



# Customer Guide Shared Ownership - Resales





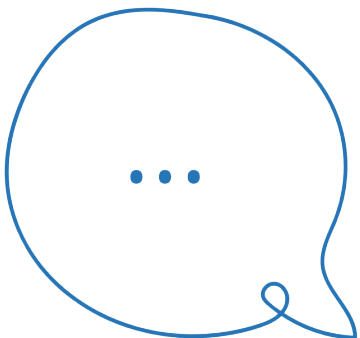
## What is a Resale?

As a shared owner, you can choose to sell the share in your home at any time. The process of selling your share to another person, is known as a resale.

## What is the nomination period?

Most Shared Ownership leases have a clause known as a nomination period, which means we have the right to market your property for a fixed amount of time, to try and find another buyer who is eligible for Shared Ownership. The nomination period is usually between 8 to 12 weeks, depending on what is written in your specific lease agreement.

If we find a replacement buyer within the nomination period, the applicant will be financially assessed and we will check they meet the eligibility criteria for Shared Ownership before they can buy.



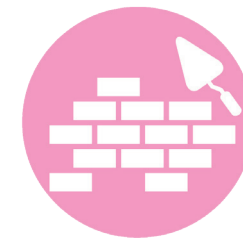
## What happens if my share is not sold during the nomination period?

If we are unable to find a replacement buyer during the nomination period or we choose to release you early from the nomination period, you are free to sell your share on the open market. If you choose to instruct an estate agent, you will be responsible for any related fees and costs.

You also have the option to market 100% of your home and find a buyer, which is referred to as a back-to-back sale. This means you would staircase\* to 100% and sell on 100% of the property to a new buyer in a simultaneous transaction. The funds from the new buyer would cover the cost for you to staircasing to 100%. You should seek advice from your solicitor and notify us if you wish to explore this option. There are likely be additional legal costs to cover the more detailed transaction.

\*Staircase or staircasing is when you buy additional shares in your home.





## What are the costs of selling my share?

- **A valuation** – you will need to pay for your home to be inspected and valued by a qualified RICS valuer – that means a valuer who is a member of The Royal Institute of Chartered Surveyors.
  - **Legal fees** – we will both need to instruct solicitors to manage the legal aspects of selling your share. You will be responsible for paying yours and our solicitor fees.
  - **An admin fee** – there is administrative work involved to process the sale of your share and we will charge you a reasonable admin fee to cover our costs.
  - You will need to pay for the production of a management pack, to be provided to your new buyer.
  - If we market your home and find a buyer during the nomination period, there
- will be a fee to cover the costs of advertising and promoting your home. This cost is usually cheaper than using an estate agent.
  - You will need to pay for an EPC (Energy Performance Certificate) if there is not a valid one for your home
  - You will be responsible for costs associated with buying another property and your removal costs.



## What happens if I have made improvements to my home?

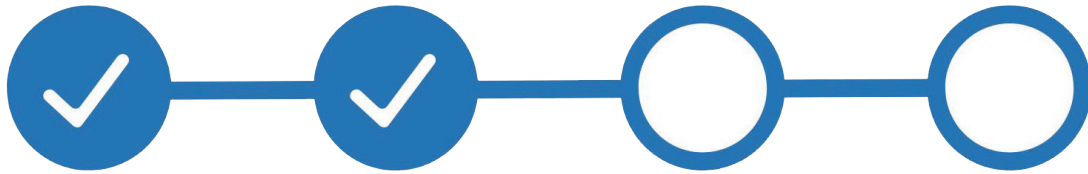
If you have made significant home improvements, such as building an extension or a conservatory, and you believe the value of your home could have increased as a direct result of the specific improvements, you should disclose this upfront so it can be considered as part of the RICS valuation.

You will need to ask your valuer to provide two valuations – their expert opinion of the value of your home with and without the benefit of the improvements. If the improvements have directly impacted the value, this could increase the amount you receive when your home is sold, so you get the benefit of any uplift in value.

Anything else I should know?

- All legal owners of the property will need to sign a consent form in order to proceed with selling the share.
- Your rent and service charge account must be up to date. If there are arrears, you will need to clear these before proceeding.





