



FAQs for Leaseholders and Homeowners: Selling, Transferring, or Remortgaging

1. What are the typical timescales for selling or transferring a property in the current market?

The timeline can vary depending on market conditions, the complexity of the property's legal title, and the buyer's position. On average:

- Marketing and finding a buyer (sales only): 6–12 weeks.
- Conveyancing process (sale or transfer): 8–12 weeks from instruction to completion.
- Delays may occur if additional documents, consents, or approvals are needed.

Centrick's standard response time for email enquiries is 5 working days. To ensure we can assist you promptly and avoid unnecessary delays:

- Please work with your solicitor to consolidate all enquiries into a single request.
- Ensure the buyer's solicitor includes all questions upfront to avoid follow-ups.
- Use Centrick's Management Pack, which provides answers to most standard queries and avoid raising enquiries which have already been responded to in the pack.

This approach allows us to process requests efficiently and helps keep your sale on track.

2. What information should I provide to my solicitor to expedite the process?

To help your solicitor, ensure you have:

- A copy of your lease, transfer or title deeds.
- Service charge statements for the past two years.
- Ground rent payment history (if applicable).
- Recent service charge accounts and budgets.
- Any required certificates (e.g., compliance certificates, warranties).
- Building safety information (e.g., cladding details or EWS1 forms, if relevant).
- Section 20 notices for major works.
- Share certificates (if applicable).
- Minutes from RMC meetings (if applicable).
- Copies of any consents for alterations or improvements.

Keeping these documents readily available can save time and reduce costs. Documents such as NHBCs and Warranties would not be in our records.

3. What is a management pack and why do I need to pay for one?

When selling your property, a management pack is essential because it provides your buyer, their solicitor, and any lenders with all the necessary information about the property and the estate/building management. This helps ensure a smooth sale process and satisfies legal and lender requirements.

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The management pack typically includes:

- **Service charge information:** Current and future estimated charges, outstanding balances, and a summary of service charge accounts.
- **Building safety and insurance details:** Information about the building's insurance policy, fire safety measures, and compliance with relevant regulations.
- **Estate management details:** Responsibilities for shared areas and any ongoing or planned maintenance works.
- **Legal and financial matters:** Information on any breaches of lease, ground rent, and confirmation of title restrictions or obligations.
- **Pre-sale enquiries:** The pack addresses common queries about the property under the LPE1/2 (Leasehold Property Enquiries) or FME1 (Freehold Management Enquiries) forms as standard format issued by The Law Society.

The fee covers the time and resources required to compile accurate, up-to-date information tailored to your property. Without this pack, your buyer's solicitor may not proceed, which could delay or jeopardise your sale. Please note, it is not mandatory to have a management pack although most solicitors will not proceed without the same.

4. How are service charges and ground rent apportioned during the sale or transfer?

- **Apportionment:** Service charges and ground rent are apportioned between the seller and buyer on completion, based on the period they cover. If you've paid for the year ahead, the buyer/transferee will reimburse you for the remaining months. Your solicitor will calculate this apportionment during the final account settlement.
- **Arrears:** All outstanding amounts must be settled before completion. If unresolved, the buyer's solicitor may retain funds to cover liabilities. Debts remain with the property, so it is vital for this to be settled prior to completion.

Ensure Service Charge payments are paid to the bank details you usually make service charge payments to, via the MyCentrick portal or to our Centrick Property Payments account. Sending payments to the incorrect bank account could lead to funds not being correctly allocated. Centrick will charge an admin fee to transfer funds to the correct account.

5. What is a retention, and why might it be required?

Retentions may be agreed upon if:

- Final service charge accounts have not yet been issued.
- A specific liability is outstanding, such as major works or remedial costs.

In preparation of the above, the buyer's solicitor may withhold a portion of the sale proceeds to cover any potential deficit. Similarly, surpluses are typically credited to the current owner unless otherwise agreed.

6. Do I need to transfer my share or membership in the Residents' Management Company (RMC)?

If you hold a share or membership in the RMC, this must be transferred to the buyer/transferee. The buyer's solicitor will liaise with us or the company secretary after completion to ensure registration. To assist with this process, you will need to provide the buyer's solicitor with:

- Copy of your share certificate if the company is limited by shares
- Completed lost share indemnity if the certificate is lost or never issued.

If the company is limited by guarantee, membership registration is required by the incoming purchaser. No certificate is required for membership therefore, we would not expect you to have a copy of the same for issuance.

7. What is a Deed of Covenant, and do I need one?

A Deed of Covenant is a legal document where the buyer or transferee agrees to comply with the terms of the lease/transfer, such as service charge payments and property restrictions.

