Extending your lease

- 1. Council Officers cannot deal with any informal applications, in terms of the likely premium payable. You would need to seek your own legal and valuation advice
- 2. The relevant legislation is the Leasehold Reform, Housing and Urban Development Act 1993 (The Act). This Act gives you the right to:
 - i. extend your lease by 90 years in addition to the remaining unexpired term at the date of the Notice and
 - ii. to have the ground rent reduced from £10 per annum to nil.
- 3. You need to serve a formal notice on the council under Section 42 of the Act. This is called an "initial" Notice. The detailed requirements are set out in the Act. The Notice should be addressed to: Kelly Dyson, Gangasuthan Bala, Section 42 notice, Planning & Property | London Borough of Hillingdon | Legal Services Civic Centre, High Street, Uxbridge, Middlesex UB8 1UW.
- 4. You would normally need professional advice if you wanted to extend your lease. For example you would want to consider using a valuer, for the valuation aspect, and a solicitor, to deal with the conveyancing aspect.
- 5. In response to the "initial" Notice, the Council has to serve a Counter Notice, within approximately two months. This is the council's offer to you to extend your lease by a further 90 years and sets out the premium you would have to pay.
- 6. Once the Counter Notice is served your professional adviser will seek to agree the premium payable with the council's valuer. If terms cannot be agreed, the matter would then be referred to the Property Chamber. Both parties can attend the hearing. The Property Chamber will then determine the final price to be paid if the extension is to go ahead.
- 7. Once the initial notice is served, you must cover the council's legal and valuation costs, which will be £2,520 (legal fees £1,400, valuation £1,020, plus £100 for document sealing). An administration fee of £950 also applies. If negotiations become prolonged, additional charges of £250 per hour plus VAT will be incurred. In total, external valuation, administration, and legal fees amount to £3,470, payable alongside the lease extension premium and the leaseholder's own legal costs.
- 8. You can contact the Leasehold Advisory Service, known as Lease. This is an independent advice agency funded by the Government, to give free advice to leaseholders. There is further useful information on their website:

www.lease-advice.org

This fact sheet is only meant to be a summary of the legislation.