

## COSTING GUIDE

# Residential Property

### KEY CONTACT



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## Example 3: Re-mortgage of a leasehold residential property value up to £500,000

Our fees cover all the work\* required to complete the re-mortgage of your property, in most cases acting for the lender and you, as well as dealing with discharge of your existing mortgage and registration at the Land Registry.

### Legal Fees and Disbursements

- » Our legal fees range from £850 - £1,250;
- » Search fees can range between £250 - £450 (depending on the location of the property but can be less if the lender accepts search insurance which is often quicker and easier);
- » Land Registry fee ranges between £20 - £60 (submitted electronically);
- » Electronic money transfer fee £30;
- » Electronic ID verification checks £15 (approximately per person);
- » VAT payable £176 - £256 (20%);
- » We do not pay referral fees.

**Estimated total: £1,341 - £2,061**

Disbursements are costs related to your matter that are payable to third parties, such as search fees and Land Registry fees. We handle the payment of the disbursements on your behalf to ensure a smoother process.

There are certain disbursements which will be set out in the individual lease relating to the property. The disbursements which we anticipate will apply are set out separately below. This list is not exhaustive and other disbursements may apply depending on the term of the lease. We will update you on the specific fees upon receipt and review of the lease.

## Other Leasehold Disbursements\*

- » **Notice of Charge fee (if the property is to be mortgaged)** - This fee is usually set out in the lease. Often the fee is between £50 and £125.
- » **Certificate of Compliance fee** - To be confirmed upon receipt of the lease and the leasehold sale pack from the management agents acting for the landlord and / or the management company and can range between £100 - £175.

You should also be aware that ground rent and service charges are likely to apply throughout your ownership of the property and may need to be paid up if you are in arrears.

\* These fees vary from property to property and can on occasion be more than the ranges given above. We can give you an accurate figure once we have sight of your specific documents. Please call us for further information.

## Stages of the Process

The precise stages involved in the re-mortgage of a residential leasehold property vary according to the circumstances. However, some key stages include:

- » Taking your instructions and giving you initial advice;
- » Checking finances are in place to fund your re-mortgage and contacting lender's solicitors if needed;
- » Receiving and advising you on title documents;
- » Carrying out searches or obtaining search insurance in compliance with the lender;
- » Obtaining further planning documentation if required;
- » Making any necessary enquiries of third parties;
- » Giving you advice on all relevant documents and information received;
- » Going through conditions of mortgage offer;
- » Obtaining pre-completion searches;
- » Agreeing a completion date;
- » Arranging for all monies needed to be received from the lender and you;
- » Completing the re-mortgage;
- » Dealing with the application for registration at Land Registry.

## How Long Will My Re-Mortgage Take?

How long it will take from your offer being accepted until completion of your re-mortgage will depend on a number of factors. The average process takes between six to eight weeks from receipt of mortgage instructions from the new lender. It can be quicker or slower depending on the parties, in particular your lender and managing agents / landlords, whether searches are required and if there are tenants or occupiers. However, if you are re-mortgaging a leasehold property that requires an extension of the lease, this can take significantly longer, between six and twelve months. In such a situation, additional charges will apply as this is a specialist area.

Please be aware that external factors such as Christmas and bank holidays, government pandemic restrictions and stamp duty holidays are known to slow things down but are beyond our control.

## Our Fee Assumes 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;
- » This is the re-mortgage of an existing leasehold title and is not the grant of a new lease or related to a transfer of equity;
- » 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.

Below is a list of things that may increase the estimated cost and the length of time taken to complete your transaction:

- » Value of the property;
- » Whether there is a mortgage or not, or Islamic mortgage;
- » Multiple ownership;
- » Shared ownership scheme;
- » Using a help to buy scheme, and whether it is an equity loan or ISA.

**Note:** This list is not intended to be exhaustive. The important point is that the information you provide may affect the estimate you receive.