

## Our Administration Charges

The management fee included within the Service Charge Accounts covers the general cost of managing leasehold and shared ownership properties, including managing day-to-day services such as cleaning, gardening, repairs, undertaking major work consultations, producing the service charge accounts etc. The management fee also includes a contribution to the general organisational running costs such as office space, IT equipment and services, financial management etc.

In some circumstances it is necessary for Johnnie Johnson Housing (JJH) to charge an additional administration charge for work that is not included in the service charge or management fee. This includes administering re-sales, providing duplicate sets of accounts and dealing with permissions under the Lease, etc.

Schedule 11 of the Commonhold and Leasehold Reform Act 2002 provides that a variable administration charge is payable only to the extent that the amount of the charge is reasonable. Any resident being asked to pay an administration charge can apply to a First-tier Tribunal (Property Chamber) to determine whether the charge is payable or not and, if so, whether the amount being charged is reasonable.

The following table shows Johnnie Johnson Housing Trust's administration charges

| Undertaking  | Fee          | Comments   |
|--|--------------|--|
| To provide a duplicate set of service charge accounts                            | £35 plus vat |  |
| To provide a copy of the Buildings Insurance Summary of Cover and/or certificate | £20 plus vat |  |
| Landlord's Reference for Mortgage Application/Tenancy                            | £40 plus vat | This is where a leaseholder or tenant requires a Landlord's reference as part of their mortgage application/tenancy application  |
| Landlord's approval of a new mortgage  | £50 plus vat | Some leases require the Landlord's permission to a mortgage and in this case an additional approval fee is charged.  |
| Refinancing (including Transfer of Equity if applicable)                         | £80 plus vat | Shared Owners/Leaseholders looking to refinance will be charged, as we would need to carry out an affordability check and risk assessment, approving the mortgage etc. |



| Undertaking   | Fee   | Comments  |
|---|---|---|
| Transfer of Equity (No mortgage in property)                                      | £70 plus vat  |   |
| Receipting Notice of Charge or Transfer   | £75 plus vat  |   |
| Home Improvement Request  | £50 plus vat – basic permission fee plus cost of legal fees for obtaining a licence where applicable (currently £200 +VAT)<br><br>If a maintenance surveyor inspection is required an additional fee of £100.00 plus vat will apply | The Lease will require the Leaseholder to seek the Landlord's permission to carry out any structural or major alterations to their home.<br><br>In order to ensure that the repair responsibility for such items as porches, conservatories etc. is passed to all future leaseholders for the specific property concerned, it is necessary to obtain a licence which is registered with the Land Registry.<br><br>For some works, it will be necessary to send a maintenance surveyor to pre and/or post inspect. In this case an additional fee will be charged.         |
| Issue of Notice of Seeking Possession (NOSP) under Schedule 2 of Housing Act 1988 | £50 plus vat administration fee plus any additional legal fees incurred   | The shared ownership lease allows the Landlord to recover the costs associated with the preparation and service of a NOSP for arrears of rent   |
| Issue of Notice of Forfeiture under Section 146 of The Law of Property Act 1925   | £50 administration plus any additional legal fees incurred  | All residential leases allow the Landlord to recover the costs associated with the preparation and service of a S146 Notice for arrears of service charge or other breaches of the lease  |
| Sellers Fee   | 1% of sale price plus vat if JJHT nominate a purchaser<br><br>Or<br><br>£250 plus vat if sold via an Estate Agent   | This is a charge to the Seller to cover the cost involved in the sale process including finding purchaser and/or handling enquiries from solicitors e.g. provision of Licence to Assign, service charge accounts, sinking fund calculations, etc.<br><br>This charge will normally apply if JJHT are unable to nominate a purchaser and therefore the property is sold via an Estate Agent. It covers the cost of the Licence to Assign, responding to solicitor enquiries and providing information required as part of the conveyancing transaction e.g. service charge |

|  |  | accounts, sinking fund balance, lease queries etc.   |
|--|--|--|
| <b>Undertaking</b>                         | <b>Fee</b>   | <b>Comments</b>  |
| Notice of Assignment/Transfer of ownership | £100 plus vat<br>[Unless a fee is stated within the lease] | This is where a property has been sold and the solicitor is notifying the Landlord of a change in ownership. It will also occur when a property is being transferred from single to joint/joint to single ownership or any new 100% Leaseholder by way of sale |
| Response to Solicitor Enquiries            | £200 plus vat  | For 100% leaseholders – this charge covers the cost involved in responding to solicitors enquiries as part of the sale transaction.  |
| To provide a Copy of Lease                 | £50 plus vat   |  |
| Approval for Subletting                    | £75 plus vat   | Where the lease allows subletting this normally requires the prior approval of the landlord for which a fee is payable   |