homemade
homes by accent

Key Information Document

This document relates to the **new model shared ownership scheme.**

Shared ownership rules can vary depending on what rules were in place at the time the home was funded or planning permission granted, where the home is located and whether the home is for a specific group of people.

The scheme which applies to your home is shown in white in the table below.

Shared ownership model	Older model shared ownership	Standard model shared ownership	New model shared ownership
Minimum initial share	25%	25%	10%
Lease length	Typically, leases were issued for 99 years from new	Leases are for a minimum of 99 years from new but typically at least 125 years	Leases will be for a minimum of 990 years from new
Initial repair period	No	No	Yes
Buying more shares - minimum purchase	10% or 25%	10%	5%
1% share purchase	No	No	Yes
Landlord's nomination period	8 weeks or 12 weeks	8 weeks	4 weeks

The **minimum initial share** will vary depending on the home; discuss with the housing provider for more detail. For more information, see section 1, 'How shared ownership works', in the 'Key information about shared ownership' document.

The **minimum initial share** will vary depending on the home; discuss with the housing provider for more detail. For more information, see section 1, ‘How shared ownership works’, in the 'Key information about shared ownership' document.

When you are looking for shared ownership homes, you should always check the Key Information Document to see which model covers that specific home.

When you buy a home through shared ownership, you enter into a shared ownership lease. The lease is a legal agreement between you (the ‘leaseholder’) and the landlord. It sets out the rights and responsibilities of both parties.

Before committing to buy a shared ownership property, you should take independent legal and financial advice.

This key information document is to help you decide if shared ownership is right for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference. This document ‘Key information about the home’ is a summary and you should consider the information in ‘Summary of costs’ and ‘Guide to shared ownership’ before making a decision. This does not form part of the lease. You should carefully consider the information and the accompanying lease and discuss any issues with your legal adviser before signing the lease.

Failure to pay your rent, service charge, or mortgage could risk your lease being forfeited and your home being repossessed.

The costs in this document are the costs as at the date issued. These will increase (typically on an annual basis) and you should take financial advice on whether this will be sustainable for you.

Property Details

Address	11 Clifton Gardens
Property type	2 bedroom end terrace house
Scheme	Shared Ownership
Full market value	£425,000

Property Details

Share Purchase Price and Rent Examples

The share purchase price is calculated using the full market value and the percentage share purchased. If you buy a 40% share, the share purchase price will be £170,000 and the rent will be £584.38 a month.

If you buy a larger share, you'll pay less rent. The table below shows further examples.

Share	Share purchase price	Monthly rent
10%	£42,500	£876.56
25%	£106,250	£730.47
30%	£127,500	£681.77
40%	£170,000	£584.38
50%	£212,500	£486.98
60%	£255,000	£389.58
70%	£297,500	£292.19
75%	£318,750	£243.49

Note that not all homes will be available to purchase from 10%. The **minimum initial share** you can purchase will vary depending on the home. The percentage share and rent amount will change depending on the amount you can afford. You'll receive a worked example after a financial assessment.

Your annual rent is calculated as 2.75% of the remaining share of the full market value owned by the landlord.

Property Details

Monthly payment to the landlord (excluding rent)	Every month (in addition to your rent) you will pay: • Estate charge: £0.00 • Buildings insurance: £5.98 • Management fee: £12.50 • Reserve/sinking fund payment: £0.00 • Other service charges: £33.88 Total monthly payment **excluding rent: £52.36** Total monthly payments will typically be reviewed on an annual basis. For more information, see section 4, ‘Service Charges’, in the 'Key information about shared ownership' document.
Reservation fee	£500.00 You’ll need to pay a reservation fee to secure your home. When you pay the fee, no one else can reserve the home. The reservation fee secures the home for 3 months. If you buy the home, the fee will be taken off the final amount you pay on completion. If you do not buy the home, the fee is refundable minus any costs we’ve incurred.

