

## Statutory Lease Extension Costs Guide

Stage	Notes	Costs (plus VAT @20%)	Disbursements
Notice of Claim	<p>We carry out an eligibility check, review of your title, lease and landlord title(s) then draft and serve Notice of Claim (*unless there is an Absent Landlord - see below).</p> <p>We will need to register the notice against the Landlord's title.</p> <p>If you have a formal valuation at this stage we will liaise with your valuer/you on the proposed figures for inclusion in the notice.</p>	£500	<p>£6 per title (at least £12) and £3 per lease.</p> <p>We recommend personal service so budget £150 per notice served for the process server.</p> <p>The notice may be registered against the Landlord's Title for £40.</p>
Intermediate Landlord	If there is an intermediate landlord (if your landlord has a landlord of its own) this will incur a further charge for the extra work involved. This will also affect the costs paid to the landlord(s) because both can have input into the process.	£250	£9.00 for a copy of the additional intermediate title and lease. There may be additional service fees.
*Absent Landlord	If the landlord cannot be found then the leaseholders' Notice cannot be served. In this case the leaseholder must make application to the county court for a Vesting Order. If the court is satisfied as to the leaseholder's eligibility for a new lease then it will, in effect, grant the lease to the	Hourly Rate	Court Issue Fees

	leaseholder in the landlord's absence. The court will usually refer the case to the First-tier Tribunal (Property Chamber) ("the Tribunal") for determination of the premium.		
Landlord's Counternotice and Information / Deposit Requests	Consideration of Counter-Notice Served by Landlord including diarising time frames for Tribunal application. Our fees including dealing with any request for the deposit and/or evidence of title requested by the Landlord. <i>Note: Any legal arguments relating to the validity of the claim will be dealt with on the Hourly Rate.</i> <i>You will also be obliged to give access to the Landlord's surveyor once the notice is served.</i>	£200	None but a 10% Deposit may be required at this stage
Non Responsive Landlord	If the landlord fails to serve a Counter-Notice by the date specified in the Tenant's Notice the leaseholder may apply to the court for a Vesting Order. As with an Absent Landlord the court is asked to grant the new lease to the leaseholder in the landlord's default. The court will grant the Order on the terms proposed in the Tenant's Notice.  The application must be made to the court within six months of the date on which the Counter-Notice should have been received.	Hourly Rate	Court Issue Fees
Negotiations Stage	There is a period of not less than 2 months nor more than 6 months from the Landlord's Counter Notice when you cannot make an application to the Tribunal. This is to provide a negotiations period. Normally this is best dealt with by the surveyor who provided the valuation but we can deal with it if required on an hourly basis.	Hourly Rate (if required)	None
Application to Tribunal	This may be required if no agreement is reached within the period noted above to protect your notice from lapsing. The application is to determine the premium payable and/or lease terms. We need to do this approximately 1-2 months prior to expiry of the above periods. It may	£400	Tribunal Fees £100 for application.

	also be required to bring the Landlord to the negotiating table.		
Preparation for Tribunal	The tribunal will set down a number of directions as to how the claim will be dealt with and what information will be required to set hearing dates, agreed facts (both legal and valuation) and to prepare trial bundles for the tribunal use. As the applicant you will be required to drive this process and this means mandatory elements of work will be required. Budget from £600 but this will be carried out on an hourly basis	Hourly Rate	
Attendance at Tribunal	Again this is not normally required unless a legal argument or the terms of the lease are in issue. Normally the Tribunal is used to determine the premium only and thus this is in the realm of the valuer.	Hourly Rate (if required)	Tribunal Fees £200 for hearing.
Conveyancing - approval of new lease and consent from your mortgage lender	Approval of the lease (***) - if the Landlord does not adhere to the order of the Tribunal or if the matter is agreed but not completed within certain time limits with the Landlord an application to the Court is required to preserve your position). Amendments are likely to be made. It may be a negotiated lease on non-statutory terms is agreed for example for a shorter period and/or at a higher ground rent. If non statutory terms agreed then deed of substituted security will be required from your lender.	£600	Land Registry fee (normally £40)
Non-Compliant Landlord	***If the terms of the lease extension are agreed (broadly the lease terms and the premium) then the new lease should be completed within 2 months. If it is not the Tenant will need to apply to the court to preserve this right otherwise the whole process is deemed to be withdrawn.	Hourly Rate	Court Issue Fee
Costs Dispute	You are responsible for the Landlord's Costs (see below). If you do not agree these costs then an application will need to be made to the Tribunal to assess those costs. Our fees do not include this assessment.	Hourly Rate	

**Notes:**

Hourly Rate is £250 per hour for partners, £180 per hour for assistants/legal executives. All fees are plus VAT.

We ask for the 10% deposit to be paid up front so we can immediately deal with the Landlord's Deposit Requests with a payment of £300 on account of disbursements.

**Valuations**

We do not provide valuation advice. The level of the lease extension will need to be included in the initial notice. The law does not formally require a formal valuation for an application for a new lease but it is strongly recommended. If the figure is too low the notice may be subject to challenge by the landlord. We can recommend valuers to assist if required. You can normally obtain a fixed quote for the initial valuation (budget from £500 plus VAT)

In addition to the Valuation the valuer will also normally be involved in the negotiations post issue of the claim with the Landlord's valuer and he may be required to attend the hearing. Valuers normally charge on a hourly rate for these aspects.

**Landlord's Costs**

In considering the likely premium and our fees noted above you should also bear in mind your liability for the Landlord's Costs. Once a notice is served you are responsible for the landlord's "reasonable" legal and valuation costs (except any costs which are incurred in connection with proceedings before a Tribunal). This is whether or not you complete the lease extension. Budget £3000 for these costs including VAT. The Landlord may not be reasonable in claiming costs – you may therefore need to consider 'Costs Dispute' above.

**Establishing the Finance**

You will need to know, before you begin, where the finance for the new lease and all the costs will come from. More urgently you must commit funds to us on very short notice. If you cannot a deemed withdrawal may occur. We will not check this for you.

**Withdrawal**

If your application for a lease extension is withdrawn (whether intentionally or deemed) you cannot make another application for a new lease for a

period of 12 months from the date of withdrawal. A 12 month delay will likely result in an increased premium being paid. In addition you will still have to pay our and the Landlord's Costs.

**Disclaimer:**

This is a guide as to costs in a statutory lease extension and not specific advice on the procedure and timescales.