

Opportunity knocks

Residential property solicitor
Gaynor De'Antiquis demystifies
the fiddly world of freeholds

Flat owners always used to be the poor relations of lucky house owners, not least because leases, common in London and the south east of England, caused all sorts of hassle. The standard 99 year lease came with strings attached, all of them ending in a big bill with the leaseholder's name on it.

Leaseholders had very little say, and challenging bills and protesting if the services or repairs were not up to scratch was a nerve-wracking business. This made people reluctant to take on leasehold flats, especially if the years on the lease were running low and charges were high.

That's all changed with the Commonhold and Leasehold Reform Act 2002, which has moved the balance of power back towards the tenant. Shorn of the restrictions leasehold flats used to be subject to, they become a much more attractive investment, and easier to sell. Unfortunately, many people don't realise that the law has changed. To take advantage of your new rights, an expert on leasehold enfranchisement can advise you specifically about your situation.

Now if you want to extend your lease, it is much simpler. Investment opportunities are also opening up as you do not need to live in a property to add more years or buy the freehold. You can have a 90-year extension and zero ground rent if you have owned the property for at least two years.

Flats become much more attractive to buyers when they know they can have a greater say over the bills, have more rights to buy the freehold and can take over the

management of the building if they aren't happy with the landlord. Even the bane of a leaseholder's life, the absent landlord who takes your money but is persistently unavailable when it comes to doing repairs, can now be challenged.

By setting up a Right to Manage company, tenants can take over, without buying the freehold, paying compensation or showing the landlord is at fault. This means you can set service charges, appoint the managing agents and choose the insurance company. This is likely to transform everybody's outgoings virtually overnight.

Buying the freehold, the Holy Grail of leasehold property ownership, is also within easy reach. Leaseholders, subject to certain qualifications, can follow steps such as setting up a Right to Enfranchise company to represent their interests and end up owning the freehold. This cuts out the middle man, and makes the flats a more attractive proposition.

Even if you don't want to go as far as that, you now have more rights to challenge bills and see landlords' accounts. As well as providing full annual statements, flat owners can view documents, including those relating to the service charges and insurance. Leaseholders have a right to be consulted about long term maintenance contracts, such as cleaning or employing managing agents.

To sum up, you now have the opportunity to take control as never before. All you need is the right legal advice and you can enjoy a more secure future and see your property rise in value. ■



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To talk about the possibility of buying the freehold of your flat or about lease extensions, call Gaynor De'Antiquis on 020 7639 8801, ext 220, or email her at residentialproperty@glazerdelmar.com.