



Sale of Residential Leasehold Property

At the outset of the transaction there are certain formalities that we need to observe. We will provide you with a “client care” letter, which will set out the basis upon which we will act on your behalf, we will provide you with a copy of the Firm’s terms and conditions and will also set out for you the specific fees and disbursements relating to the transaction. If you are a new client of the Firm, we will need to obtain certain documents from you in order to satisfy the anti-money laundering regulations.

Once underway, it is important to identify exactly what you have agreed to sell by reference to the title documents, whether or not the same are registered at H.M Land Registry.

We will ask you to complete two information forms in relation to the property and we will also ask you to complete a fittings and contents form, which confirms exactly what items are included within the agreed sale price or whether or not there are any items for which you require an additional price to be paid. We will assist you with these forms as and where necessary or required and will try to make sure that you do not give any replies which are either misleading or which may be incorrect, so as to be potentially actionable by your buyer in due course.

One point which needs to be considered at an early stage is whether or not you will need your landlord’s consent to assign (i.e. sell) your lease. If you do, an application for that consent should be made as soon as possible and your landlord will almost certainly require some input from your buyer in that regard. Depending on the parties’ timing requirements, we will need to consider whether or not it might be appropriate to have a contract where completion is conditional on procuring the landlord’s consent to the assignment.

Once we have gathered all of this information on your behalf, we will send a draft contract to the buyer’s solicitor together with the information that you have provided to us, with the completed information forms etc. plus whatever other documentation we have been able to collate on your behalf in relation to the property. We will present this in an organised format to the buyer’s solicitors, which we firmly believe to be an important factor in the transaction, enabling the buyer’s solicitor to make immediate progress (which in turn helps you!).

Thereafter we will proactively push the transaction forward for you, to try and achieve your preferred timescale. If hurdles or obstacles are encountered along the way we will tell you what they are, whilst trying to provide the buyer’s solicitor with full and comprehensive answers so that they have no reason to delay matters and so that

they can report to their client on the property and move towards an exchange of contracts as quickly as possible.

Nearing the point of exchange of contracts, the parties, if they had not already done so, begin discussing a completion date which is of course the date when possession of the property must be provided, legal ownership (& keys !!) are transferred and the money actually changes hands. As part of that process, we will discharge any mortgages that you may have granted in relation to the property (assuming the sale price is sufficient) and we will then account to you for the net sale proceeds or use these in conjunction with any related purchase that you might have.

The above is of course merely a brief summary of the transaction, but does give you an overview of the main stages which are involved.

Our fees and disbursements in connection with a relatively standard residential leasehold sale are:-

<u>Sale Price</u>	<u>Fee</u>
Up to £300,000	£1,500
£300,001 - £500,000	0.5% of the sale price

For the sale of residential properties above £500,000, fees are available upon request. Please email us through the website or speak to your existing contact at the Firm.

The disbursements (i.e. payment to third parties) will usually include the following:-

- CHAPS transfer £10.00
- H.M. Land Registry official copy entries £ 8.40

For each CHAPS transfer we will also charge an additional administration fee of £20.

However, if the landlord's approval is required to the transaction and documentation is required from the landlord, the landlord and/or their solicitor will make a charge for that documentation. There is no standard fee here and the level of charge can vary considerably.

In addition, the landlord's managing agent will make a charge for the provision of management information such as service charge accounts and insurance information. Typically, that charge is between £250 - £450.

All fees and disbursements referred to above are subject to the addition of VAT at 20%.

There may of course be specific and additional disbursements, for example, local authority fees required to obtain copy planning documents if you do not have them. Generally, we will endeavour to notify of you of these charges before we incur them on your behalf.

Certain leasehold properties are subject to the provisions of the Building Safety Act 2022 ("the Act") which is the government's newest response to the cladding crisis. The relevant sections of the Act apply to buildings which are at least 11 metres or 5 storeys high, contain at least two dwellings and are not leaseholder-owned buildings. We can discuss the Act in more depth if it applies to the property you are selling, and if the Act does apply we will likely need to obtain on your behalf, and review the

'leaseholder' and 'landlord' 'deeds of certificates'. This process is intricate and can lead to further fees, which we will discuss with you beforehand, where possible.

Please note that unlike many other firms, there are no further hidden or additional charges beyond those which we have set out above. For example, we will not charge you any additional fees for redeeming mortgages. Many firms that may have a lower "headline rate" than us, will usually charge additional fees for additional specific tasks.