

Purchase of a Freehold or Leasehold Residential Property

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. We will charge the same fee whether the property is freehold or leasehold although there may be additional fees for a leasehold property as detailed below.

Legal Fees

The Legal Fees of Isherwood and Hose are the amount you will be required to pay for all the work carried out by us following receipt of your instructions, from the commencement of your purchase to the completion of your purchase and the conclusion of the transaction. We operate a fixed fee dependant on the purchase price of the property you are buying.

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| Purchase price | Up to £80,000 |
| Fees | £475.00 |
| VAT | £95.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £20.00 |
| Estimated Total excluding Stamp duty/Land tax | £923.79 |
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| Purchase price | £80,001 – £100,000 |
| Fees | £500.00 |
| VAT | £100.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £40.00 |
| Estimated Total excluding Stamp duty/Land tax | £973.79 |

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|--|----------------------------|
| Purchase price | £100,001 - £175,000 |
| Fees | £525.00 |
| VAT | £105.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £100.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,063.79 |

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|--|----------------------------|
| Purchase price | £175,001 - £200,000 |
| Fees | £550.00 |
| VAT | £110.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £100.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,093.79 |

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|--|----------------------------|
| Purchase price | £200,001 - £250,000 |
| Fees | £600.00 |
| VAT | £120.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £150.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,203.79 |

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|--|----------------------------|
| Purchase price | £250,001 - £300,000 |
| Fees | £650.00 |
| VAT | £130.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |

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| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £150.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,263.79 |

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|--|----------------------------|
| Purchase price | £300,001 - £350,000 |
| Fees | £700.00 |
| VAT | £140.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £150.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,323.79 |

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|--|----------------------------|
| Purchase price | £350,001 - £400,000 |
| Legal Fees | £750.00 |
| VAT | £150.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £150.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,383.79 |

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|--|----------------------------|
| Purchase price | £400,001 - £500,000 |
| Fees | £800.00 |
| VAT | £160.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £150.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,443.79 |

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|--|----------------------------|
| Purchase price | £500,001 - £750,000 |
| Fees | £950.00 |
| VAT | £190.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £295.00 |
| Estimated Total excluding Stamp duty/Land tax | £1,768.79 |

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|--|------------------------------|
| Purchase price | £750,001 - £1,000,000 |
| Fees | £1,200.00 |
| VAT | £240.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £295.00 |
| Estimated Total excluding Stamp duty/Land tax | £2,068.79 |

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|--|--------------------------------|
| Purchase price | £1,000,001 - £1,250,000 |
| Fees | £1,500.00 |
| VAT | £300.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £500.00 |
| Estimated Total excluding Stamp duty/Land tax | £2,633.79 |

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|--|--------------------------------|
| Purchase price | £1,250,001 - £1,500,000 |
| Fees | £1,750.00 |
| VAT | £350.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |

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| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £500.00 |
| Estimated Total excluding Stamp duty/Land tax | £2,933.79 |

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|--|--------------------------------|
| Purchase price | £1,500,001 - £2,000,000 |
| Fees | £2,000.00 |
| VAT | £400.00 |
| Electronic transfer by CHAPS (including £4.00 VAT) | £24.00 |
| Bankruptcy search | £2.00 per person |
| Land Registry priority search | £3.00 per title |
| Local, Coal, environment & water searches | £304.79 |
| Land Registry registration fee | £500.00 |
| Estimated Total excluding Stamp duty/Land tax | £3,233.79 |

The firm does not act in the purchase of properties where the purchase price is in excess of £2,000,000.00.

Stamp Duty or Land Tax

The amount payable depends upon the purchase price of your property. This can be calculated by using HMRC's website or if the property is located in Wales by using the Welsh Revenue Authority's website.

Anticipated Disbursements if the property is leasehold

Notice of Transfer fee – This fee, if chargeable, is set out in the Lease. The fee is usually between £50.00 and £300.00, dependent upon the freeholder of the property and the fee may be subject to Vat.

Notice of Charge fee (if the property is to be mortgaged) – This fee is often set out in the Lease and is usually between £50.00 – £300.00 and may be subject to Vat.

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 – This fee is provided by the management company for the property and can be difficult to estimate.

We would charge additional fees for the following:-

- Purchase of an apartment/flat – additional cost of £100.00 + VAT of £20.00 being a total additional fee of £120.00
- Purchase of a new-build property - additional cost of £100.00 + VAT of £20.00 being a total additional fee of £120.00

Below we detail what services are covered in our standard fee.

- Our average standard Search fee is £254.00 plus Vat of £50.79 (being a total of £304.79). However, Search fees may vary from case to case. We will advise you which searches you need for your transaction and the cost of each search.
- We will charge the sum of £20.00 + VAT (a total of £24.00 Inc. VAT) for Electronic money transfers.
- VAT will be payable on our fees and most 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 will typically occur if you change your instructions or your case involves an unforeseen complexity.

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. for Leasehold matters 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 complication 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.

Disbursements

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. 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: -

- HM Land Registry fee.
- Search fees.
- VAT on search fees.
- Electronic money transfer fee.
- For Leasehold only.

o Management Packs.

o Transfer Fees.

How long will my house purchase take?

How long it will take from your offer being accepted until you can move into your house will depend on several factors.

- The average process for a residential freehold property is between 10 – 16 weeks.
- The average process for a residential leasehold property is between 10 – 16 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 notify you.

If you are buying a leasehold property that requires an extension or variation of the lease, this can take longer. In such a situations, additional charges would apply, and we will notify you of the additional charges and time estimate when we have engaged the lessor 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.
- Issuing you with our client care pack.
- Undertaking regulatory checks.
- Checking that finances are in place to fund the purchase and contact lender's solicitors if needed.
- Receiving and advising on the 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.
- Reporting on title to you and arranging for the documentation to proceed with the purchase to be signed by you.
- 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 usually set out in the lease.
- Notice of Charge fee (if the property is to be mortgaged) – This fee is usually 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..
- 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.

With regard to leasehold property 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.

In addition some freehold properties are subject to rent charge and estate charges which will be payable annually and, if this applies to your purchase, we will confirm this to you as soon as possible.

The following fee earners will deal with Freehold or Leasehold Residential Property Purchases

Moira McLachlan – Partner (COFA) – Solicitor

Moira qualified in 1984 and has vast experience in conveyancing, family law including divorce, separation, financial settlements and private law children's matters. She also undertakes matters relating to Probate and Lasting Power of Attorneys. Moira is a member of the Law Society Family Panel and the Senior Reporting Officer for the firm in respect of the Conveyancing Quality Scheme.

Amjed Mushtaq – Senior Solicitor

Amjed is a senior solicitor who qualified in 2001 and has a wealth of conveyancing experience having solely practised in this area of law since qualifying. Amjed. is based in Rochdale. Amjed speaks Mirpuri and Punjabi fluently and has a basic understanding of Urdu.

Questions

If you wish any further information relating to our services and/or our fees, please do not hesitate to contact us on 01706 621311 or email us at office@isherwoodandhose.co.uk and we will be happy to assist.