Property Details

Eligibility assessment	We will assess whether you meet the eligibility criteria for the scheme. This will be based on the eligibility criteria for the shared ownership scheme and our specific policies. Our policy **can be viewed here.** You can apply to buy the home if **both** of the following apply: • your household income is £80,000 or less • you cannot afford all of the deposit and mortgage payments to buy a home that meets your needs **One** of the following must also be true: • you're a first-time buyer • you used to own a home but cannot afford to buy one now • you're forming a new household - for example, after a relationship breakdown • you're an existing shared owner, and you want to move • you own a home and want to move but cannot afford to buy a new home for your needs If you own a home, you must have completed the sale of the home on or before the date you complete your shared ownership purchase. As part of your application, your finances and credit history will be assessed to ensure that you can afford and sustain the rental and mortgage payments.
Affordability assessment	You will be assessed to check you can afford the home. Your affordability assessment will be carried out by a suitably qualified and experienced adviser. As part of the affordability assessment, you will need to provide documents to confirm your income, savings, and financial commitments. The assessment will take into account our specific policies including: • How much money you will need to have available to be able to afford the home **(read more here)** • The minimum deposit you will need to buy the home **(read more here)** • The minimum requirements for your credit history **(read more here)**

Property Details

Tenure	Leasehold
Lease type	Shared Ownership house lease
Lease term	990 years For more information, see section 2.5, ‘Lease extensions’, in the ‘Key information about shared ownership’ document.
Rent review	Your rent will be reviewed each year by a set formula using the Consumer Price Index (CPI) plus 1% for the previous 12 months. For more information, see the 'Rent Review' section in the 'Summary of Costs' document which includes an example of how rent could increase over a 5-year period. A worked example demonstrating how the rent is calculated at review is also set out in Appendix 2 of the lease.
Maximum share you can own	You can buy up to 100% of your home.
Transfer of freehold	Ask your Sales Consultant for confirmation if the freehold can be transferred to you at 100% ownership.
Landlord	Accent Housing Limited, 3rd Floor Scorex House,1 Bolton Road, Bradford, BD1 4AS Under a shared ownership lease, you pay for a percentage share of the market value of a home. You enter into a lease agreement with the landlord and agree to pay rent to the landlord on the remaining share.
Initial repair period	Up to £500 a year for the first 10 years to help with essential repairs.

Property Details

Landlord's nomination period	When you give the landlord notice that you intend to sell your share in your home, the landlord has 4 weeks to find a buyer. The landlord may offer to buy back your share, but only in exceptional circumstances and if they have funds available. If they do not find a buyer within 4 weeks, you can sell your share yourself on the open market. For example, through an estate agent. The landlord may decide to waive their rights to the nomination period (either from the outset or during the existing nomination period). For more information, see section 8.4, 'Landlords Nomination Period', in the 'Key information about shared ownership' document
Pets	You can keep pets at the home. **(read more here)**
Subletting	You can **read our policy on subletting your home here.**

Key information about shared ownership.

The information in this document is for the **new shared ownership model**. There are variations of shared ownership which have different features. For more information on the variations, see the ‘Key information about the home’ document.

When you are looking for shared ownership homes, you should always check the key information document to see which model covers that specific home.

When you buy a home through shared ownership, you enter into a shared ownership lease. The lease is a legal agreement between you (the ‘leaseholder’) and the landlord. It sets out the rights and responsibilities of both parties.

Before committing to buy a shared ownership property, you should ensure you take independent legal and financial advice.

This key information document is to help you decide if shared ownership is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

It does not form part of the lease. You should carefully consider the information and the accompanying lease, and discuss any issues with your legal adviser before signing the lease.

Failure to pay your rent, service charge, or mortgage could risk your lease being forfeited and your home being repossessed.

The costs in this document are the costs as at the date issued. These will increase (typically on an annual basis) and you should take financial advice on whether this will be sustainable for you.

1 How shared ownership works

1.1 You pay for a percentage share of the market value of a home. You enter into a lease agreement with the landlord, and agree to pay rent to the landlord on the remaining share.

1.2 For new shared ownership homes, the minimum initial share you can buy depends on the shared ownership scheme that applies to the home and when it was funded. For example, under the new model shared ownership scheme, the minimum initial share can be from as little as 10%. This will be confirmed by the housing provider at the point of reservation.

1.3 For resale shared ownership homes, the minimum share available is normally the share currently owned by the seller. This means the share available to purchase is fixed and may be higher than the minimum share available on new homes.

1.4 You can buy more shares in your home, which is known as ‘staircasing’. This is covered in section 7, ‘Buying more shares’.

