

HOW TO EXTEND YOUR LEASE – RESIDENTIAL PROPERTY

You should first: -

- (1) Ensure that you are the legal titleholder of the lease.
- (2) Check how long the remaining term is on your lease; and
- (3) Find out the value of the property before and after the extension and see if it is worthwhile.

To have your residential lease extended, there are broadly two possible routes.

INFORMAL ROUTE: FORMAL ROUTE: Are you a "Qualifying Tenant"? See the Contact Landlord (or its agent) and check points below see if an extension can be agreed **Check Point 1:** Is the lease for a fixed term in excess of **FORMAL ROUTE?** 21 years when it was granted? Yes Get a VALUATION done & find Yes **INFORMAL ROUTE?** out the market value if the lease term is being extended **Check Point 2:** Is the Landlord a charitable housing trust? Negotiate new lease terms with the Landlord - terms agreed? No Discuss options with your solicitor Renegotiate No **Check Point 3:** Yes OR try Have you held the lease for at least 2 years? **FORMAL ROUTE** Set out the agreed Heads of Terms in Wait until when you hold the lease for 2 years OR Yes writing (you might like to get your seek INFORMAL ROUTE? solicitor to check the Heads of Terms)

INSTRUCT YOUR SOLICITOR

What your solicitor would then do:

- Contact the Landlord's solicitors;
- Check the draft lease in light of your agreed Heads of Terms;
- Finalise lease and advise you;
- (where possible) complete the lease;
- Deal with your lender (if any);
- Deals with your SDLT filing; and
- Apply to register the new lease.

Notes for INFORMAL ROUTE lease extension:

- Less complicated procedures.
- Parties are free to agree on the terms of lease.
- Landlord is not under obligation to complete the lease.

INSTRUCT YOUR SOLICITOR

What your solicitor would then do:

- Check if you are a Qualifying Tenant;
- Prepare your statutory notices & serve on the Landlord;
- Deal with the Landlord under the statutory procedures;
- Apply necessary notice/entry to Land Registry
- Make application to court / tribunal (where necessary)
- Finalise lease and advise you;
- Complete the new lease;
- Deal with your lender (if any);
- Deals with your SDLT filing; and
- Apply to register the new lease.

Notes for FORMAL ROUTE lease extension:

- Need to comply with statutory procedures & can be more complicated than the "informal route".
- The new lease terms are fixed (90 years at a peppercorn ground rent).
- If your claim is successful, the landlord is forced to complete the lease.