

Information Sheet 2: Rights and Responsibilities

Your rights and responsibilities as a leaseholder

As a leaseholder you have a number of rights and responsibilities under the lease. These include the following;

You have the **right** to live peacefully in your leasehold home without interference from your Landlord as long as you keep to the terms of your lease.

You have the **right** to request that the Landlord carry out repairs to the structure of the main building and the communal areas.

You have the **right** to sell your lease or leave it in your will. Your solicitor should ensure that Herefordshire Housing are notified if you sell your property.

You have the **right** to take in lodgers or rent your property to someone else. If you want to grant a sub-lease to someone else you have to notify Herefordshire Housing and pay the appropriate fee as set out in your lease.

You have the **right** to carry out repairs and improvements to the inside of your property as long as you don't cause damage to the outside or communal parts of the building. If you want to carry out a major alteration which could affect the structure or appearance of the building you must write to Herefordshire Housing to ask for permission.

You are **responsible** for paying a service charge and you may also be **responsible** to pay a proportion of costs of major works and improvements to the block which includes your home. For example if you live in a block of 4 flats and Herefordshire Housing have to replace the roof at a cost of £20,00.00 you may be liable for a contribution of £5,000.00.

You are **responsible** for keeping to the terms of your lease including conditions that you do not cause a nuisance to your neighbours, that you do not leave rubbish in the communal areas and that you keep the interior of your property in a good condition.

Our rights and responsibilities as your landlord

As landlord Herefordshire Housing have a number of rights and responsibilities. These include the following;

We have the **right** to carry out repairs and improvements to the block and the communal areas. We are **responsible** for keeping the structure and shared areas of the block in good repair.

We have the **right** to manage the block.

We have the **right** to charge you your appropriate proportion in accordance with your lease for the costs incurred by Herefordshire Housing in carrying out its responsibilities under the lease. We have a **responsibility** to collect this so that our tenants aren't paying the share of the Leaseholders which would mean that we would be breaking terms of the Housing Acts.

If we are carrying out major works then we have a **responsibility** to consult with you.

We have the **right** in certain circumstances to enter your property to carry out repairs if there is an emergency, for example if there was a leak from your property causing damage to other properties we can enter your property to stop the leak.

Buying, selling, sub-letting or losing your leasehold home

Buying

There are two ways that you can become a Leaseholder of a Herefordshire Housing home:

- Buying the home you currently rent direct from Herefordshire Housing through the Right to Buy or Right to Acquire schemes.
- Buying a home from an existing leaseholder on the open market.

Selling

You have the right to sell your lease. To do this there are conditions within the Lease. One of these conditions is that you must inform us when the sale has taken place by giving us a Notice with a registration fee.

It is always advisable to get a Solicitor to deal with the sale for you.

You will need to ensure that your service charge, ground rent and insurance policy charges are up to date. Information on your account can be obtained by calling the System Support Team on 01432 384047.

Until the sale has been completed you are the leaseholder and therefore you will be responsible for all of the charges and ensuring that you keep to the terms of the lease.

You can leave your lease to someone in your will. This means that you can leave your property to someone that you choose, for example your partner or children. They will take on the lease and become the leaseholder.

If you die and you haven't left a will then your executors will deal with your lease in accordance with the intestacy laws. Any outstanding charges owed to Herefordshire Housing will be charged against your estate.

Sub-letting your Leasehold Home

You have the right to rent your leasehold home to someone else.

As a leaseholder though, you do have to ensure that the terms of the lease are adhered to. You should also notify Herefordshire Housing and advise them of your correspondence address and arrangements for payment of the service charges.

If you want to grant a sub-lease to someone then you have to give Herefordshire Housing a formal Notice. It is a good idea to seek legal advice if you are considering doing this.

Losing your Leasehold Home

As a leaseholder you are responsible for ensuring that you keep to the terms of your lease.

Herefordshire Housing as landlord of your home has the right to apply to the Court for 'Forfeiture'. Forfeiture is a serious penalty. It means that the Court ends your lease and gives Herefordshire Housing possession of your property without you receiving any payment or compensation.

Herefordshire Housing would only apply to the Court for forfeiture as a last resort if:

- You have not paid your service charges which amount to £350.00 or more or which have been owed for 3 or more years and we have applied to the Leasehold Valuation Tribunal (LVT) to determine that the service charges are payable. If the LVT determine that they are payable then 14 days after that decision Herefordshire Housing could then serve a Notice on you, called a Section 146 Notice and then take proceedings through the Court.
- You have breached a term / terms of your lease and you have not responded to Herefordshire Housing's requests to remedy the breach and put the matter right. Herefordshire Housing could then serve a Section 146 Notice on you and take proceedings through the Court.

Repossession

If you have a mortgage on your property your mortgage lender has a 'legal charge' over your property. This means that they can apply to the Courts to take possession of your lease if you do not pay your mortgage. If the Court grants possession to your mortgage company then you will be evicted and the lease would be sold. The mortgage company will take what you owe them from the proceeds of the sale, pay anyone else who has a charge over your property and then give you anything that is left over.

Forfeiture and Repossession will mean that you are at risk of losing your home. It is important that you seek help if you are having difficulty in paying your service charges and/ or mortgage. Herefordshire

Housing's System Support Team (01432 384047) can advise on your service charge account.

Buying the Freehold of your Block

If at least two-thirds of the residents in your block are leaseholders, you can apply jointly to buy the freehold of your block and manage it yourselves. This is called "Collective Enfranchisement". For more information on this please contact the Legal Team who can send you a leaflet on Collective Enfranchisement.

Lease Extension

If you have held your lease for a period of 2 or more years then you may be entitled to pay a premium and have the length of your lease extended by 90 years. For more information on this please contact the Legal Team who can send you a leaflet on Lease Extensions.