- Your lease, transfer or title as well as the management pack will specify if a Deed of Covenant is required.
- Centrick will approve this document and charge an administrative fee if we have been instructed to deal with the same.

8. What is a Certificate of Compliance, and why is it necessary?

A Certificate of Compliance confirms that the conditions on the title have been met. These certificates are required when:

- There is a restriction on the title requiring a certificate signed by our client before any disposition.
- The buyer or transferee has met all legal requirements.

These restrictions ensure the lease/transfer terms are upheld and often involve fees payable to Centrick or other parties. Centrick will only issue Certificates if we are specifically instructed to do so. Please refer to the management pack for confirmation.

9. What is a License to Assign, and why is it necessary?

A License to Assign is a formal document provided by the freeholder/RMC (or their managing agent) that grants permission for a lease to be transferred from the current leaseholder (seller) to the new buyer. This is a common requirement in many leases to ensure the freeholder has an opportunity to approve the incoming leaseholder and confirm they meet any financial or other obligations under the lease.

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It is necessary because selling your property without obtaining this permission could breach the terms of your lease. Centrick assists with arranging the License to Assign if required under your lease by providing a draft. Centrick do charge a fee to administer the license if we have been instructed to do so. Please refer to the MP for requirements and confirmation of the party involved in administrating the same.

The timescale to obtain a License to Assign depends on several factors, including the promptness of the solicitor's application and whether the buyer's references or financial information are required. Typically, it can take 2-4 weeks once all necessary documentation has been submitted. We recommend starting this process as early as possible to avoid delays in your sale, please ensure your solicitor checks whether this document is needed early in the sale process.

10. What is the Building Safety Act (BSA) and how does it affect my sale or transfer?

The BSA applies to buildings over 11 meters or five stories and impacts transactions if building safety remediation is required.

- Ensure you have relevant documents, such as EWS1 forms.
- Be transparent about ongoing safety works or funding arrangements.
- If your property is part of a relevant building, you will be required to submit a completed Leaseholder Deed of Certificate to the landlord/freeholder of the building in exchange for a Landlord Certificate which can take up to 4 weeks to be issued.

Centrick provides Building Safety Act (BSA) packs for an additional fee if required. The pack consists of a completed Fire Safety Act questionnaire and Building Safety Act questionnaire.

11. Are there any additional costs I should be aware of?

Centrick charges fees for:

- Management Packs (MP) for sales or transfers.
- Replies to additional enquiries beyond the standard LPE1 or FME1 forms.
- Building Safety Act (BSA) packs, if applicable.

Some Post Completion matters (paid by the new owner) such as: Certificate of Compliance, Deed of Covenant, Notice of Transfer/Charge, New Owner Registration fee, Share/Membership Registration etc. The MP would specify which fees are applicable to Centrick and who to refer to for other post completion matters.

Refer to Centrick's tariff sheet for all our fees and bank details for BACS payment only. These bank details should only be used to pay for conveyancing matters, service charge payment should be paid via your usual methods of payment. Incorrect payments could result in admin fees being charged.

12. Do you provide information for remortgaging properties?

Yes, Centrick provides remortgage packs for homeowners. These include:

- Service charge payment history.
- Post-completion requirements (e.g., certificates, notices).
- Relevant building safety information for lenders.

13. What is a Deed of Variation, and when might it be required?

A Deed of Variation is a legal document that amends the terms of your lease/title/transfer. Common reasons for needing a Deed of Variation include:

- Correcting discrepancies in the lease/transfer.
- Extending the term of the lease.
- Addressing new legal or regulatory requirements (e.g., building safety clauses).
- Ground rent provisions due to recent legislative and market changes (Leasehold Reform (Ground Rent) Act 2022)

Timescales: Deeds of Variation typically take 8–16 weeks, depending on the complexity of the changes and the involvement of third parties (e.g., freeholders, lenders). Starting early is essential to avoid delaying your sale or transfer.

14. How can I ensure a smooth sale or transfer process?

Start early: Instruct your solicitor as soon as possible.

- Be proactive: Start the process early and gather all necessary documents.
- Clear arrears: Ensure all service charge and ground rent payments are up-to-date.
- Communicate: Inform your solicitor of any changes or developments, allow your solicitor to be first point of contact with Centrick to allow smooth and effective communication.

If you have further questions or require specific documentation, please contact Centrick's Conveyancing Team at Presales@Centrick.co.uk or 03330 124 125 (Opt 3).

We're here to assist!