



Introduction

“When entering into negotiations with participating tenants, give yourself some flexibility”



Curzon v Wolstenhome [2015] UKUT 173 (LC)

Despite a notice to purchase the freehold being unregistered at the Land Registry the freeholder was still bound by the agreed terms.

The case looked at several issues in law. Firstly whether, a freeholder is bound to transfer the freehold under a Section 13 notice to participating tenants.

Section 13 Leasehold Reform, Housing and Urban Development Act 1993

Before serving a section 13 notice to purchase the freehold, potential purchasers should check they meet the qualifying criteria:

1. Is your flat in:
 - a self-contained building (ie, structurally detached), or
 - a self-contained part of a building (ie, capable of being redeveloped independently of the remainder of the building)?
2. Does the building have at least two flats?
3. Is non-residential part of the building 25% or less of the total floor space of the building?
4. Do at least 2/3 flat owners of the building have bought long leases (ie, terms of more than 21 years

In this case, the freeholder after being served with the section 13 notice had transferred the freehold to his wife and then transferred it back to him.

Secondly, the case looks at once the price for a freehold is agreed can either party withdraw from the agreement and, require that the price be determined by the tribunal.

The First Tier Tribunal held the initial notice was effective and that neither party could go to the tribunal on the price as this had already been agreed.

Freeholders beware! When entering into negotiations with participating tenants, give yourself some flexibility i.e. make any acceptance conditional until all the terms of the acquisition have been agreed.

For further information on purchasing the freehold or responding to a notice served by participating tenants please contact Yashmin Mistry.

For further information & advice please contact:

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We try to ensure that the information contained in this newsletter is correct. However, we cannot accept responsibility for any errors or inaccuracies unless we have given you, personally, specific advice relating to a matter about which you have given us full background details.

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