

A short guide for tenants who are thinking of buying the freehold of a property or extending a lease.



Many tenants of leasehold houses or blocks of flats are unaware of their rights –

- to purchase the freehold, either individually in relation to leasehold houses, or collectively for a block of flats, or
- to seek a lease extension

This is known as Leasehold Enfranchisement.

CBG Law is a modern firm of property solicitors based in the heart of London's West End. We have over 25 years' experience of giving practical advice to solve real estate legal problems.

If you are considering buying the freehold of your property or extending a lease, we are here to help guide you through the process with clear, straightforward commercial advice.

In order to assist you in deciding if you qualify for Leasehold Enfranchisement, here is our brief guide to the requirements:-

Buying the Freehold (Collective Enfranchisement)

In order for the building to qualify it must:

- be an independent building or be a part of a building which is capable of being vertically separated from the adjoining building; and
- contain two or more flats held by qualifying tenants; and
- have at least two thirds of the total number of flats in the building held by qualifying tenants.

In order to be a qualifying tenant you must have a long lease which means a lease which, when originally granted, was for a term of more than 21 years. However, you must not own three or more flats in the building.

You cannot be a qualifying tenant if you hold a business lease. Notwithstanding the above, the building will not qualify if:

- it comprises four or less units and has a "resident freeholder";
- more than 25% of the internal floor space (excluding common parts) is used for non-residential purposes;
- the building is part of an operational railway

The individual right to extend (Lease Extension)

The individual right to a statutory lease extension applies to all qualifying tenants of flats.

- You must be the tenant of a flat which you hold on a long lease (i.e. a lease for an original term in excess of 21 years).
- You must have owned the lease for at least two years before the date of the claim. For the purpose of the lease extension, there is no limit to the number of flats you may own in the building and you may extend any or all of them provided that the conditions are met.
- You cannot be a qualifying tenant if you hold a business lease.
- Prior to the Commonhold and Leasehold Reform Act 2002, the personal representatives of a deceased tenant had no rights to make a claim, even where the deceased tenant was able to fulfil the qualifying conditions. However, such personal representatives can now make a claim provided that the right is exercised within a period of two years from the date of grant of probate.



The procedure for buying a freehold or extending a lease can be complicated, technical and time consuming. However, successful applicants can protect their property interests and potentially add significant residual value to their properties.

For more information about how we can help you extend the lease of your property, please contact Mark Brassey or Nicole Kalli on 020 36 5151 or mb@cbglaw.co.uk.