1.5 When you buy more shares in your home, the rent you pay goes down in proportion to the landlord's remaining share.

1.6 You can rent out a room in the home, but you must live there at the same time.

You cannot sublet (rent out) your entire home unless you either:

- own a 100% share
- have your landlord's permission, which they will only give in exceptional circumstances

and

- have your mortgage lender’s permission if you have a mortgage

An example of an exceptional circumstance for sub-letting is if you're a serving member of the armed forces, and you're required to serve away from the area where you live for a fixed period.

2 Lease

2.1 All shared ownership homes are sold as leasehold, even houses. This is because you only pay for part of the market value up front, and the landlord has an interest in the remaining share.

2.2 You are buying a long leasehold interest in the home but only paying for part of the market value. The length of the lease is stated in the ‘Key information about the home’ document.

2.3 Information included within your lease:

2.3.1 A description of the home, including its boundaries.

2.3.2 Your responsibilities as a leaseholder, such as repairs and maintenance, and your landlord's responsibilities, such as buildings insurance. For more information on repairs, see section 6, ‘Maintaining and living in the home’.

2.3.3 Details of any restrictions or obligations, such as decoration and alterations.

2.3.4 The lease start date.

2.3.5 The share that you have bought.

2.3.6 The amount of rent you must pay, together with any other amounts due under the lease.

2.3.7 How the landlord will review your rent.

2.3.8 The method by which you can buy additional shares to own more of your home in the future (staircasing).

2.3.9 The method by which you can move home, either by selling your share or selling the whole home.

2.4 As the lease is a legally binding contract, review it carefully with your legal adviser. It's important that you make sure that you understand the lease before you sign it. Your legal adviser will provide you with a copy of the lease.

The Leasehold and Freehold Reform Act (LFRA) 2024 will strengthen leaseholder rights and may change what you need to do when selling your leasehold home, or extending your lease in future. When the LFRA is implemented, the details provided under the Act will take priority over what is written in the Key Information Documents. You should speak to your legal adviser about how this may affect you.

2.5 Lease extensions

2.5.1 Shared owners who own less than 100% of their home do not currently have a legal right to extend their lease term.

2.5.2 You'll need to contact your landlord before you buy to confirm their lease extension policy and what rules they have for shared owners who want to extend. There will be costs associated with a lease extension that you need to be aware of. The length of your lease can affect the value of your home. Usually you can extend your lease, but this can be expensive.

2.5.3 You may need to extend the term of your lease as a short lease can make it more difficult to sell or get a mortgage on the home. A short lease is generally considered as one with 80 years or less left on the term, although different lenders have different criteria. It can be significantly more expensive to extend a short lease.

2.5.4 Before you buy a property, you should ask your legal adviser about your lease and the implications that has for you now and in the future.

2.5.5 Your landlord may not own the freehold which may limit the lease extension length they can provide you with. Who owns the freehold is set out in the ‘Summary of costs’ document.

2.5.6 You should ask your landlord the terms on which they will allow shared owners to extend their leases. You should check how they apportion costs relating to this.

2.5.7 Extending a lease can be expensive. Costs to consider are:

- The “premium”. This is the amount of money charged for increasing the lease length. Some landlords may charge the full amount whilst others link this to the share owned. Where the landlord is not the freeholder, they may need to pay a “premium” to the freeholder in order to extend their own lease.
- Valuation costs. In order to find out the “premium” a specialist valuation will need to be carried out. Your landlord should be able to give you an indication of the cost but this may change in the future.
- Legal costs. You and your landlord will need to take legal advice. Your landlord may require you to pay their legal costs in addition to their own.

2.6 100% ownership

2.6.1 See ‘Transfer of freehold’ in the ‘Key information about the home’ document to find out what will happen once you own 100% of your home.

2.6.2 When you reach 100% ownership of a shared ownership house, in most cases the freehold will transfer to you, and the shared ownership lease falls away. When you reach 100% ownership of a shared ownership flat, your lease will normally continue but certain clauses will no longer apply. Your lease will set out which clauses fall away at 100% ownership.

2.6.3 Your landlord will not charge you for the transfer described above, but there may be charges payable to third parties on reaching 100% ownership. For example, Land Registry fees to register the change in ownership or notice fees to third parties such as estate management companies.

2.6.4 You may need to enter into direct agreements with third parties such as estate management companies on 100% ownership.

