

# Buying the Freehold of your House

## Procedure and Costs

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**IF** you are the owner of a house which is held on a long lease (i.e. one that was originally granted for a term of more than 21 years), you can purchase your freehold whether or not you live there. It is sufficient if you have held the lease for either the past 2 years, or for at least 2 years during the past 10 years.

**THE** procedure is governed by the Leasehold Reform Act 1967.

- Claims are commenced by giving to your landlord a Notice in the prescribed form, known as the Notice of Claim to which your landlord should reply within 2 months.
- Generally speaking, the landlord admits your claim but does not agree the price you wish to pay for the freehold. Where the parties cannot agree on the price payable (or the amount of the landlord's costs), then an application to the Leasehold Valuation Tribunal (LVT) can be made and the LVT will then determine the price.
- Our charges for preparing and serving the Notice of Claim, dealing with your landlord's Notice in Reply and liaising with your appointed valuer will be £650 plus VAT. There will also be Land Registry fees of £68 for obtaining copy title documents and registering the Notice to protect your interest.
- Once the purchase price has been agreed, there will be the additional conveyancing work required in agreeing the other terms of the transfer and completing and registering the same. This will include dealing with all necessary Inland Revenue and Land Registry requirements. Gregsons' charges for this conveyancing work are £650 plus VAT and disbursements.
- If you have a mortgage we will liaise with your Mortgage Lender since it will be necessary to enter into what is known as a Deed of Substituted Security, which we will prepare. If the completion monies are to be telegraphically transferred to your landlord's solicitors there will be a further charge of £30 plus VAT for providing this service.

- In the unlikely event that the price cannot be agreed and you have to make an application to the LVT (which is the exception rather than the rule), then our additional charges will be calculated mainly by reference to the time we have to spend on your matter. The rates would be agreed with you beforehand and, at that stage, we would give you as accurate an estimate as possible as to what the likely total charges will be.