

Common Misconceptions About Leasehold

I have bought my flat, you can't tell me what to do – you don't own the bricks and mortar or the land on which it is built; you have bought the right to live in the property for a long time. The lease tells you what you can and can't do, what your landlord must do, the services that must be provided and the amount you must pay for them.

I pay you £3,000 to manage my flat – The amount of the service charge paid to the managing agent as management fee is usually quite small – pence per day per flat. Most of what you pay covers the actual costs incurred in providing services, such as; cleaning, maintenance, insurance, utilities, on-site staff etc.

Can't you just write it off? – Service charges cover the actual costs incurred. They provide no profit. Communal living includes collective responsibility for shared costs.

There is no 'magic pot' from which money can be taken to write off your share.

I bought my flat so I shouldn't have to pay service charges – You bought the exclusive right to live in the flat and use the common parts. The structure of the building and common parts still need to be maintained. The landlord retains the obligation to maintain these areas but also has the right to recover the costs incurred as service charges. The lease will tell you precisely what is exclusively yours and what rights and obligations you share with others.

I bought my flat so why do I need permission to alter my flat – You have bought a lease, giving you the right to occupy the property (without ownership), albeit for a very long time. You will almost certainly need a licence because the landlord is required to ensure that works do not have an effect on the structure of the building or the rights of other leaseholders. You can't do as you please, you must seek consent when the lease requires you to do so.

You are the managing agent and my washing machine doesn't work – The Landlord's and Managing agent's responsibilities usually stop at the front door of the flat. Your washing machine is your own personal property and your own obligation to repair / replace.

It's only a car parking space – why is there a service charge – Communal living includes collective responsibility for shared costs. Car parks require maintenance over the long term and often have all the common features of flats, sometimes even more. Entry systems, sprinklers, lighting, ventilation, pumps.

I live on the ground floor so why should I pay towards the lift costs –

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- What is a Lease?
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- Who has responsibility for what?
- Carrying out alterations or improvements
- What costs will I have to pay each year?
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The obligation to pay towards the upkeep of facilities is usually related to the right to use those facilities. You have a right to use the lift whether you need to use it or not. Occasionally leases do provide for all lift costs to be met by those leaseholders living on the upper floors but this is not the norm. It is much more usual for leases to provide for all leaseholders to cover a proportion of all communal costs.

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