

**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.

**Conveyancing Estimates – simple transactions**

We are pleased to offer a highly personalised, responsive and non-commoditised service, delivered by qualified solicitors with a wealth of experience to deal with the range of problems that can be encountered. Our illustrative fees below would cover all of the work required to complete the purchase of a residential property, including dealing with registration at the Land Registry and dealing with the payment of Stamp Duty Land Tax (Stamp Duty)

**Legal Fees**

Legal Fees are 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.

Our average standard legal fee for a residential freehold property purchase is from £1400 - £8,700 + VAT (£1680 - £10,440 Inc. VAT) for properties up to the value of £5million. Please see our fee scale below:

Property Price	Our fee - Purchase	
up to £100,000	£1,400.00 + VAT	£1,680.00 Inc VAT
£100,001-£200,000	£1,500.00 + VAT	£1,800.00 Inc VAT
£200,001-£300,000	£1,600.00 + VAT	£1,920.00 Inc VAT
£300,001-£400,000	£1,700.00 + VAT	£2,040.00 Inc VAT
£400,001-£500,000	£1,800.00 + VAT	£2,160.00 Inc VAT
£500,001-£600,000	£2,050.00 + VAT	£2,460.00 Inc VAT
£600,001-£700,000	£2,150.00 + VAT	£2,580.00 Inc VAT
£700,001-£800,000	£2,250.00 + VAT	£2,700.00 Inc VAT
£800,001- £900,000	£2,350.00 + VAT	£2,820.00 Inc VAT
£900,001-£1,000,000	£2,450.00 + VAT	£2,940.00 Inc VAT
£1,000,001-£1,100,000	£2,700.00 + VAT	£3,240.00 Inc VAT
£1,100,001 - £1,200,000	£2,800.00 + VAT	£3,360.00 Inc VAT
£1,200,001-£1,300,000	£2,900.00 + VAT	£3,480.00 Inc VAT
£1,300,001-£1,400,000	£3,000.00 + VAT	£3,600.00 Inc VAT
£1,400,001-£1,500,000	£3,100.00 + VAT	£3,720.00 Inc VAT
£1,500,001-£1,600,000	£3,200.00 + VAT	£3,840.00 Inc VAT
£1,600,001-£1,700,000	£3,300.00 + VAT	£3,960.00 Inc VAT
£1,700,001-£1,800,000	£3,400.00 + VAT	£4,080.00 Inc VAT

£1,800,001- £1,900,000	£3,500.00 + VAT	£4,200.00 Inc VAT
£1,900,001- £2,000,000	£3,600.00 + VAT	£4,320.00 Inc VAT
£2,000,001- £2,100,000	£3,700.00 + VAT	£4,440.00 Inc VAT
£2,100,001- £2,200,000	£3,800.00 + VAT	£4,560.00 Inc VAT
£2,200,001- £2,300,000	£3,900.00 + VAT	£4,680.00 Inc VAT
£2,300,001- £2,400,000	£4,000.00 + VAT	£4,800.00 Inc VAT
£2,400,001- £2,500,000	£4,100.00 + VAT	£4,920.00 Inc VAT
£2,500,001- £2,600,000	£4,200.00 + VAT	£5,040.00 Inc VAT
£2,600,001- £2,700,000	£4,300.00 + VAT	£5,160.00 Inc VAT
£2,700,001- £2,800,000	£4,500.00 + VAT	£5,400.00 Inc VAT
£2,800,001- £2,900,000	£4,700.00 + VAT	£5,640.00 Inc VAT
£2,900,001- £3,000,000	£4,900.00 + VAT	£5,880.00 Inc VAT
£3,000,001- £3,100,000	£5,100.00 + VAT	£6,120.00 Inc VAT
£3,100,001- £3,200,000	£5,300.00 + VAT	£6,360.00 Inc VAT
£3,200,001- £3,300,000	£5,500.00 + VAT	£6,600.00 Inc VAT
£3,300,001- £3,400,000	£5,700.00 + VAT	£6,840.00 Inc VAT
£3,400,001- £3,500,000	£5,900.00 + VAT	£7,080.00 Inc VAT
£3,500,001- £3,600,000	£6,100.00 + VAT	£7,320.00 Inc VAT
£3,600,001- £3,700,000	£6,300.00 + VAT	£7,560.00 Inc VAT
£3,700,001- £3,800,000	£6,500.00 + VAT	£7,800.00 Inc VAT
£3,800,001- £3,900,000	£6,700.00 + VAT	£8,040.00 Inc VAT
£3,900,000 - £4,000,000	£6,900.00 + VAT	£8,280.00 Inc VAT
£4,000,000- £4,100,000	£6,900.00 + VAT	£8,280.00 Inc VAT
£4,100,000 - £4,200,000	£7,100.00 + VAT	£8,520.00 Inc VAT
£4,200,000- £4,300,000	£7,300.00 + VAT	£8,760.00 Inc VAT
£4,300,000- £4,400,000	£7,500.00 + VAT	£9,000.00 Inc VAT
£4,400,000- £4,500,000	£7,700.00 + VAT	£9,240.00 Inc VAT

