

Lease Extension: The Route to a Vesting Order

LEASEHOLDER



FREEHOLDER



Likely to be a smaller private operation



1 Get a formal lease extension valuation

2 Put in an offer to the freeholder

Dear freeholder
I would like to formally extend my lease for £12,000

3 Freeholder doesn't respond or responds unfavourably

4 Serve your Section 42 Notice

S. 42 NOTICE
90 Years
£Nil ground rent
£12,000

Freeholder doesn't respond (either ignores notice or is absent) by date stated in S.42 Notice (normally 2 months after date of service of notice)

5 Your Solicitor writes to Freeholder, drafts lease extension for your £12,000 premium

6 Freeholder fails to serve Section 45 Notice (doesn't reply, absent or other)

7 Your Solicitor applies to Court for a Vesting Order

UP TO 6 MONTHS TO APPLY FOR A VESTING ORDER

Considers:

- ▶ Eligibility
- ▶ RICS Valuation
- ▶ Section 42 Offer



COURT

Estimated Court Costs

Undefended

£330 Court Application
£1,620 Legal Fees
£840 Counsel Fees

Defended

£330 Court Application
£1,620 Legal Fees
£840 Counsel Fees
£300/hr for Barrister acting for you as Plaintiff

1. The Court should rule in your favour
2. The Court may award repayment of your Court costs that are deducted from your premium
3. The Freeholder is liable for their own costs if they defend the claim