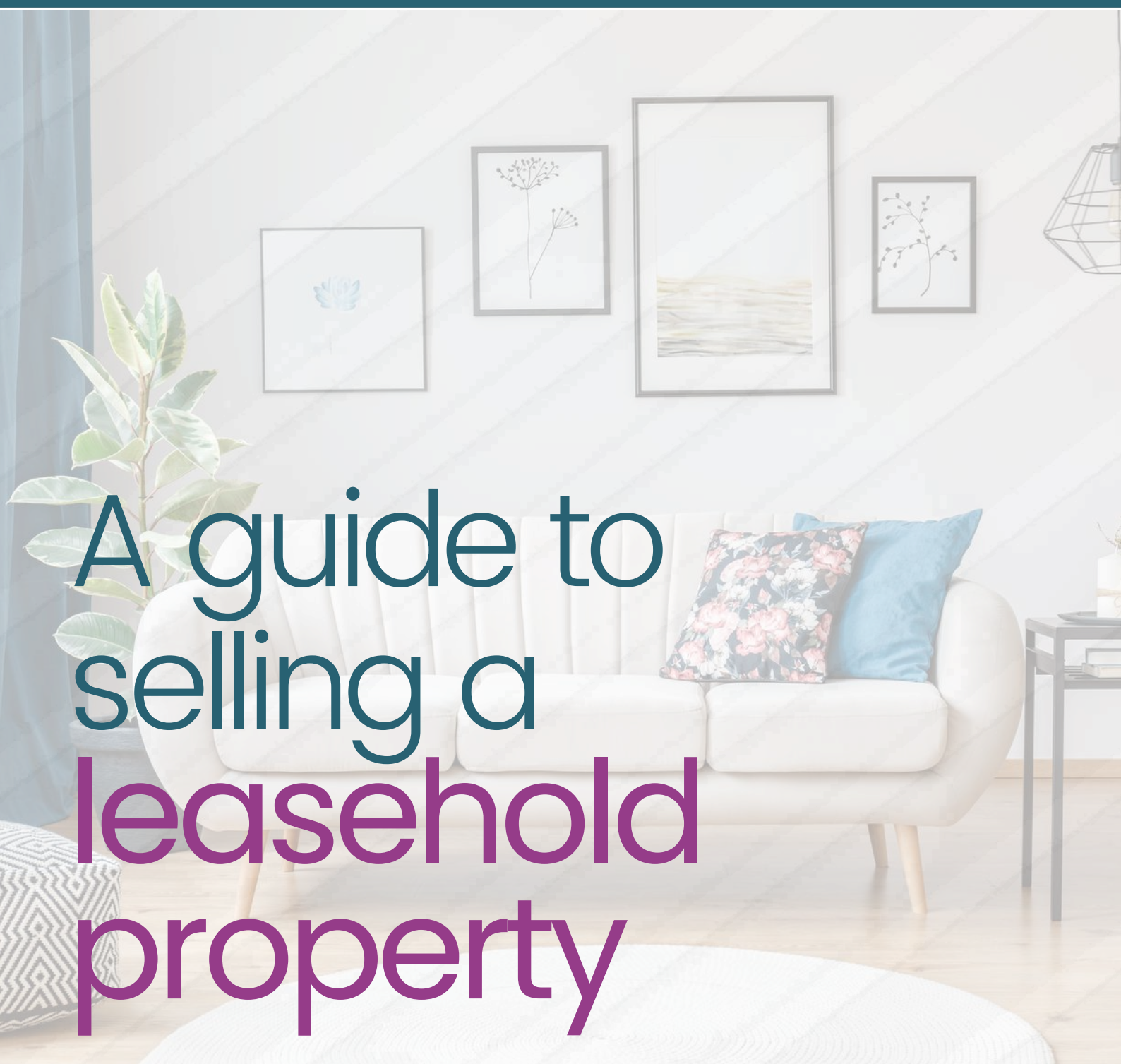




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A guide to selling a leasehold property

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Welcome,

My name is Sarah Clark, and I am the Managing Director here at Sarah Clark Property Consultants.

