

LEASE EXTENSIONS

In the current market conditions you should consider the benefit of exercising your statutory rights to extend the Lease of your flat under the Leasehold Reform Housing and Urban Development Act 1993.

What are the benefits?

- (a) It will make your property more marketable.
- (b) You will protect your property from loss of value due to a declining Lease term.
- (c) You will no longer have to pay ground rent.

Can I extend my Lease?

If you are the owner of a long Lease of a flat and have owned the flat for two years you are a qualifying tenant under the legislation.

What do I qualify for?

A 90 year extension to the unexpired term of your current Lease at a peppercorn rent (i.e. no ground rent). Other payments under the Lease such as service charge are unaffected.

What is the procedure?

The procedure is governed by the legislation and you should note the following:

- (a) You should obtain a valuation from a specialist valuer as to the price to be paid.
- (b) A Claim Notice is then prepared and served on the Freeholder.
- (c) The Freeholder has to be given a period of at least two months within which to respond and serve a Counter Notice.
- (d) Negotiations then take place usually regarding the price. If agreement is reached, the Lease extension is then prepared. If there is no agreement then an application can be made to the Leasehold Valuation Tribunal to determine the price payable.
- (e) Be warned - there are strict time limits which need to be observed throughout the process. Failure to observe the time limits can mean that your claim will fail and you would have to wait another year before making a new claim

For expert advice and free information sheet, contact Chris Macartney or Kate Hawken on 020 8290 0440 or email chris.macartney@thackraywilliams.com