2.6.5 Your legal adviser should advise you on any of the above which apply to your home.

3 Rent

3.1 Under a shared ownership lease, you only pay for part of the market value up front, and you agree to pay rent on the remaining share to the landlord.

3.2 The total rent to pay at the start of the lease is based on the percentage of the remaining share of the market value you did not pay for. This percentage is noted in the ‘Summary of costs’ document. If you buy more shares in your home, the rent will go down.

3.3 The rent is reviewed on each Review Date whether or not you will have owned the property for a year at the date of the first Review Date. The Review Date is set out in the ‘Summary of costs’ document and in your lease.

Depending on the terms of your lease, your rent will be reviewed by reference to either the Retail Price Index (RPI) or the Consumer Price Index (CPI). This will be shown in the 'Rent Review' section in the 'Summary of Costs' document. Your rent will in normal circumstances increase when it is reviewed. Your actual rent increase will be calculated each year and will usually be based on the RPI or CPI increase and additional percentage set out in your lease. Your landlord will notify you each year what this amount will be.

In the event of an RPI or a CPI decrease, your landlord does not have to decrease your rent and they may still increase it should an increase be possible once the additional percentage is taken into account.

3.4 Your lease will include the dates used for calculating the increase in RPI or CPI. For more information see the 'Rent Review Period' and 'Rent Review' sections in the 'Summary of Costs' document. A worked example demonstrating how the rent is calculated at review is also set out in Appendix 2 of the lease.

3.5 Rent review at Resale – if you are purchasing a home that is a resale the rent will usually be the same rent that the current shared owner is paying. This will be adjusted if you buy a higher share. Please see 'Summary of Costs' document for full details of the rent amount.

3.6 Your landlord may be entitled to forfeit the lease and to make you leave the home if you:

- do not pay the rent
- do not observe and perform your obligations in the lease

The landlord would need a court order to forfeit the lease. Different rules and processes apply as to how a lease may be forfeited depending on whether a breach relates to non-payment of rent or another form of breach of the lease.

If the landlord forfeits the lease, you may lose any equity in the home you had bought. You could also lose any deposit or monies you have contributed towards the purchase of your home.

If action is needed for non-payment of rent or breach of another obligation in the lease, the landlord will be obliged to make your mortgage lender aware of this. The mortgage lender may take their own action as they feel is appropriate.

3.7 When you complete (the day you buy your home), you will need to pay these costs for the rest of the month and possibly for the following month:

- rent
- estate charge (where applicable)
- buildings insurance
- management fee (where applicable)
- reserve fund (also known as ‘sinking fund’) payment (where applicable) (see section 6.7 for more detail)
- Other service charges (see section 4)

Remember to plan for these amounts when you work out how much money you need for completion. You will receive a completion statement that explains what you need to do. Your legal adviser will go through it with you.

For more information on what these costs are for, see ‘Your monthly payments to the landlord’ in the ‘Summary of costs’ document.

3.8 In the event of your death, your shared ownership home will pass to the beneficiary(s) identified in your will or through the intestacy process if no valid will is in place. Any beneficiary(s) will be liable for the payment of the rent and any other costs such as service charges until the home is sold.

4 Service Charges

4.1 Service Charges are the payments required under your lease towards the cost of services, repairs, maintenance, management and insurance relating to your home.

Depending on your lease, these costs may be shown as a single charge or listed separately (for example estate charge, buildings insurance, management fee or reserve fund contributions).

4.2 Types of charges you may see (not all will apply to every home.)

- **Estate charge** A charge towards maintaining and managing shared areas on an estate, such as roads, lighting, landscaping or communal spaces.
- **Buildings insurance** Insurance arranged by the landlord to cover the structure of the building. You pay your share of the cost of this.
- **Management fee** A fee covering the cost of managing services, contracts, repairs and administration.
- **Reserve fund (sometimes called a sinking fund)** A contribution towards future major works or large repairs, such as roof replacement or structural works. Money paid into a reserve fund is usually not refundable if you sell your home.
- **Other service charges** A charge under your lease towards services such as maintenance, cleaning, repairs and upkeep of communal areas, any additional services i.e. repairs, and maintenance of communal areas.

4.3 You are responsible for 100% of the service charges allocated to your property, regardless of the share you own.

4.4 For a full breakdown of the current and any anticipated charges relating to your property please see the ‘Summary of costs’ document.

