



About your Lease and Rights

A guide to your rights and obligations





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This guide provides you with the information to help you understand your lease and rights.

About your Lease and Rights

YOUR LEASE

Your lease is a legal contract between you the Leaseholder and us your Landlord. Please read your lease fully and familiarise yourself with its terms to ensure you adhere to them while you are living in your property.

By owning a lease, you have a financial interest in the home you live in, which also gives you certain rights as well as obligations.

As the Landlord, we own the freehold to the property you live in and there are certain obligations we have to follow too.

LENGTH OF YOUR LEASE

A new lease will normally be granted for a period of 99 or 125 years and is called an 'Assignable Lease'. This lease entitles you to live in your home as the Leaseholder and to purchase further shares should you wish to in the future.





Your Lease Explained

YOUR OBLIGATIONS

Under the terms of your lease, there are a number of payments due to us these include:

RENT

Prior to the completion date of your purchase, you will be advised what the initial rent for the share in your home is. Your lease will also set out how the rent is calculated and how it will be reviewed on an annual basis.

On a shared ownership property, your rent is set in proportion to the share of the property you own. Your lease sets out the basis of assessment of the rent and the method by which we calculate any future increases.

Rent reviews are undertaken on an annual basis and are influenced by interest rates. We will inform you in writing of any proposed changes to your rent at least four weeks prior to any change coming into effect.

Should you decide to purchase further shares in your home, your rent will be adjusted to reflect this. Details on how to buy further shares can be found in 'Buying more shares in your home' booklet.



MANAGEMENT CHARGE

In addition, included within the rent payable by shared owners is a charge for management services. This charge covers items such as:

- Arranging buildings insurance.
- Collecting and accounting for rent and other charges.

BUILDINGS INSURANCE

The charge for buildings insurance is re-calculated each year and you pay it at the same time as your rent.

Our insurance policy covers the following:

- Buildings.
- Public Liability and Employers Liability.
- Engineering (i.e. lifts if applicable).

It is your responsibility to arrange contents insurance for your home.

SERVICE CHARGE

A service charge will be paid if we provide services to you that are shared with more than one property, such as services for communal areas. Your lease sets out your share of the cost.

Service charges are reviewed on an annual basis and you will be informed of the outcome of the reviews.

METHODS OF PAYMENT

Your rent and other charges are payable in advance on the first day of every month and we request that this is paid by direct debit.

Your rent and service charge continues to be payable even when the property is vacant and only when the lease has been reassigned, will the new owner be liable for these costs.

NON-PAYMENT

Under the terms of your lease, failure to pay charges owed to us will result in a breach of that lease.

If you miss a monthly payment, we will contact you requesting you make that payment. If you still fail to make the payment and don't contact us to explain the reason for non-payment, we will write to you and explain what action we will take.

We reserve the right to charge you interest on any outstanding balance on your account, as well as adding to the debt any legal charges that may be incurred in its recovery. These charges may also include the application for a County Court Judgement against you, which will reduce your credit rating.

In respect of shared owners who have secured a mortgage on their property, we also have the option to approach your lender to pay the money you owe on your behalf. However, this does incur additional charges for you and the debt

paid by your mortgage lender will be added to your total mortgage cost.

Should your mortgage lender continue to be approached by us regarding non-payment of charges, they may consider taking legal action against you to repossess your home.



Your home is at risk if you fail to keep up with payments on your rent, service charge and mortgage. We are here to help and advise, so if you are unable to pay your rent or service charge or are experiencing money troubles, please contact our Income Team immediately.

YOUR RIGHT TO OCCUPY YOUR HOME

You have the right to stay in your home as long as you keep to the terms and conditions set out within your lease.

Should you not adhere to these terms, we reserve the right to take further action against you for your breach of the lease.





Repairs and Alterations

REPAIRS

As part of your lease agreement, it is your responsibility to keep your home in good internal condition and to carry out necessary repairs.

Repair work to your home must be carried out in a respectful manner, with minimum noise and disturbance, using the correct, safe materials and tools. Please refer to the 'Welcome to your new home' booklet for further details.

ALTERATIONS

If you would like to make structural alterations to your home this must be considered and approved by us prior to any works. Please contact us to discuss this.

You need permission from us as it allows us to:

- Ensure you are not breaking building regulations.
- Ensure you meet the requirements of our insurance policy.
- Ensure your lease allows you to make structural alterations.

If you are considering making structural alterations to your home and you have had our permission, you have an obligation to adhere to the following:

- Work does not break any conditions set out in your lease.
- You have obtained planning permission.
- The structure of your home will not be endangered.

- We have received a full schedule of the planned work and drawings.
- Work is carried out by a qualified contractor.
- Your neighbours will not be affected by the work.

OUR OBLIGATIONS

As your Landlord, we will do the following:

- Let you live in your home undisturbed by us.
- Keep your property (the building not its contents) insured.
- If your property is a flat, we will repair and renew the roof, foundations and main structure of the building as necessary, we will also redecorate communal areas.

Our obligations are dependent on you paying your rent and/or service charge for the period given in your lease.

CONSULTATION ON MAJOR WORKS AND LONG-TERM AGREEMENTS

As a Leaseholder you have the right to be consulted on major works and long-term agreements as detailed within the Landlord & Tenant Act 1985.

In the event of any major works or changes to long term agreements, we will consult with you and adhere to the processes outlined within the Landlord and Tenant Act.

This is not intended to be an exhaustive document and where there is any area of discrepancy it is the lease which is the superior document.

Your Summary

- 1** Your lease is a legal contract between you the Leaseholder and us your Landlord.
- 2** This lease entitles you to live in your home as the Leaseholder.
- 3** You are able to purchase further shares should you wish to in the future.
- 4** As part of your lease agreement it is your responsibility to keep your home in good internal condition and to carry out necessary repairs.
- 5** Your buildings insurance premium is re-calculated each year and you pay it at the same time as your rent.
- 6** Contents insurance is your responsibility.
- 7** Rent and service charges are collected on the 1st of each month or the first working day of the month.





Contact Details

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Further information relating to Longhurst Group can be accessed via our website:
longhurst-group.org.uk

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