During the years we've been serving the people of Bristol, we've helped hundreds of clients sell all types of property, including many leasehold homes.

Selling a leasehold property is different from selling a freehold one.

It often needs an estate agent to have more skill and experience to sell a leasehold home for a price (and within a timeframe) homeowners are happy with.

The good news is we have a proven track record of helping our clients navigate the path leading from For Sale to successfully Sold.

In this guide, we share information around the process of selling a leasehold property, answers to frequently asked questions, why choosing the right professionals matters, and much more.

It's always our aim to ensure you have the right guidance and support to help you make the best decisions for yourself and your future.

I hope you find this guide useful, and please get in touch with us if you have any questions whatsoever.

Sarah Clark

**Sarah Clark MNAEA, MARLA,
Managing Director
Sarah Clark Property Consultants**



*Disclaimer: The information in this guide does not constitute legal or financial advice.



Spot the differences

When selling a leasehold home, it's important to remember the difference between this type of property and a freehold one.

Leasehold v Freehold

Buying a freehold property means you own the building and the land it's on. In layperson's terms, you own it outright – forever.

Buying a leasehold property means you own only the building (not the land it's on) and only for a set period. Essentially, the land is being leased to you for a contractually agreed number of years.

When the lease finishes, the property will belong to the landowner (the freeholder) unless you have extended the lease.

There's no getting away from the fact that some buyers are put off a leasehold home.

But they needn't be. After all, you weren't.

That's because most leases are long term, ranging from 99, 125 or 999 years. And leases can often be extended if they have dwindled down.

Other differences when selling a leasehold compared to a freehold are some of the forms you have to complete. For example, you'll need to provide a TA7 Leasehold Information Form.

Within it, you'll need to provide information regarding the lease of your home.

It covers things including how the property is managed and by whom, information about ground rent, service charges, notices and several other aspects.



Top Tip:

Choosing an excellent solicitor is vital when selling a leasehold due to the added legalities. See the next page.





Choosing the best solicitor

When selling your home, a good property solicitor is important to have on your team, alongside an excellent estate agent.

But when you are selling a leasehold property, the importance of choosing the best solicitor is increased due to the maze of legalities that must be navigated.

Below are six tips on choosing a legal eagle.

1. Ask your family and friends for recommendations of solicitors they have used recently – especially if selling a leasehold property.
2. Any good estate agent will be able to recommend good local solicitors BUT always ask if they are being incentivised to put forward certain firms. The best agents often aren't working on a referral fee and refer simply because they know the solicitors deliver good service.
3. When researching solicitors, explain your situation and request a fixed fee in writing that includes any other costs you may reasonably incur, such as legal searches, etc.
4. Double-check that any solicitor you are considering is a member of the Law Society of England and Wales.
5. Remember that when it comes to solicitors, cheap is often not cheerful. Some online property law firms (not all, in fairness) offer attention-grabbing low fees but can often leave clients feeling frustrated and out of pocket.
6. The most important question to ask any prospective solicitor is this: "How much experience do you have when it comes to selling leasehold properties?". It's crucial that they have had plenty of experience in this area of property law.



Top Tip:

When researching estate agents, ensure they put forward a clear plan of how they would sell your leasehold property (see page 6 for how we do it).





How we sell leasehold homes

We use a seven-step process when it comes to successfully selling homes like yours.

For this guide we've scaled it down, but we would be very happy to talk it through with you in more detail.



Your situation

The first thing we do during the initial contact is listen and learn what your situation is. Why are you selling? Do you need to move by a fixed time? What inspired you to buy the property? With a leasehold property, we will ask several more questions, such as how long is left on the lease? Who is the freeholder/landlord, and is your paperwork in order?



Your valuation

We then provide a valuation based on comparable evidence of what properties like yours are currently selling for. We take the length of the lease into account when working out a valuation.



