



# GROSVENOR

## EATON SQUARE LEASING POLICY FOR FLATS / MAISONNETTES

Effective December 2017

If you have a current lease of:

- 1 Over 21 years, when originally granted, you have the following two options:-
  - (a) We will deal with statutory notices for 90 year lease extensions to qualifying tenants. The rent payable under the new lease will be a peppercorn and other terms will be in accordance with the legislation. You will need to consult your own solicitor and valuer to progress the lease extension via this route.
  - (b) We will consider taking a surrender of your existing lease and granting you a 20 year, non-qualifying, lease subject to appropriate structuring to exclude statutory rights. There will be a premium payable which reflects the difference in value between the existing lease and the new lease. The rent payable under the new lease will be a peppercorn. The usual service charge and repair provisions will continue to apply.
- 2 Under 21 years, when originally granted, and granted for a premium, you have the following two options:-
  - (a) We will top up the term of your existing lease to a maximum of 20 years at any time on payment of a premium which reflects the difference in value between the existing lease and the new lease. All new leases will be subject to a peppercorn rent for the term of the existing lease and the top up. The usual service charge and repair provisions will continue to apply. Quoted premiums for top ups are valid for three months.
  - (b) We will consider taking a surrender of your existing lease and granting you a 9 year, non-qualifying rental lease. The usual service charge and repair provisions will continue to apply.

3 9 years, when originally granted, you have the following option:-

- (a) We will top up your lease to a maximum of 9 years. The usual service charge and repair provisions will continue to apply. Service charges for major works expenditure will be capped each year of the term.

For 9 year rental leases rents will be reviewed at every third year in line with the RPI, subject to a minimum uplift of 2%.

Notes:

This is a generic policy. All terms agreed individually will be subject to contract until formally documented.

On all voluntary transactions under Section 1 (b) and 2 (a) each party is to meet their own legal costs, and we reserve the right to charge a fee to cover our costs of an independent valuation prior to preparing a quotation.

Terms will not be quoted if there are any arrears on the account (or if there is a history of non-payment) or if there have been any breaches of the lease terms.

Quotations are valid for three months from the quotation date. We will not re-quote terms for a period of six months from the quotation date. Quotations are personal to the lessee at the time of quoting and may not be assigned or offered to a third party.

You should be aware that, under current legislation, if you hold a lease from us which was granted for a term of less than 21 years (whether the current lease, or a new one under the policy above), you will normally not have any rights by virtue of that lease under Leasehold Reform legislation. In particular, you will not have a statutory right to a lease extension.

This policy is at present intended to operate from 1 January 2018 until 31 December 2020, but may be subject to review during this period.

Contacts:

If you would like to discuss any of the above options in the first instance please contact Laura Bemment +44 (0)20 7312 6437, [laura.bemment@grosvenor.com](mailto:laura.bemment@grosvenor.com) or the North Belgravia team on +44(0)20 7408 0988 at the Grosvenor Office.

Alternatively Matthew Arnold, Associate Director, can be contacted on +44 (0)20 7312 6439 or [matthew.arnold@grosvenor.com](mailto:matthew.arnold@grosvenor.com).