

## **Services for Landlords**

### **Collective Enfranchisement/Freehold Sales**

Whether you are voluntarily seeking to sell your property to a group of flat owners or you have been served with a statutory notice requiring you to do so, the group is well placed to assist.

If served with a statutory notice there are strict time limits to adhere to. For example, if you have been served with a flat owners' purchase notice, you must respond by the date cited in that notice with your own counter notice. Failure to do this within the prescribed time limit leads to the flat owners being able to claim that you have accepted the proposals in their notice and you may find that you are forced to sell your freehold interest at a price substantially less than you would otherwise have achieved.

The process can be dealt with extremely quickly if all parties can agree terms and are committed to deal with matters in a timely manner. However, the average time frame for a statutory freehold sale is between 8 and 12 months and it is essential that the transaction is managed effectively throughout that time.

If you have agreed to sell the freehold on a voluntary basis there are no set time limits, however we understand that there will be commercial factors driving timescales which still need to be adhered to.

### **Lease Extensions**

Again, these can be undertaken on a voluntary or statutory basis and involve the service of notices by the flat owners (section 42 notices) which trigger many time limits, the one of most immediate relevance being the requirement for the landlord to respond with its counter notice if it is to avoid the flat owner insisting that a lease extension is granted to them on the terms contained in the section 42 notice.

### **House Enfranchisement/Lease Extensions**

Subject to satisfying statutory criteria a leaseholder of a house has a right to purchase the freehold or extend its lease.

The question of "what is a house" is not as straightforward as it seems and there have been a number of surprising court decisions such as, that a building with commercial premises (for example a shop) on the ground floor and flats above may be a house.

If you receive a notice from the occupier claiming either the freehold or a lease extension please contact us immediately and we can advise on whether that notice is valid and the steps which need to be taken, going forward, to deal with that notice.

## **Right to Manage**

In most cases flat owners will prefer to purchase the freehold of the building they live in but if for some reason they decide that instead they would prefer to take over the responsibilities of managing that building, they are able to do so by availing themselves of the Right to Manage legislation.

This statutory right is a no fault system and therefore any landlord will be unable to prevent the tenants from taking over the management within the requisite time limits. Notwithstanding this, the landlord still has to comply with certain obligations if it is not to fall foul of the legislation.

For further information please contact:

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