

## E&J ESTATES and E&J CAPITAL PARTNERS

### UPDATE ON LEASEHOLD REVIEWS

Last updated October 2019

In March 2019, E&J Estates signed up to the Ministry for Housing, Communities and Local Government's Pledge on behalf of all of the freehold investment companies whose interests we administer. The Pledge addresses some of the current issues in the residential leasehold sector and has been signed by over 60 house builders, developers and freeholders. Please follow the link below for full details:

<https://www.gov.uk/government/publications/leaseholder-pledge/public-pledge-for-leaseholders>

The first point in the Pledge is a commitment to identify and amend all leases within our portfolio which contain a clause whereby the ground rent doubles more frequently than 20 yearly.

The most sensitive of these are 10-year doubling leases. E&J administer relatively few of these types of leases however all of these leaseholders have received an offer from E&J to amend their lease such that ground rents rise periodically by no more than the RPI rate of inflation. So far, over half of eligible leaseholders have taken up this offer and are currently undergoing or have already completed a variation.

The Taylor Wimpey Ground Rent Review Assistance Scheme gives leaseholders who purchased their property from Taylor Wimpey with a lease containing a 10-year doubling rent review clause the same opportunity. **Any leaseholder who purchased their property from Taylor Wimpey and who wishes to change their lease can do so by visiting <https://www.taylorwimpey.co.uk/leaseholdfaq>.**

Under the terms of the Pledge, all other leaseholders who own a property with a lease containing a rent review clause whereby the ground rent doubles more frequently than 20 yearly are also entitled to an offer to amend the clause to one linked to RPI. We have identified these leases in our portfolio and a programme of communication and legal work in respect of this offer is underway with many leases already varied.

**We would encourage any leaseholder who qualifies for a variation and wishes to accept an offer or has concerns or questions to emails us at [enquiries@eandjestates.co.uk](mailto:enquiries@eandjestates.co.uk).**

#### About E&J

E&J is a specialist group of companies that collectively source, own and administer freehold ground rent assets. E&J owns or administers approximately 40,000, primarily residential, ground rent assets across the UK. The majority of these are administered leases, where ground rent income is due to third parties, typically institutions, annuity providers and pension funds which are attracted to the long-term income stream

