

## Freehold

This means that you fully own the property. As a freeholder you will have full responsibility for the maintenance and repairs of the property.

## Leasehold

This means that you own the property for as long as is specified in the lease; you are granted the right to live there by the freeholder. At the end of the lease the property again becomes the possession of the freeholder. Many leases are originally granted for up to 999 years, but existing leases on properties are usually shorter. The majority of leasehold properties are flats, although some houses are leasehold.

The lease stipulates who is responsible for maintaining and repairing different parts of the property and any conditions you must meet as a resident. Check these if you are considering buying a leasehold. You must also pay a ground rent to the owner of the land (the freeholder), usually a small amount paid each year. Your solicitor should check that the seller is up to date with ground rent payments before you sign the contract.

You should not buy a property with a lease of less than 60 years, and anyway mortgage lenders are very unlikely to lend for a lease as short as this. Lenders normally want at least 20 years left on the lease after the end of the mortgage term. As a leaseholder you have the right to extend the lease for 90 years or even to buy the freehold if certain criteria are met, though the application process is expensive and takes a long time.