the sale could typically take approximately five to six weeks.

Stages of the process

Once again, every transaction is unique and some of the typical stages involved in a property sale are as follows:-

- Taking your instructions, obtaining further details and obtaining copy documentation from the Land Registry.
- Obtaining the original or an office copy of the Lease and checking the requirements to be observed on a flat sale.
- Preparing and submitting a Contract document together with details of the title to the property to the buyer's solicitors.
- Asking you to complete the standard forms of enquiry relating to the property including a Fittings and Contents Form and submitting these to the buyer's solicitors.
- Contacting the freeholder or the freeholder's agents to obtain replies to standard management enquiries or sales pack.
- Dealing with any queries raised by the buyer's solicitors upon the documentation submitted and their search results.
- Obtaining from you or from third parties any additional documentation which might be needed to satisfy enquiries.
- Dealing with any additional documentation which might need to be prepared to resolve any unforeseen issues relating to the property.
- Obtaining your signature to the Contract

- Agreeing with the buyer's solicitors a completion date and effecting the legally binding exchange of Contracts.
- Obtaining details of the sum of money required to repay your mortgage at completion and obtaining the estate agent's account.
- Effecting completion of the sale.
- Repaying your mortgage.
- Accounting to you for the sale monies.

For details of members of the team who may work on your matter please see:

Martin Williamson

Lisa Stronach

Complaints

We want to give you the best possible service. However, if at any point you become unhappy or concerned about the service we have provided, please inform us immediately so that we can do our best to resolve the problem.

In the first instance it may be helpful to contact the person who is working on your case to discuss your concerns and we will do our best to resolve any issues at this stage. If you would like to make a formal complaint, then you can read our full complaints procedure here:

http://www.latimerhinks.co.uk/media/document/Complaints_procedure.pdf.

Making a complaint will not affect how we handle your case. We will always attempt to resolve any complaints, but where this is not possible, complaints and redress mechanisms are provided through the Solicitors Regulation Authority and the Legal Ombudsman.

Solicitors Regulation Authority (SRA)

The SRA can help you if you are concerned about our behaviour. This could be for things like dishonesty, taking or losing your money or treating you unfairly because of your age, a disability or other characteristic.

You can raise your concerns with the Solicitors Regulation Authority.

Legal Ombudsman

The Legal Ombudsman can help if we are unable to resolve your complaint ourselves. The Legal Ombudsman will look at your complaint independently and it will not affect how we handle your case.

Before accepting a complaint for investigation, the Legal Ombudsman will check that you have tried to resolve your complaint with us first. If you have, then you must take your complaint to the Legal Ombudsman:

Within six months of receiving our final response to your complaint; and

No more than:

- six years from the date of act/omission; or
- three years from when you should reasonably have known there was cause for complaint.

If you would like more information about the Legal Ombudsman, please use the contact details below:

Visit: **www.legalombudsman.org.uk**

Call: **0300 555 0333** between 9am to 5pm.

Email: **enquiries@legalombudsman.org.uk**

Legal Ombudsman PO Box 6806, Wolverhampton, WV1 9WJ

The Legal Ombudsman deals with complaints by consumers and very small businesses. This means some clients may not have the right to complain to the Legal Ombudsman, weg charities or clubs with an annual income of more than £1m, trustees of trusts with asset value of more than £1m and most businesses (unless they are defined as micro-enterprises). This does not prevent you from making a complaint directly to us.

Regulatory information

Latimer Hinks is authorised and regulated by the Solicitors Regulation Authority (SRA). Our SRA registration number is 619538.