

## Leasehold Glossary of Terms

<b>Assignment</b>	This is the term used when the lease is sold on when you sell your home. The new leaseholder is the assignee.
<b>Block</b>	The building as described in your lease in which your demised property is situated.
<b>Common areas</b>	The parts of the building or estate that can be used by all the residents. For example; stairs, corridors, lifts, communal gardens, paths, communal bin stores, car park.
<b>Consents</b>	Written permission you require from FCHO to do various things, such as make structural alterations.
<b>Consultation</b>	This is the process of asking for other people's opinions. Where possible, we will consult you about anything we do that affects your property.
<b>Covenant</b>	A covenant is a condition in your lease that you are responsible for during your ownership of the property.
<b>Cyclical maintenance</b>	Work that we usually do on a programme.
<b>Demised Property</b>	The definition of the property being leased.
<b>Development</b>	The building as described in your lease in which your home is situated.
<b>Discount repayment period</b>	The Right To Buy Legislation states, you will have to pay back some or all of the discount you received when you bought your home, if you sell (or sub-let the lease for over 21 years) within the discount repayment period. NB. If you applied to buy your home before 18 January 2005 the period is 3 years. If you applied after this date, the period is 5 years.
<b>Enfranchisement</b>	This is the process where leaseholders may be able to buy the freehold of their block.
<b>Fixtures</b>	You are responsible for these fittings in your flat and these include kitchen units, the bathroom suite, light fittings and central heating system (not communal heating system).
<b>Forfeiture</b>	This means that the lease is terminated and FCHO as freeholder can lawfully repossess the property and dispose of it with vacant possession.
<b>Freehold</b>	Absolute ownership of property and land on which it stands.
<b>Ground rent</b>	This is the rent paid to the landlord during the term of the lease. It is a small annual fixed sum payable by a leaseholder to a freeholder in recognition of the legal contract between them.
<b>Improvement</b>	Doing more work to a property than is required, to satisfy an obligation to repair.

Glossary of Terms	continued
<b>Landlord/Lessor</b>	The person who owns the freehold of a property and grants a tenancy or lease to a tenant or leaseholder. In this case, FCHO.
<b>Lease</b>	The lease is a contract that explains the FCHO's responsibility to you and your responsibility to FCHO.
<b>Leasehold</b>	An ownership of a property in a building, comprising of other flats/maisonettes and subject to the payment of service charges and ground rent for a set period of time.
<b>Leaseholder or lessee</b>	This is the person who has been granted the lease by the landlord and is also known as a tenant. This means you, the owner of the premises.
<b>First Tier (Property Chamber) Tribunal FTPM</b>	A PTPM is an independent and impartial body that makes decisions about service charge disputes between landlords and leaseholders. It consists of three members, typically a lawyer, a property professional and a layperson. Hearings are semi-formal and provide a faster, cheaper and simpler option to court proceedings.
<b>Long-term agreement</b>	A contract for more than 12 months to provide works or services - for instance, the grounds maintenance contract or the lift maintenance contract.
<b>Mortgagee</b>	This is a bank or building society that lent you money to buy your property.
<b>Mortgagor</b>	A person that has received money from a bank or building society to buy their home.
<b>Qualifying works</b>	Works that cost you £250 or more, and on which you will generally be consulted in a specified way.
<b>Rateable value</b>	A property based sum used originally as a former method of local taxation but used in this context as a reasonable way of apportioning service charges.
<b>Section 125 Notice</b>	The notice included with your Right to Buy purchase price, which sets out major works costs for the first five years of the lease and the most FCHO can charge during this period.
<b>Section 20 Consultation Notice</b>	This is the consultation letter we must send you when we are intending to carry out works that cost more than an amount set by Government regulations.
<b>Service charge</b>	Payment made by a leaseholder for services provided by FCHO.
<b>Subletting</b>	When you let your flat to someone else - if you do this, you become a landlord and are responsible for the actions of your tenants.
<b>Tender</b>	This is what we do to get the best prices for large/major contracts such as redecoration works and based on a detailed specification of the works. We invite contractors to give their price or 'tender' for the work.
<b>Term</b>	This is the length of time the lease has been granted for.