£4,500,000 - £4,600,000	£7,900.00 + VAT	£9,480.00 Inc VAT
£4,600,000- £4,700,000	£8,100.00 + VAT	£9,720.00 Inc VAT
£4,700,000- £4,800,000	£8,300.00 + VAT	£9,960.00 Inc VAT
£4,800,000- £4,900,000	£8,500.00 + VAT	£10,200.00 Inc VAT
£4,900,000- £5,000,000	£8,700.00 + VAT	£10,440.00 Inc VAT
£5,000,000 and above	0.25% + VAT	

The value and location of the property and any complexities of the purchase will dictate the final fee charged within this range.

Our fee estimate above covers the legal work involved from exchange to completion carried out by a qualified solicitor and Partner and includes the completing and filing of your SDLT return, registration at the Land Registry, redemption of existing mortgages and liaising with third parties on your behalf. No hidden charges are added at a later date, unless previously advised for additional work which would we would discuss with you beforehand.

All our estimates allow for the ordinary hazards of the conveyancing process. Occasionally we encounter more serious problems which need to be resolved if you are to have a title that is readily saleable. If that happened, we must reserve the right to make an additional charge based on the time required. If the transaction does not proceed for whatever reason, we reserve the right to charge for the time spent up to the point the matter was aborted.

If any additional work is required, such as a declaration of trust, we will draw this to your attention and we will advise you on the additional fee payable .

For purchases using a corporate vehicle there is a supplemental fee of £150.00 plus VAT (£180 inc VAT) due to companies house registration requirements and additional documents required for lending purposes.

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

- 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.
- We are required by our regulator to undertake Client Due Diligence (CDD) which is made of up KYC (Know Your Client) and AML (Anti Money Laundering) details of which are contained within our terms of engagement which will be sent to you when instructing us. The cost of our services for dealing with KYC and AML requirements is included in our standard fee.
- These charges apply to each client on matter as we need to undertake out checks on each person.

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:**

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.

For Leasehold matters 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 complication arise.

All parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation.

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
- Property Search fees will vary from council to council but would approximately cost from £250 - £400 + VAT (£300 - £480 Inc. VAT) if applicable
- HM Land Registry fee – this can be found by clicking the following link:  
<https://www.gov.uk/guidance/hm-land-registry-registration-services-fees>
- Electronic money transfer fee £20 + VAT (£24 Inc. VAT) for amounts over £100,000 payable at 20%
- For New Build Properties - £700 + VAT (£840 Inc. VAT)
- Declaration of Trust £350 + VAT (£420 Inc. VAT)
- Lawyer checker £10 + VAT (£12 Inc. VAT)
- Certain lenders now charge an administration fee currently amounting to £20 plus VAT

### **Disbursements of a Leasehold Property**

These disbursements are substantially the same as for Freehold purchases, but there are also certain disbursements which will be set out in the individual lease relating to the Property. We will update you on the specific fees upon receipt and review of the lease from the seller's solicitors.

- Notice of Transfer fee – This fee if chargeable is set out in the lease. Often the fee is between £75 -£100 plus VAT (£90 - £120 Inc. VAT)

- Notice of Charge fee (if the property is to be mortgaged) – This fee is set out in the lease. Often the fee is between £75 -£100 plus VAT (£90 - £120 Inc. VAT)
- Deed of Covenant fee – This fee is provided by the management company for the property and can be difficult to estimate. This can range from £150 to £500 plus VAT. (£180 - £600 Inc. VAT) The exact figure will be revealed by our enquiries and will be confirmed to you prior to exchange of contracts
- Certificate of Compliance fee - To be confirmed upon receipt of the lease, as can range between £150 -£300 plus VAT (£180 - £360 Inc. VAT). Again the exact figure will be confirmed prior to exchange of contract

These legal 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.

