



Change to ground rent notice

Ground rent is a regular payment which a leaseholder must pay to their landlord (sometimes called 'the freeholder') under the terms of their lease.

Before ground rent is payable on a residential long leasehold property (which is one where the lease was originally for 21 years or longer), the landlord must serve the leaseholder with a notice containing certain information.

The information to be contained in the notice is set out in the *Landlord and Tenant (Notice of Rent) (England) Regulations 2004*, SI 2004/3096.

The notice includes "Notes for Leaseholders" which provide helpful and important information to both leaseholders and landlords and alert them to the significance of the notice.

The "Notes for Leaseholders" provide information on other measures which provide protection from forfeiture (in other words, losing your property) for failure to pay a small amount for a short period. They also provide guidance on how the landlord must serve the notice.

It was brought to our attention that paragraph 3 of the Notes may be misleading. In order to avoid any misunderstanding, a small change has therefore been made to this paragraph for clarity. This change was made on 26 April 2011.

The notes now make clear that forfeiture action cannot be taken for non-payment of rent, service charges or administration charges (or a combination of these) unless the unpaid amount is more than £350 or consists of (or includes) an amount which has been outstanding for more than three years.

This change has been put in place through a correction slip issued by The Stationery Office. A link to the correction slip is attached below.

<http://www.legislation.gov.uk/uksi/2004/3096/contents/made>

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