## How do I get started?

These simple steps will help you navigate the process:-

### Step 1 – Give us a call



Firstly, you need to contact Saffron Housing Trust and let us know you are interested in selling your share. We will check the terms of your lease, the original planning approval for the home and also check there are no rent or service charge arrears on your account.

We will also check the share percentage that you currently own.

### Step 2 – Getting your home valued



You will need to instruct a local RICS (Royal Institute of Chartered Surveyors) valuer and pay for the valuation of your home.

We will provide you with the contact details of a local RICS valuer. You will need to arrange a convenient time for the valuer to visit and inspect your home. You will need to make arrangements to pay the valuer directly for the valuation.

If you have made significant improvements to your home, now is the time to tell your valuer.

If you have carried out home improvements, you must ensure you had the appropriate authorisation from us, as per the terms of your lease. If not, consent will be required retrospectively before selling your share.

It is important to understand that a RICS valuation is usually only valid for a period of 3 months. When it expires, your valuer may be willing to extend it for a further period or they may say there is a further cost to provide a new valuation. If you do not complete your sale within the 3 months, there is a possibility that the value of your home could have changed – values can go up or down. It is important to try and be as organised as you can, to complete the sale quickly.





### Step 3 - Choose your solicitor

You will need to instruct a solicitor to oversee the legal aspects of selling your home. We can give you the contact details of solicitors who are familiar with Shared Ownership resales.

You will need to pay your solicitors legal fees and also our legal fees.

We highly recommend you use a solicitor who understands Shared Ownership – it will make the process a lot smoother and usually quicker for you.



### Step 4 – We will confirm the value of your share

You should share the valuation with us, when you receive it.

We will review it and check we agree with the valuation and the valuer has not identified any issues with the property. If we are all happy with the valuation, we can confirm the value of your share.



### Step 5 – Instructing an EPC

If your home does not have a valid Energy Performance Certificate (EPC), you will need to instruct a qualified assessor to visit your home and carry out an inspection.

You can check if there is a valid EPC by visiting: [www.epcregister.com/](http://www.epcregister.com/).

If you need to find a qualified assessor, you can find information on the GOV UK website.



### Step 6 - Producing the marketing material

If we are marketing your home on your behalf during the nomination period, we will ask you to complete a marketing form, to capture all the key information about your home.

We will need you to take photos of your home, which can be used for advertising. You should take some time to make your home look as attractive as possible.

We will provide a marketing sheet, and we will ask you to check the details and confirm everything is correct.

You will need to provide a copy of your EPC.



### Step 7 – Final consent you wish to proceed

We will send you a consent to sell form to complete.

By completing and signing the form you are confirming:-

- You agree with the RICS valuation of your home.
- You agree to any value associated with home improvements and sales price.
- You agree to pay our legal costs.
- You agree to pay our admin fee, management pack fee and our marketing fee if we find a buyer within the nomination period
- You have provided details of your solicitor.
- All legal owners of the home are signing to give consent to proceed.



### Step 8 – We will start marketing your home

We will start listing your home on property portals and we will advertise through other avenues to generate interest in your home.

Interested applicants will want to view your home – we will put them in touch with you. You will need to arrange convenient times to hold viewings and make yourself available to meet applicants and show them your home.

It is a good idea to keep your home tidy and presentable to help it sell. If you prefer not to hold viewings on your own, you should arrange for a family member or friend to be with you.



### Step 9 - Checking new buyers are eligible for Shared Ownership

All potential buyers identified during the nomination period, will need to be assessed so we can check the home is affordable for them and they meet the eligibility criteria for Shared Ownership.

As soon as an eligible buyer is found, the home can be offered to them. At this point we will instruct our solicitor to act for us.



### Step 10 – Completing the sales transaction

Our solicitor will contact your solicitor and the buyer's solicitor to start the legal aspects of the sale and help to coordinate all legal matters.

If your buyer is purchasing with a mortgage, they will need to complete their mortgage application and your home will need to have a mortgage survey to agree the price.

If your buyer has a property to sell or you have a further property that you're buying, you may be in a chain with other buyers and sellers and all parties will need to work together, to complete all the sales in the chain smoothly.

Your solicitor will need to respond to any enquiries raised by your buyer's solicitor. When your buyer has their funds ready to purchase, their solicitor will transfer funds to your solicitor. When funds are received your solicitor will confirm the transaction has completed.



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