4.5 Service charges will increase (typically on an annual basis), and you should take financial advice on whether this will be sustainable for you in the long term. Please see the illustration in the ‘Summary of costs’ document regarding example service charge increases. This is to account for changes to services delivered, or the cost of these to shared owners.

4.6 Any planned changes in the scope of services provided that will affect the service charges, for example where it is a phased development, or where there are planned new services or major works within the next 5 years should be detailed within the ‘Summary of costs’ document. There may be unplanned changes in addition to these.

Phased Developments. If your home is within a phased development it may impact the scale and type of services offered (ie new homes being built over a period of time on the same site) - Major works (also known as Planned and Cyclical works) refer to significant maintenance, repair, or improvement projects carried out on a block or estate with low frequency, but usually with substantial costs. Before most major works take place, you should receive a formal notice known as a “Section 20 consultation” explaining what needs to be done, the reason for it and how much it might cost.

4.7 The housing provider will confirm whether the freehold of the block/estate is owned by them, or whether they themselves own a leasehold interest. They will also confirm who is responsible for the management of the services included within your service charge.

For more information, see section ‘Who manages the services included within your service charge’, and `Who to contact about the service charge' in the 'Summary of Costs' document.

4.8 If you have a complaint relating to your service charge, you should contact your housing provider in the first instance. If you remain dissatisfied with their response, you may be able to escalate your complaint via the Housing Ombudsman Service or raise your dispute with a First Tier Tribunal. There is more guidance on the GOV.UK website:

First-tier Tribunal (Property Chamber)

4.9 In the event of your death, your shared ownership home will pass to the beneficiary(s) identified in your will or through the intestacy process if no valid will is in place. Any beneficiary(s) will be liable for the payment of the service charge and any other costs until the home is sold.

5 Other costs

5.1 You'll need to make monthly payments to the landlord for the:

- rent
- estate charge (where applicable)
- buildings insurance
- management fee (where applicable)
- reserve fund (also known as ‘sinking fund’) payment (where applicable) (see section 6.7 for more detail)
- charges for services (see section 4)

There is more information on the GOV.UK website about service charges and other expenses. You can ask your landlord to provide a summary showing how the charge is worked out and what it is spent on.

Please see ‘Your monthly payments to the landlord’ In the ‘Summary of Costs’ document.

5.2 You'll need to budget for your other monthly costs, which may include:

- mortgage repayment
- contents insurance
- Council Tax
- gas and electricity
- water

5.3 You may need to pay a reservation fee to secure your home. When you pay the fee, no one else will be able to reserve the home. Your landlord may have a policy on how long they will reserve a property before exchange of contracts. See the ‘Reservation fee’ section in the ‘Key information about the home’ document.

If you proceed to buy the home, the fee will be taken off the final amount you pay on completion.

5.4 You'll need to pay a deposit towards your purchase:

- check with your legal adviser when you need to pay the deposit
- check with your mortgage adviser when your first mortgage payment is due after completion

5.5 You'll need to pay for your contents insurance. You'll need to arrange this yourself before completion.

5.6 The landlord is responsible for the buildings insurance while you are a shared owner. This applies to both houses and flats.

If you reach 100% ownership and remain a leaseholder, you'll continue to pay the landlord for buildings insurance.

If you reach 100% ownership and become the freeholder, you'll need to arrange buildings insurance yourself.

To find out which of these apply, see the ‘Maximum share you can own’ section in the ‘Key information about the home’ document.

5.7 You'll need to pay your own legal adviser’s fees and any associated purchase costs. You can expect to pay fees including:

- legal services fee
- search costs
- banking charges
- Land Registry fee
- document pack fee
- management agent consent fee - subject to development and terms of the management company

Legal adviser’s fees can vary. Your legal adviser should confirm what the fees cover and the cost when you instruct them to act on your behalf.

5.8 You may have to pay Stamp Duty Land Tax (SDLT) depending on your circumstances and the home's market value. Discuss this with your legal adviser. There is more guidance on the GOV.UK website:

- **Stamp Duty Land Tax and shared ownership property**
- **Calculate Stamp Duty Land Tax (SDLT)**

5.9 Remember to plan for these amounts when you work out how much money you need for completion. You will receive the following documents from your legal adviser:

- an initial quote for the costs involved
- a completion statement after exchange of contracts, which describes the actual costs

Your legal adviser will go through these documents with you.

