

## Should I buy a leasehold flat?

If you want to buy a flat, rather than a house, then you have little choice. Present property law in England and Wales effectively requires that flats be leasehold. However this should not be a concern as long as you know your rights and obligations. With a well-written lease and a properly managed building, a leasehold flat should provide a perfectly good home and a secure investment.

## Buying a flat on the open market

If you are considering buying a Leasehold flat which was previously owned by CCH, it is important that you seek assistance from the Home Ownership Officer on 01257 414914. It is important that you are aware of all the facts about being a leaseholder and what your responsibilities are. This information is not always readily available from estate agents and solicitors.

### Head office address

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### Office opening times

Monday, Tuesday, Thursday, Friday 9am to 5pm  
Wednesday 12pm to 5pm

### Telephone

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enquiries@chorleych.co.uk

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This information can be made available to you in larger print or on audio tape. Please telephone 01257 414900 to access this service.

આ માહિતીનો અનુવાદ આપની પોતાની ભાષામાં કરી શકાય છે. આ સેવા સરળતાથી મેળવવા

માટે કૃપા કરી. આ નંબર પર ફોન કરો: 01257 515822

ان معلومات کا ترجمہ آپ کی اپنی زبان میں بھی کیا جاسکتا ہے۔ یہ خدمت استعمال کرنے کے لیے ہوم اوور ہاؤسنگ آفیسر سے  
رہنہ: 01257 515823

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Community Housing

## Information for leaseholders

## Leaseholder – what does it mean?

Leasehold flats can be in purpose built blocks, in converted houses or above commercial or retail premises. As a leaseholder you will have completed the purchase of a flat (not a house) from Chorley Community Housing (CCH) or the local Council and have the right to the occupation and use of the flat for a long period – ‘term’ of the lease. This will usually be 125 years from the date that the first flat in your block was sold. The flat can be bought and sold during that time. At the end of the lease the flat reverts to the landlord.

The ownership of the flat usually refers to everything within the four walls of the flat, including floorboards and plaster to walls and ceilings. CCH, who is responsible for the maintenance and repair of the building, owns the structure and common parts of the building and the land it stands on.

## What is a lease?

A lease is a contract between the leaseholder and the landlord giving conditional ownership for a fixed period of time. The wording of leases is usually in legal language and so it is important that if you don't understand it, that you get advice from your solicitor, as it is difficult to change the conditions of a lease after you buy.

The lease will set out the contractual obligations of the leaseholder and the landlord. For example what the leaseholder has contracted to do and what the landlord is bound to do. The leaseholder's obligations will include payment of the ground rent and a contribution to the costs of maintaining and running the building. The lease will also place certain conditions on the occupation and use of the flat. The landlord will be required to manage and maintain the structure, exterior and common areas of the property, to collect contributions from all the leaseholders and keep the accounts.

## Your responsibilities

Principally, these will be the requirements to keep the inside of the flat in good repair, to pay (on time) a share of the costs of maintaining and running the building, to behave in a neighbourly manner and not to do certain things without CCH's permission for example make alterations or sub-let. CCH has an obligation to ensure that the leaseholder complies with such responsibilities for the good of all the other leaseholders.

## Your rights

First and foremost, the right of peaceable occupation of the flat for the term of the lease usually referred to as ‘quiet enjoyment’. In addition the leaseholder has the right to expect CCH to maintain and repair the building and manage the common parts (if any) for example a shared hallway or staircase not leased to leaseholder

## Ground rent and service charges

Because leasehold is a tenancy, it is subject to a rent normally a nominal fee of £10 paid annually – this is known as the ground rent.

Service charges are payments by the leaseholder to CCH for all the services it provides. These will include maintenance and repairs of the structure of the building, insurance of the building, maintenance etc of communal areas (if any). Usually the charges will also include an amount for management costs.

Service Charges vary from year to year and details of what can be charged for will all be set out in the lease. On completion of the purchase of your flat you will be expected to pay the current years services charges in full. This money is then held to cover the costs of repairs etc to the building, each following year you will receive a new bill to cover the costs of ground rent, insurance and to top up your Service Charges. Some years your share of the maintenance fund may not have been used therefore you will only have make a smaller contribution to this, but you will have to pay the Maintenance of Forecourts and Administration charges annually. If you have any queries regarding your bill, feel free to contact the Home Ownership Officer on 01257 414914 who will explain the details to you.

In effect CCH arranges provision of the services and the leaseholder pays for them. If you feel that the service charges are unreasonable you have the right to challenge them at the Leasehold Valuation Tribunal.