

2nd September 2019

Dear

Removal of Requirement to Pay Ground Rent

You may have seen coverage in the press recently about some developers who have made provision in their apartment leases for very high increases in ground rents for apartments that they have built. As a result of this, and other concerns about leasehold practices, the Government has consulted on changes to the law governing apartments (and in some cases, houses).

As a Company, Croudace has always sought to ensure that owners of apartments were in a fair position. The Company has never employed the practices relating to extortionate increases in ground rent that have been in the press recently. However, as a result of the Government consultation, Croudace has taken the opportunity to review its practices around the granting of leases.

House builders were recently asked to sign up to the Government's 'Public Pledge for Leaseholders', which Croudace did, but which in any event reflected practices currently employed by the company

As part of the review carried out by the Company, Croudace has looked at the existing leases for those who already own an apartment purchased from Croudace. The Company has decided to stop collecting ground rent on existing apartments where it is the owner of the block in which the apartments are situated.

As such, I am pleased to confirm that no future ground rent will be payable by you to the Company, and the Company will not pursue any arrears other than those that are already owed.

Please note that you must still pay any arrears of ground rent that you already owe from previous invoices in order that Croudace is fair to all apartment owners.

It is suggested that you keep a copy of this letter with your lease and other paperwork relating to your apartment so that you can demonstrate to any buyer of your apartment in the future that Croudace will not make any demands for ground rent.

Yours sincerely

Caroline Bailey

Caroline Bailey
Company Secretary and Group Head of Legal

Please note: If you pay by standing order please can you contact your bank to cancel it as we are unable to do this.

