

# Collective Enfranchisement

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Since 1993 groups of leaseholders of long residential leases of flats have had the right to require their landlord to sell them the freehold of the block of flats, provided they meet certain criteria and follow the statutory procedure set out in the Leasehold Reform, Housing and Urban Development Act 1993 as amended by the Commonhold and Leasehold Reform Act 2002. This process is known as Collective Enfranchisement.

SA Law have extensive expertise in this area. We specialise in enfranchisement and can deal with all the issues that clients can face whilst purchasing their freehold.

Team member Belinda Walkinshaw is also a member of ALEP (Association of Leasehold Enfranchisement Practitioners).

## **Participation Agreement**

We recommend that each of the participating lessees enters into a formal agreement which deals with issues such as the responsibility for payment of

their flat before the freehold is bought and formation and role of a steering committee. We can prepare this agreement for you.

## **Nominee Purchaser**

The participating lessees will usually all become members of a limited company which will be used as a vehicle to purchase the freehold (the Nominee Purchaser). We can assist in forming such a company and ensuring that it has an appropriate constitution.

## **The Statutory Procedure**

Once a valuation from a surveyor has been obtained by the lessees and if the Landlord is not prepared to agree a price for the freehold we can assist with the preparation and service of an Initial Notice requiring the Landlord to sell. The Landlord must respond to this within strict time limits and if the terms of the purchase still cannot be agreed it may be necessary to refer the matter to the Leasehold Valuation

Tribunal. At SA Law we have experience of representing both Landlords and Lessees at all stages and can guide you through this procedure.

### **Conveyance of the Freehold title**

Once the terms of the purchase have been agreed or determined by the Leasehold Valuation Tribunal we can then assist with transferring the freehold title to the Nominee Purchaser and ensuring this is properly registered at the Land Registry.

### **Amendments to terms of the lease**

Once the freehold has been purchased the participating lessees will generally wish to extend the length of their leases and there may be other variations required to the terms of the leases. We can advise you on any alterations that may be appropriate and prepare the lease variation documentation.

## Contact Us

For Further information, guidance or advice please contact our Enfranchisement Team

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Every care is taken in the preparation of our articles. However, no responsibility can be accepted to any person who acts on the basis of information contained in them alone. You are recommended to obtain specific advice in respect of individual cases. This note is only a brief summary of the complex requirements set out in the legislation and is not intended to explain all of the issues that might arise in practice where a claim for a lease extension is made.