

## Contact Us

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If you would like to find out more about our purchase assistance packages, please contact your nearest Gleeson regional office or visit us at:

**[www.gleeson-homes.co.uk](http://www.gleeson-homes.co.uk)**



We have a range of purchase assistance packages *tailor made* to suit *your* individual circumstances.

Freehold *versus* Leasehold?  
A very important question

*homes by*  
**gleeson**  
builders for generations

## Did you know?

That there has been an increasing trend amongst house builders to sell houses with leasehold status.

In most cases they see it as a way of earning extra money and may eventually sell the leases to a private equity company where profit motive overrides everything else.

We at Gleeson will not apply leasehold to houses for our own gain but occasionally the land we want to buy is subject to a lease we cannot avoid.

The homes on this Gleeson development are freehold.

The freehold or leasehold status is very important when choosing your new home as the cost implications and value can be impacted now and in the future.

## The homes on this Gleeson Development are Freehold.

### What does *freehold* mean?

Freehold is the ownership of land and all immovable structures attached to that land. This includes land and all that naturally goes with it, such as buildings, trees, or underground resources, but not such things as vehicles or livestock (which are movable).

In simple terms this means you own both your new home and the land it sits on and have nothing extra to pay.

### Buying the *freehold*

In some cases a purchaser can buy the freehold for a significant sum of money (usually £6000 +).

In new build houses you are often able to buy the freehold when you buy the house. The lease sometimes allows you to buy the freehold at a later date but often the price of the freehold increases with time.

### What does *leasehold* mean?

A leasehold property means you rent the land from the landowner (freeholder) and therefore only own the property for a fixed period of time. You will have a legal agreement with the freeholder called a 'lease'. This tells you how many years you'll own the property. Ownership of the property returns to the landlord when the lease comes to an end. In simple terms this means you do not own the land your new home sits on, but pay a ground rent for it.

Many leases are granted for a set number of years. With leasehold you will typically have to pay an annual ground rent to the freeholder, usually starting around £250 per annum.

This charge can increase usually at a specified review period which is often every 2 or 5 years.

Often under the terms of the lease you have to seek permission from the freeholder to make changes to your property, or seek permission to let or sell. Charges are applied here too.

## Freehold is *free*, Leasehold will *cost* you *money*

This leaflet is for guidance only.

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