

Appendix 1

Leasehold enfranchisement procedure: Park Royal

Long leaseholders of flats have the right, as a group, to buy the freehold of the building, if they and their building qualify. This is known as 'collective enfranchisement'.

To qualify, certain conditions have to be met:

- at least two-thirds of the flats in the block must be leasehold
- leaseholders numbering at least half the flats in the building must participate in the purchase of the freehold
- the group of leaseholders purchasing is properly constituted in line with the law.

Where there are secure council tenancies in the building and there is enfranchisement, the council must take leasebacks of the tenanted properties on 999 year leases on much the same terms as other leases in the building and at a peppercorn rent.