6 Maintaining and living in the home

This section describes the responsibilities for repairs and maintenance and who pays the costs.

6.1 As the leaseholder, you are responsible for keeping the home in good condition.

6.2 You are responsible for the cost of repairs and maintenance of the home. This means you will pay 100% of the costs no matter what share you own. This includes all of the costs set out in ‘Monthly payments to your landlord’ in the ‘Summary of costs’ document.

For information on help from the landlord with the cost of essential repairs in the first 10 years of the lease, see section 6.8, ‘Initial repair period’.

6.3 The landlord is not responsible for carrying out refurbishment or decorations. For example, replacing kitchens or bathrooms.

6.4 You are responsible for arranging and paying for a boiler service every year. The service must be carried out by an engineer on the **Gas Safe Register.**

6.5 Decoration and home improvements

6.5.1 You can paint, decorate and refurbish the home as you wish. For new-build homes, it's better to not decorate for the first year though. This gives building materials like timber and plaster time to dry out and settle.

6.5.2 If you want to make any structural changes to your home, check with us first to see if you need permission.

6.5.3 You'll need to check with us what counts as a home improvement and get permission before you carry out these works.

6.5.4 Home improvements may increase or decrease the market value of your home. How this affects you is covered in more detail in section 7, ‘Buying more shares’.

6.6 Responsibilities for maintaining the building

6.6.1 For new-build homes, the building warranty will cover the cost of structural repairs (typically for the first 10 or 12 years). You'll need to check with the landlord who the building warranty provider is. You are also likely to benefit from a defects liability period (see 6.6.5 below).

6.6.2 For flats, outside of the initial repair period (see section 6.8), the building owner (typically the landlord) will arrange external and structural repairs required. The cost will be divided between you and the other flat owners in the building, if the reserve fund does not cover the cost. Check with your legal adviser to confirm what is in your lease.

6.6.3 If you buy a home through a shared ownership resale, any remaining period on the building warranty will transfer to you.

6.6.4 The service charge covers the items described in the ‘Summary of costs’document. During the initial repair period, the landlord cannot use the service charge to pay for external and structural repairs. After the initial repair period, the landlord will use the service charge to pay for the costs, unless they are covered by the repairs reserve fund.

You have the right to be consulted about charges for running or maintaining the building if you have to pay more than:

- £250 for planned work
- £100 per year for work and services lasting more than 12 months

There are steps your landlord must follow when they consult you, known as a **‘Section 20’ consultation.**

6.6.5 New-build homes have a defects liability period. This usually lasts for around 12 months after build completion, but it can vary depending on the contract. Check with your landlord what period applies to this home. During this period, the contractor must put right at their own expense any defects or faults which arise. For example, from defective materials or faulty workmanship. You should ask your landlord for information about the defects liability period.

6.7 Reserve fund

6.7.1 If there is a reserve fund (also known as ‘sinking fund’), you will need to pay into the fund. The fund covers major works, like replacing the roof. There are rules about how landlords must manage these funds. You will not usually be able to get back from the landlord any money you pay into this fund if you move home, even if there have been no eligible works carried out while you lived in your home.

6.7.2 Repairs which are the landlord's responsibility during the initial repair period will not be paid for using the reserve fund.

6.7.3 Refer to your ‘Summary of costs’ document to check if there is a reserve

fund payment. Your landlord can provide you with further information on how they have calculated this payment, and what it will cover.

6.8 Initial repair period

6.8.1 There is a 10 year ‘initial repair period’ period starting from the lease start date which applies while you own less than a 100% share in the home.

6.8.2 Any work that is covered by a warranty or guarantee must be claimed through the policy by the policyholder.

6.8.3 Repairs which are the landlord's responsibility during the initial repair period will not be recharged through the service charge.

6.8.4 You will not be able to claim for repairs which are caused by deliberate damage or neglect of the home.

6.8.5 External and structural repairs

6.8.5.1 In the initial repair period, the landlord is responsible for the cost of essential repairs to:

- the external fabric of the building
- structural repairs to walls, floors, ceiling and stairs inside the home

6.8.5.2 These are limited to repairs not covered by the building warranty or any other guarantee. You must notify the landlord that the repair is required.

