

# Our Fees - Purchase of Freehold or Leasehold Residential Property

## Legal Fee Information for Purchase of a Freehold or Leasehold Residential Property

### Introduction

Our Legal 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 you wish to buy is in Wales.

### Legal Fees

Legal Fees is the amount you will be required to pay for all of the work performed by us in actioning your instructions, from commencement of your case to conclusion.

### Freehold Purchase

Our average standard legal fee for a residential freehold property purchase is £595 - £1000 + VAT (£714-£1200 Inc. VAT) for properties up to the value of £1 million. Please see our fee scale below:

Purchase Price Freehold	Typical Fees
£0 TO £150,000	£595+VAT- <sup>**</sup> (a total of £714.00 Inc. VAT)
£150K TO £300K	£650+VAT - <sup>**</sup> (a total of £780.00 Inc. VAT)
£300K TO £500K	£700+VAT- <sup>**</sup> (a total of £840.00 Inc. VAT)
£500K TO £800K	£800+VAT- <sup>**</sup> (a total of £960.00 Inc. VAT)
£800K TO £1M	£1,000+VAT - <sup>**</sup> (a total of £1,200.00 Inc. VAT)
£1 million+ Fee % of agreed price*	0.17%*

- The value of the property, location and any complexities of the purchase will dictate the final fee charged within this range.
- Below we detail what services are covered in our standard fee.
- HM Land Registry (Stamp Duty\*) applies to most property purchase transactions. We will advise you of the stamp duty applicable to your matter and you can check via the Stamp Duty Calculator via the link below:

<https://www.tax.service.gov.uk/calculate-stamp-duty-land-tax/#/intro>

- Leasehold/Shared Ownership/Unregistered Land Supplement £200 +VAT (£240 Inc. VAT)
- Fees to complete and submit stamp duty form on your behalf £75+VAT (£90 Inc. VAT)
- Acting for acting for your Lender fee – our fees are £200+VAT (£240 Inc. VAT)
- Preparing a Declaration of Trust £250 + VAT (£300+VAT)
- New build purchase supplement - £200+VAT (£240 Inc. VAT)
- Help to Buy Equity Mortgage - £200 + VAT (240 Inc. VAT)
- Help to Buy ISA - £50+VAT (£60+VAT Inc. VAT)
- We will charge the sum of £35 + VAT (£42 Inc. VAT) for Electronic money transfers.
- VAT will be payable on our fees and some disbursements and we will clearly confirm which disbursements carry VAT in our formal quotation or as we advise you to incur them.

If at any stage our fees change, we will notify you and discuss the reason for any changes. This would typically occur if you change your instructions or your case involves an unforeseen complexity.

Our average fees assume that:

1. 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.
2. For Leasehold matters this is the assignment of an existing lease and is not the grant of a new lease.
3. The transaction is concluded in a timely manner and no unforeseen complications arise.
4. All parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation.
5. No indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

### **Disbursements and Other Costs**

Disbursements are costs related to your matter 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.

You will be provided with a full list of disbursements in our formal quotation. If you need to incur any further disbursements during your case, you will be notified in advance of the reason and the amount.

Typical disbursements will include: -

- Local land charges search;
- Enquiries of the local authority;
- Environment search;
- Planning Search;
- Chancel repair liability indemnity; and

- Water and Drainage search
  - Search fees can vary between is £60-£200 + VAT (£72 - £240 Inc. VAT). However, Search fees vary from case to case depending on the local authority. We will advise you which searches you need for your transaction and the cost of each search.
- HM Land Registry fee. The fees chargeable by the land registry can be found here <https://www.gov.uk/guidance/hm-land-registry-registration-services-fees>
- Priority fees £3+VAT (£3.60 Inc. VAT)
- Bankruptcy search fees £3+VAT (£3.60 Inc. VAT)
- Lawyer checker £12 + VAT (£14.40 Inc. VAT)

There may be further disbursements\* for a Leasehold purchase or the purchase of a freehold property where there is a Management Company which if chargeable is set out in the Lease or Transfer and usually paid to the Landlord or Management Company. These can include:

- Notice of Transfer fee. Often this is between £50-£120
- Notice of Mortgage fee. Often this is between £50-£120
- Deed of Covenant Fee Often this is between £80-£150
- Certificate of Compliance fee between £35-£50

\*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.

If we found that the title was defective, or, if for example, there were planning permission or building regulations that had not been obtained by the Seller this would lead to increased costs.

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

This amount payable depends on the purchase price of your property. You can calculate the amount you will need to pay by using [HMRC's website](#).

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

How long it will take from your offer being accepted until you can move in to your house will depend on a number of factors.

- The average process for a residential freehold property purchase is between 6 - 8 weeks.
- The average process for a residential leasehold property purchase is between 6 – 12 weeks.

It can be quicker or slower, depending on a number of factors and we will notify you if we believe your transaction may take longer than average or if something occurs in your case to extend the transaction time we will inform you.

If you are buying a leasehold property that requires an extension of the lease, this can take longer. In such a situation, additional charges would apply and we will notify you of the additional charges and time estimate when we have engaged the landlord to discuss the extension.

## **Stages of the Process**

The precise stages involved in the purchase of a residential property vary according to the circumstances. We have set out the key stages of a standard transaction: -

- Taking your instructions and giving you initial advice.
- Undertaking regulatory checks.
- Checking that finances are in place to fund the purchase and contact lender's solicitors if needed.
- Receiving and advising on contract documents.
- Carrying out and advising on searches.
- Obtaining of further planning documentation, if required.
- Making any necessary enquiries of seller's solicitor.
- Giving you advice on all documents and information received.
- For Leasehold properties - obtaining and advising on the Management Pack, the Lease and identifying transfer fees.
- Advising you on joint or shared ownership.
- Going through conditions of any mortgage offer if appropriate.
- Sending final contract to you for signature.
- Agreeing completion date (date from which you own the property).
- Exchanging contracts and notifying you that this has happened.
- Arranging for all monies needed to be received from your lender (if applicable) and you.
- Completing the purchase and notifying the relevant parties.
- Dealing with payment of Stamp Duty/Land Tax.
- Dealing with the application for registration at Land Registry.

## **Other Factors**

Other Factors to consider which may affect your Legal Fees and disbursements are:

- Notice of Transfer fee – This fee if chargeable is set out in the lease.
- Notice of Charge fee (if the property is to be mortgaged) – This fee is set out in the lease.
- Deed of Covenant fee – This fee is provided by the management company for the property and can be difficult to estimate.
- Certificate of Compliance fee for leasehold matters.
- Value of the property.
- First-time buyer.
- New build.

- First registration of title.
- Islamic mortgage.
- In purchase cases, whether primary residence, buy to let or second/holiday home.
- Multiple owners.
- Shared ownership scheme.
- Using a help to buy scheme, and whether it is an equity loan or ISA.
- Purchase under right to buy.
- Purchase at auction.
- Property has been repossessed.

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 also be aware that 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.

#### **Fee Earners**

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The following fee earners handle Residential Property matters:

#### **Questions**

**If you have any questions relating to our services and our fees, please contact us at [info@wlegal.co.uk](mailto:info@wlegal.co.uk)**