

Sale of a leasehold residential property

Objectives

We intend (subject to your instructions) to:-

- advise on any covenants rights or reservations (if necessary);
- advise on the terms of the contract and that:-
 - it complies with your instructions;
 - is fair and reasonable;
 - and places no abnormal obligations on you;
- to complete the sale, discharge any mortgage, settle the agents account (if any) before letting you have any money due to you.

Main Issues

The main issues involved in a sale include:-

- examining the title and advising you of any issues;
- assisting (if required) in the completion of the Property Information Forms;
- drafting contract and sending it with supporting documents to the buyer's solicitor;
- assisting with the replies to enquiries before contract;
- considering and amending (if required) the Transfer document and arranging for it to be signed;
- exchanging contracts, which commits you to the sale on a specific date at a specific price and agreeing a completion date;
- obtaining a redemption statement from the mortgage lender (if any);
- preparing a Completion Statement;
- completing the sale;
- arranging the repayment of any mortgage loan and the discharge of any mortgage before paying you any money due to you.

Extent of Retainer

We will only deal with the legal aspects of this sale. We do not advise on any other matters relating to the property.

We are not:-

- qualified to give investment advice;
- independent insurance advisors or brokers and where we offer to obtain an insurance policy this is solely based on the legal requirements and no advice is given in respect of the premium or whether cheaper policies are available elsewhere;
- accountants and we cannot advise in respect of the tax implications;
- generally able to visit the property unless specifically requested to do so (for which we will charge an additional fee). It is therefore for you to check that the plans provided by us in respect of the property accurately reflect the property on the ground;
- able to confirm that the structure of the property is safe and satisfactory and complies with all planning permissions and building regulation consents;
- able to advise you as to whether the purchase price of the property is fair and reasonable.

Timeframe

Property matters can sometimes reach exchange of contracts quickly and if parties are willing and able be completed likewise, but based on our experience normally we would hope to be able to:-

- prepare draft contract papers within 1 week of receiving full instructions;
- be close to exchange of contracts within 6 to 10 weeks of receipt or submission of the contract papers;
- complete the sale within 2 to 4 weeks of exchange of contracts.

These timescales are not fixed as they depend on other parties being prepared, willing and able to work to them. Completion dates are normally a matter of negotiation between the seller and the buyer shortly before exchange of contracts.

Funding your Sale

Our charges will be based on the time we spend on your behalf, and there may also be expenses we incur directly on your behalf (disbursements); which include things such as obtaining office copy entries. Value Added Tax, at the current rate, has also to be added to our costs. A sample estimate is provided below by way of illustration.

Fees and disbursements relating to an average sale of an existing house worth £200,000.00

Our fees

- Fees for sale: £2,200 to £2,500 + VAT
- Electronic money transfer: £25 + VAT per transfer

Fees paid to others (disbursements)

- Office copy entries: £6 to £25 + VAT
- Landlord's Fees £250 to £500 +VAT
- Managing Agents fees £250 to £500 + VAT

This example estimate assumes that the transaction proceeds smoothly. Certain issues may result in our having to revisit the estimate as the matter proceeds. These could include things such as:

- Problems with the title of the property;
- Problems with the boundaries of the property;
- Unexpected issues raised in your purchaser's searches;
- Unexpected issues dealing with your landlord or management company;
- Problematic or incomplete documentation supplied either by your buyer or by you;
- Mortgage issues.

The above list is not intended to be exhaustive, but should any such issues arise we will provide you with a revised estimate at that stage and explain the reasons why the estimate has needed to be revisited.

If your sale or other property matter does not proceed for whatever reason, we will still charge you fees and disbursements for the work we have carried out.

Other Options available

If instructed, we are able to advise on a number of other property matters including:-

- variations on the conveyancing process;
- assist in negotiating terms before the contract is prepared;
- variations on terms of contract;
- variations on searches on a purchase;
- tax advice;
- option agreements;
- clawback agreements;
- private mortgages or loans;
- bridging loans;
- wills;
- declarations of trust;
- beneficial interests in property;
- joint ownership;
- co-habitation agreements;

- licences;
- leases;
- tenancy Agreements;
- boundary issues.