6.8.6 General repairs and maintenance

6.8.6.1 In the initial repair period, you'll be able to claim costs up to £500 a year from your landlord to help with essential repairs or replacement (if faulty) of:

- installations in the home for the supply of water, gas and electricity (including basins, sinks, baths and sanitary devices but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity such as ovens or washing machines), pipes and drainage
- installations in the home for space heating and water heating

6.8.6.2 The amount you can claim each year and the number of years remaining in the initial repair period is in the 'Key information about the home' document.

6.8.6.3 Repairs and maintenance costs over the allowance amount stated in the 'Key information about the home' document, or after the initial repair period ends, are your responsibility.

6.8.6.4 If you do not claim the full repairs allowance in one year, a maximum of one year's allowance will roll over to the following year. The following example shows how the repairs allowance works if you claim in years 2 and 3.

Year repairs allowance allowance claimed for repairs

Year	Repairs allowance	Allowance claimed for repairs	Roll over to next year
1	£500	£0	£500
2	£1,000 (£500 + £500)	£750	£250
3	£750 (£500 + £250)	£0	£500

6.8.7 Claiming the repairs allowance

6.8.7.1 Contact your landlord to claim the repairs allowance. The landlord is responsible for deciding whether repairs are essential. They have the right to inspect the home when making this decision and can reject claims if the repairs or maintenance have been caused by a breach of the lease.

6.8.7.2 When you claim for the cost of essential repairs, the landlord will approve or reject claims in a fair and consistent manner. If the landlord declines a claim, they must:

- tell you why in writing within 7 days of receiving your information supporting the claim
- advise you of your right to dispute the decision
- set out the complaints handling process

6.8.7.3 To carry out repairs that your landlord agrees are essential, you must use a Trustmark approved tradesperson or professionals approved by your landlord. Find a local tradesperson on the Trustmark website.

6.8.7.4 The repairs allowance will transfer to a new owner if you sell the home. However, if the new owner buys a 100% share, the repairs allowance will not transfer to them.

7 Buying more shares

7.1 You can buy more shares in your home. This is known as 'staircasing'.

7.2 If you buy more shares in your home, the rent will go down.

7.3 Where you require legal advice when buying more shares, you are responsible for paying your own legal fees. Your mortgage lender will require you to instruct a suitably qualified legal adviser if you are borrowing money to fund any purchase of additional shares. The landlord is responsible for paying their own legal fees related to share purchase transactions.

It is advisable to take independent legal and financial advice before buying more shares to be clear on your options. Purchasing additional shares in the Premises where it will result in you owning more than 80% of the equity may result in Stamp Duty Land Tax (SDLT) being payable. Where you are not sure of the position, it is advisable to take independent legal and financial advice before buying more shares to be clear on your options and obligations.

More information on SDLT in relation to shared ownership property can be found at https://www.gov.uk/guidance/sdlt-shared-ownership-property#paying-sdlt-in-stages-and-buying-further-shares

7.4 Buying shares of 5% or more

7.4.1 You can buy additional shares of 5% or more at any time.

7.4.2 You'll need to know your home's market value. You'll need to pay for a

valuation by a surveyor who is registered with the Royal Institution of Chartered Surveyors (RICS). The responsibility for who arranges the valuation (you or the landlord) is in the 'Home valuation' section of the 'Summary of costs' document. You can find a registered surveyor on the RICS website.

7.4.3 The landlord may charge an administration fee each time you buy a share of 5% or more. The fee is stated in the 'Summary of costs' document.

7.4.4 You will need to have your landlord's permission to make home improvements.

7.4.5 If you have made home improvements, then your home valuation should show two amounts:

- the current market value - this is the home's value including any increase because of home improvements
- the unimproved value - this is the home's value excluding the value added by any approved home improvements carried out

7.4.6 The price for additional shares of 5% or more is based on the unimproved value.

7.5 Buying shares of 1%

7.5.1 You have the option to buy a 1% share each year for the first 15 years that you own the home.

7.5.2 The price of the 1% share is based on the original full market value adjusted up or down each year in line with the House Price Index (HPI). The HPI is a national statistic that shows changes in the value of residential properties.

7.5.3 The landlord will give you an up-to-date HPI valuation at least once a year

and again when you request to buy a 1% share.

