

## Increasing the Length of the Lease of your House

### 1. Is this note relevant to me?

This note is relevant to you if your home is let to you by the National Trust on a long lease and you need to increase the length of your lease.

This might be when you are selling your house, for example, because your estate agent suggests that if you increase the length of your lease your house will become more valuable or more sellable.



Sometimes banks and building societies are not prepared to lend buyers money to purchase a leasehold property if the length of the lease falls below a certain number of years, often 60 years.

This note explains that where certain conditions are met you have a right to be granted compulsory 50 year extension to your lease. Where those conditions are not met you do not have a right to an extension but you may still ask the Trust to grant you an extension on a voluntary basis. The note also outlines how we will deal with your request for an extension and how much it might cost.

### 2. In what circumstances can I make a claim?

The relevant law is rather complex and in all cases you should ask your own solicitor to advise you.

You may have the right to claim, free of charge, a fifty year extension to the length of the lease of your National Trust house. The Act of Parliament which covers this area of law is called the Leasehold Reform Act 1967.



The requirements of the Leasehold Reform Act 1967 are complicated but broadly if your lease is for more than 21 years with a rent of less than £250 a year and you have owned it for at least 2 years then you may be able to claim the free fifty year extension to your lease.

### 3. What should I do if I want to increase the length of the lease of my house?

You should ask your own solicitor to advise you whether or not you have the right to claim a free fifty year extension to the length of your lease.

### Leasehold Reform Act 1967 Extension

3.1 If your solicitor thinks you do have, or might have, the right to claim this then your solicitor should send us a completed legal form containing details of all of the requirements your house and your lease must fulfil, as outlined in section 2 above. In addition to sending us the legal form your solicitor should promise to pay our reasonable costs for checking your claim. You are required to pay these if your solicitor sends us the legal form (by section 14 Leasehold Reform Act 1967).

At the end of this note we have set out a specimen of the legal form which your solicitor will need to send us. We have indicated on the specimen the parts which usually need to be completed.

Please could you send this form to our Legal Department whose address is



National Trust Legal Department  
Heelis  
Kemble Drive  
Swindon SN2 2NA

### Voluntary Extension

3.2 If your house and your lease do not fulfil the requirements of the Leasehold Reform Act 1967 but you would like to increase the length of your lease please could you (or your solicitor) write to our Legal Department at the above address to let us know what you would like. It helps us if you tell us why your solicitor does not think that you have the right to a free fifty year extension to the length of your lease under the Leasehold Reform Act 1967.



## 4. How will the Trust deal with my claim?

### Leasehold Reform Act 1967 Extension

4.1 If you claim the free extension outlined in paragraph 3.1 above our solicitors will investigate your claim and reply to your solicitor. We will do this as soon as we can and the longest we will take is 2 months. If we agree that

you have the right to the free fifty year extension to the length of your lease we will tell your solicitors and will then deal with the legal formalities with them.

If we do not agree that you have the right to the free fifty year extension to the length of your lease we will tell your solicitors. You may still ask the Trust to agree to voluntarily increase the length of your lease – see paragraph 4.2 below.

### Voluntary Extension

4.2 If your house and your lease do not fulfil the requirements of the Leasehold Reform Act 1967 but you would like to increase the length of your lease and you (or your solicitor) write to our Legal Department as outlined in paragraph 3.2 above then we will consider whether or not we will increase the length of your lease. We will let you know what we decide as soon as we can.



If we agree to increase the length of your lease we may impose certain conditions, which we must do because we are a charity. We must obtain the best terms we reasonably can when increasing the length of your lease which will usually include asking you to pay us a price equal to the market value of increasing the length of your lease. We will usually ask you to pay for an expert independent valuation of the market value of increasing the length of your lease, and to pay our legal and any other costs we incur in relation to your request.

### 5. How much will this cost?

#### Leasehold Reform Act 1967 Extension

5.1 You will be required to pay the costs of our lawyers and surveyors for considering your application, and if appropriate for preparing and granting a 50 year extension under the Leasehold Reform Act 1967. Apart from that you will not have to pay us anything else. In most cases we would not expect our costs to be more than £1,000 plus VAT, and they may well be less. But it does depend on the circumstances, and whether there are particular complications, and we will give you a more accurate estimate once we have considered your application and before any legal work is undertaken by the Trust.

#### Voluntary Extension

5.2 As explained earlier, if we agree to increase the length of your lease voluntarily we will usually require you to pay a premium based on the market

value of the extension. The premium payable will depend on the particular circumstances of your house.

In addition we will usually ask you to pay the valuation costs and our legal and surveyor's costs. Each case will be different but generally we would not expect the costs to be more than £1500.00 - £2000.00.

6. How long will the process take?

6.1 In cases where you are entitled to an extension to the length of your lease under the provisions of the Leasehold Reform Act 1967 we will not take more than 2 months after receiving the relevant legal form from your solicitor to check your claim. However, if your solicitor has not completed all of the relevant sections of the legal form we will ask your solicitor to do so and this time period may increase. Once we have checked your claim it will not usually take more than a further 6 to 8 weeks to conclude the extension to your lease.

6.2 In cases where you are not entitled to an extension to the length of your lease under the provisions of the Leasehold Reform Act 1967 and we agree to a voluntary extension it will not usually take more than 6 to 8 weeks from the time that the main terms of the extension, including the price, have been agreed by you and us.

Should you have any questions you should contact in the first instance your Rural Surveyor at your Regional National Trust Office.