Your marketing

We will create a marketing plan to showcase your home. This includes detailed floorplans, eye-catching photography, a social media strategy, property portal advertising, and proactively approaching potential buyers seeking properties like yours.



Your viewings

We will arrange and accompany the viewings, leaving you to get on with your life.



Your offers

We will handle all offers received on your property. At this point, our negotiation skills and local property market experience come into play, as we will advise you on any offers received.



Your progress

Accepting an offer is a great step to a successful sale, but there's still work to do. We liaise with all parties involved in the sale to make sure any hurdles are overcome and to keep your sale progressing to the finish line.



You're sold

Our job isn't done until your property is sold and you're happy. This approach has helped us gain many testimonials from delighted clients, which we are happy to share with you.





Frequently asked questions

I've owned my apartment for five years, and my lease now has 82 years left to run. What should I do?

Ideally, speak with a solicitor now to see what your options to extend the lease are (we can recommend legal professionals we work with).

This is because when a lease is below 80 years, the costs of rectifying the problem by extending the lease increase dramatically.

What does it cost to extend the lease on my property?

Each situation is different, but if the lease is under 80 years, something called 'marriage value' will be added. When calculating the marriage value, your valuer and the landlord's valuer will use local knowledge and experience to assess the increase in the value of the property that a new lease creates.

My freeholder/landlord cannot be found; what can I do?

The legal phrase for this situation is that you have an 'absent landlord'.

There are processes you can go through to confirm your landlord cannot be found or is unresponsive to your enquiries.

Options available to you when selling include buying an absent landlord indemnity policy. An experienced solicitor will be able to advise you accordingly on what to do.

What are the most common leasehold-related questions buyers may ask about my property?

There are usually six main ones. They are below in order of popularity:

- What is the length of the lease?
- How much are the service charges?
- How much is the building insurance?
- How much is the ground rent?
- At what intervals does the ground rent increase, and by how much?
- Have you been advised of any major work planned on the building/development?

I'm worried about selling my leasehold property?

Don't be. Hundreds of thousands of leasehold homes sell every year, and there's no reason your property can't be one of them when you receive professional guidance and expert advice.

There are often plenty more questions potential sellers (and buyers) ask, so feel free to give us a call.



Your moving checklist

Below is a ten-point checklist to help you prepare for your move.

- ☐ Once you are sure you want to sell, call local estate agents and get them round to give you a valuation and a marketing plan (see page 6). Choose the one that gives you an evidence-based valuation, a clear strategy and a good 'gut feeling'. Also, register what you want from your new home (size, location, features, etc.) with other agents so you are notified when suitable properties come on the market.
- ☐ Gather up all your legal property paperwork, such as leases, warranties, guarantees, etc. This will speed things up further down the line.
- ☐ Instruct a recommended solicitor to handle the legalities of your sale (see page 5).
- ☐ Get ahead with packing. Even though you may not have a move date yet, it's always worthwhile boxing up those items you don't use much.
- ☐ Use this opportunity to only move items that you really want or need. It will save you some money in moving costs, and you could make a bob or two selling certain items. Charity shops, home clearance and auction houses can be useful.
- ☐ When you've had an offer accepted and agreed on a completion date, get three quotes from different removal companies. Look for ones that come recommended and which are fully insured.
- ☐ Remember to speak to your bank, utility providers and any other important companies to arrange setting up your change of address.
- ☐ Start getting quotes for insurance on your new property starting from the date you are set to complete the move.
- ☐ The day before the move, create an essentials box with any items you might need quickly when you move in. For example, kettles, cups, tea and coffee always come in handy.
- ☐ On the day of the move, take any essential items or documents with you, such as medicines, passports, wallet/purse, keys and glasses.

If you have any questions about this checklist or guide, we're here to help, so give us a call on 0117 4522400– or send an email to admin@sarahclarkproperties.co.uk