

**Consultation on Long Leases (Scotland) Bill
by the Council of Mortgage Lenders
to the Scottish Government Consultation**

Introduction

1. The Council of Mortgage Lenders (CML) is the representative trade association for mortgage lenders. Our 109 members and 80 associates comprise banks, building societies, insurance companies and other specialist mortgage lenders who, together, lend around 94% of the residential mortgages in the UK. In addition, the CML members have lent over £60 billion UK-wide for new-build, repair and improvement to social housing.

2. CML Scotland welcomes the opportunity to respond to the [consultation paper](#) on Long Leases (Scotland) Bill.

General

3. We would support the Scottish Government in introducing a Bill which would convert long leases lasting more than 175 years and with more than 100 years left to run into outright ownership. The Scottish Law Commission report into this matter did in our view set out valid reasons for conversion. Long leases of residential properties are rare and historical and clearly the value of a tenant's interest will reduce as the termination date approaches and this could clearly impact on the value of any Standard Security held by a lender over the tenant's interest in the lease.

4. Our support outlined in 3. above is given on the basis that where a Standard Security is held over the tenant's interest in the long lease prior to conversion it would remain in place following conversion.

Further contact

5. This response has been prepared by the CML in conjunction with its members. Any comments or enquiries should, in the first place, be directed to:

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