7.5.4 You or the landlord can choose to use a RICS valuation instead of HPI.

The party who chooses to instruct a RICS surveyor pays for the cost of the valuation. Any time a RICS valuation is obtained in relation to your home, the valuation figure will be used as the basis for future HPI valuations.

7.5.5 You cannot roll over unused options to buy 1% shares to future years. The offer is limited to a maximum of 1% each year.

7.5.6 The landlord will not charge an administration fee when you buy a 1% share. If you buy larger shares, they may charge a fee.

7.5.7 You cannot buy shares of 2%, 3% or 4%.

8 Selling your home

8.1 You can sell your home at any time.

8.2 If you do not own 100% of your home, you must inform your landlord when you intend to sell your share.

8.3 If you do own 100% of your home, you can sell it on the open market. For example, through an estate agent. In some circumstances, you may need to inform third parties about your intention to sell. Your legal adviser will tell you if this is the case.

8.4 Landlord's nomination period

8.4.1 When you give the landlord notice that you intend to sell your share in your home, the landlord has a period of time to find a buyer. This is called a nomination period, and it is specified in the ‘Key information about the home’ document. The landlord may offer to buy back your share, but only in exceptional circumstances and if they have funds available.

8.4.2 If the landlord does not find a buyer within the nomination period or decides to waive their rights to nomination, you can sell your home yourself on the open market. For example, through an estate agent. If you sell on the open market, you can either:

- Find a buyer for your share. The buyer would need to be approved by your landlord, in this case a RICS valuation would not be required.

- Sell 100% of your home. In order to do this, you would purchase the remaining shares in your home and then immediately sell the 100% ownership to your buyer. The transactions happen simultaneously so the money for the staircasing purchase comes from your buyer. This is known as “back-to-back” staircasing. In the event you sell a larger share than that currently held or sell on the open market via back-to- back staircasing, a RICS valuation is required for the staircasing element of the transaction.

8.4.3 There are certain limited circumstances where the landlord's nomination period does not apply. These include the death of a leaseholder or if a court order requires you to transfer your ownership. You should ask your legal adviser if you think these circumstances may apply.

The landlord's nomination period also does not apply once you own 100% of your home.

8.4.4 If your landlord finds a buyer during their nomination period, the price will be at the current market value of your share of the home based on a RICS valuation.

8.4.5 If you sell your share on the open market, without first following the landlord nomination process set out in your lease, your landlord may require the new owner to make an additional payment and complete final staircasing.

8.4.6 The landlord may decide to waive their rights to the nomination period (either from the outset or during the existing nomination period). If the nomination period is waived by the landlord, the provisions of 8.4.2 would apply.

8.5 Selling fees and costs

8.5.1 The landlord may charge you a fee when you sell your home. The cost is stated in the ‘Summary of costs’ document.

8.5.2 You are responsible for seeking legal advice when you sell your home. You will need to pay your legal fees.

8.6 Valuations

8.6.1 The sale price of your home is based on a RICS valuation. Further information can be found on the RICS website.

8.6.2 For information on who is responsible for arranging and paying for the RICS valuation, see the ‘Summary of costs’ document.

8.6.3 Once the nominations period has ended, the lease does not specify a maximum or minimum price for resale. If you have not reached 100% ownership, your landlord will be asked to approve your buyer’s mortgage. This approval may not be given if the purchase price is not supported by a RICS valuation confirming the current market value of your home.

Useful links

Service charges and other expenses (GOV.UK)

https://www.gov.uk/leasehold-property/service-charges-and-other-expenses

Service charges and other issues (Leasehold Advisory Service)

https://www.lease-advice.org/advice-guide/service-charges-other-issues/

A guide to mortgage fees and costs (Money Advice Service)

https://www.moneyadviceservice.org.uk/en/articles/mortgage-related-fees-and-costs-at-a-glance

UK House Price Index (Land Registry)

https://landregistry.data.gov.uk/app/ukhpi

Retail Prices Index percentage change over 12-month period (Office for National Statistics)

https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23

Royal Institution of Chartered Surveyors (RICS)

RICS website

Housing Ombudsman Service

https://www.housing-ombudsman.org.uk

Make Things Right Campaign

Make things right campaign

First Tier Tribunal

First-tier Tribunal (Property Chamber)