



Section

6

Moving home and buying extra shares



Section 6 Moving home and buying extra shares

This section explains how you buy extra shares in your home, and sell your home by assigning the lease.

Buying extra shares in your home

Buying extra shares in your home is also known as “staircasing”. Our shared ownership leases normally allow you to buy shares in multiples of 12.5%. If you buy all of the remaining shares you will own your home freehold if the property is a house or on a leasehold basis if the property is a flat. If you buy extra shares we will charge you less rent; the new rent you would pay will be based upon the share of your home that we own.

You can put in a request to buy further shares (or the whole of the remaining share) at any time. Your home will then be valued by an independent valuer who will set the value and you will be responsible for the valuation fees.

The valuer will assume the property is well maintained and will exclude the value of improvements you have made. This ensures that the cost of buying extra shares excludes the value of improvements that you have made. Property values can increase or decrease, so it is unlikely that the cost of buying an extra share will be the same as the cost of the initial share you purchased.

We will let you know in writing the value of your home and how much you must pay for extra shares. You must inform us in writing if you wish to proceed. We recommend that you appoint a solicitor or other legal adviser to act for you. You will be responsible for your own legal fees.

Our offer to sell the extra shares will normally remain open for three months. If you find you are unable to complete the purchase within the time stated in the offer, then you may ask us to give you an extension of time. However, we would not be obliged to allow any extra time.

Buying all of the shares in your home

If you buy all the remaining shares in your home, then:

If you live in a **house** you will be entitled to require us to transfer the freehold to you. We will then cease to be your landlord and you will no longer have to pay any rent to us. You will remain responsible for insuring your property.

If you live in a **flat**, you will remain a leaseholder, and we will continue to be the landlord. Your rent will be a fixed ground rent of £10 per year. As a flat owner, you will continue to pay a service charge to the management company for things like buildings insurance, cleaning of common parts and repairs to them structure and common parts of your block.



Selling your home

This is known as assignment of the lease.

When you sell on the open market, your purchaser will have to buy your home outright. So you will need to buy the remaining shares in your home first.

Your solicitor will normally arrange for you to sell your home on the same day you buy the remaining shares so you do not need to raise money to buy the extra shares.

You must tell your solicitor and us if you need to buy the remaining shares in your home before you sell.