### **Purchase of a new build residential property**

As a consequence of the considerable volume of additional documentation that must be reviewed where a new build property is being acquired and in checking the validity of construction warranties and compliance with conditions attached to planning permissions and building control regulations, it is necessary to increase our fee by an additional amount usually equivalent to 20% of the illustrative fee referred to above.

### **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](#).

### **Purchase of Freehold Residential Property - How long will a purchase take?**

How long it will take from your offer being accepted until you can move into your house will depend on a number of factors. The average process takes between 4-6weeks.

It can be quicker or slower, depending on the parties in the chain. For example, if there is no chain and finance is available the purchase could be completed within a few days. However, if you are a first time buyer, purchasing a new build property in the course of construction with a mortgage in principle, could take many months as physical completion will depend upon the property developer.

### **Stages of the process**

The precise stages involved in the purchase of a residential property vary according to the circumstances. However, below we have suggested some key stages that you may wish to include:

- Take your instructions and give you initial advice
- Check finances are in place to fund purchase and contact lender's solicitors if needed
- Receive and advise on contract documents
- Carry out searches
- Obtain further planning documentation if required
- Make any necessary enquiries of seller's solicitor
- Give you advice on all documents and information received
- Go through conditions of mortgage offer with you

- Prepare and provide you with a full and comprehensive written report on the property
- Send final contract to you for signature
- Agree completion date (date from which you own the property)
- Exchange contracts and notify you that this has happened
- Arrange for all monies needed to be received from lender and you
- Complete purchase
- Deal with payment of Stamp Duty/Land Tax
- Deal with application for registration at Land Registry
- Provide you with your new Title Information Document once the application for registration has been completed at the Land Registry

### **Purchase of Leasehold Residential property – Stages of the Process**

We will also carry out on your behalf a full investigation into the level of existing service charges and will ascertain whether any works are anticipated in the future that could lead to substantial increases in these service charges. These checks will also ensure that there are no arrears of ground rent or services charges and that the seller is not in breach of any lease covenants.

As some leases require the consent of a freeholder for a sale of a leasehold property, we may also have to engage with the seller and the freeholder to ensure that this consent is forthcoming upon completion.

Our fees cover all the work required to complete such a purchase, 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. We will also notify the freeholder of the change of ownership once the purchase has been completed.

The precise stages involved in the purchase of a residential leasehold property vary according to the circumstances and include to:

- Take your instructions and give you initial advice
- Check finances are in place to fund purchase and contact lender's solicitors if needed
- Receive and advise on contract documents
- Carry out searches
- Obtain further planning documentation if required
- Make any necessary enquiries of seller's solicitor including extensive enquiries as to the history and level of service charges
- Obtain the freeholders consent in principle to the sale of the leasehold property if this is required under the terms of the lease.
- Give you advice on all documents and information received
- Go through conditions of mortgage offer
- Prepare and provide you with a full and comprehensive written report on the property
- Send final contract to you for signature
- Draft Transfer
- Advise you on joint ownership
- Obtain pre-completion searches
- Agree completion date (date from which you own the property)

- Exchange contracts and notify you that this has happened
- Arrange for all monies needed to be received from lender and you
- Complete purchase
- Serve notice of the change of ownership and any mortgage upon the freeholder
- Deal with payment of Stamp Duty/Land Tax
- Deal with application for registration at Land Registry
- Provide you with your new Title Information Document once the application for registration has been completed at the Land Registry

### **How long will a purchase of a Leasehold take?**

How long it will take from your offer being accepted until you can move in to your house or flat will depend on a number of factors. The average process takes between 4-6 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 2-3 months. In such a situation additional charges would apply.

### **The above information assumes:**

A standard transaction with no unforeseen matters arising and 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

- 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 complication arise
- all parties to the transaction are co-operative and there is no unreasonable delay from third parties providing documentation
- no indemnity policies are required. Additional disbursements may apply if indemnity policies are required.

### **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.

### **Fee Earners**

The following fee earners handle Residential Property matters:

1. Louise O'Farrell is a qualified solicitor. Louise qualified in 1982 and specialises in all areas of residential and commercial property. Louise heads our Property Department.
2. Mahak Mohsin is a qualified solicitor. Mahak qualified in 2018 and works within the Property and Private Client Departments. Mahak is supervised by Louise O'Farrell and Martin Lewis who is a Partner of the firm.
3. Peter Phillips is a qualified solicitor. Peter qualified in 1974 and specialises in all areas of residential and commercial property. Peter is supervised by Louise.

### **Questions**

If you have any questions relating to our services and our fees, please contact us on +44 (0)20 7925 2244 or email us at [office@plslex.com](mailto:office@plslex.com).