

What to expect from a Corporate Sale

PLEASE NOTE :

The seller is not able to consider offers on properties required for HMO use (homes of multiple occupancy)

When raising enquiries

The seller will not have occupied the property and will therefore not be able to answer the usual enquiries. There will not be a fixtures and fittings form and the property is sold as seen.

Buyers will be expected to satisfy themselves with the condition of the property, based upon their own inspections and surveys.

The sellers Solicitor will provide all documentation they hold at the point that the draft Contract pack is issued to your Solicitor.

There will be certain items, such as FENSA Certificates, historic Gas or Electric Safety Certificates etc that you may request. However, the seller will often not hold these items. You may ask the sellers Solicitor to obtain copies, but they may respond by advising that they will not be sourcing them.

Legal Title

The seller is able to provide Limited Title Guarantee only as the property has been occupied by a tenant of the seller and therefore not directly occupied by the seller. Please raise this with your Solicitor if this is an issue and it can be reviewed on a case-by-case basis.

Estate Charges

The property is likely to be on an estate that continues to be privately owned and managed by the seller. The proper and effective management of that estate involves financial outlay by the seller in respect of :

- Repair and maintenance of communal areas such as grass verges, tree works, footpaths and hard standing
- Insuring property owner's public and third-party liability
- Complying with government legislation
- Outgoings (such as sewerage, rates and taxes)

You may therefore be required to contribute a fair and reasonable proportion towards this expenditure, by way of a variable service charge which is calculated on an annual basis.

Charges will likely be in the region of £20 to £100 annually but may vary due to the amount of managed areas on the estate.

Restrictive Covenants

In order to preserve the overall look of the estate of which the property forms part, the seller limits your use of the property to residential use and requires you to ask for permission from the seller before carrying out any development at the property, such as an extension or loft conversion. These will likely only be refused if they impact upon other occupants in the area or change the use of the property from a single private dwelling.

Restrictive covenant consent, including verbal consent or hypothetical consent, will **not** be provided prior to completion. **Please do not attempt to contact the seller independently regarding this point.**

Please see pages 3 and 4 below, which set out our Restrictive Covenant Process in more detail.

What deadlines will be put in place?

A deadline of 28 days for exchange from issue of draft Contracts will be put in place. It is important to have fully instructed your Solicitor and paid for searches within 24 hours of draft Contracts being received, to minimise delays, as well as making sure your Solicitor is aware of the deadline.

What deposit percentage will be payable on exchange of Contracts?

A minimum deposit of 10% will be payable on exchange of Contracts and this will be stipulated within the content of the Contract. Full proof of funds (proof of cash funding, or deposit and Agreement in Principle) will need to be seen by the selling Agent before any offers will be considered.

Chattels and Temporary Structures

The property will likely be cleared prior to completion, including any chattels, sheds, greenhouses or temporary structures.

Parking

Unless there is clear off-road parking obviously within the boundary of the property, then there will be no parking included and parking may be on street only.

Keys and key safe

The key safe is the property of the seller until it can be removed and collected. The seller aims to collect the key safe shortly after completion, but this will not always be possible. Upon completion of your purchase, you will be handed 1 key to enter the property. Any remaining keys in the seller's possession will be in the property; if you require more keys you will need to get these cut or arrange a lock change.

Restrictive Covenant Process Information Sheet

Restrictive covenants are binding conditions that limit what an owner can do with their property. Aster Communities has the benefit of restrictive covenants on properties previously belonging to Aster or its predecessors, which have since been sold into private ownership. Aster's consent is required to make certain changes to the property

The process for requesting consent

1. We will send you an application form and ask you to provide as much detail as possible about your proposed work. This may include measurements, architects plans, specifications and planning permission reference where applicable.

A non-refundable administration fee of £300 + VAT is payable for each application.

2. On receipt of your completed application and payment, we will investigate your request. This will involve obtaining and reviewing your legal title, considering the nature of the covenant and your intended work, reviewing plans, referring any technical matters to our surveyors, assessing whether valuation advice is required to evaluate the impact to Aster's surrounding land and property and occasionally attending the site.

3. In certain cases, it will be necessary to obtain valuation advice before deciding whether to grant consent to a restrictive covenant. This is because Aster may be entitled to be compensated for granting its consent. We assess each application on its own merits, taking into account the nature of the covenant and the individual circumstances of the application.

4. Where our investigations or the valuer conclude that no premium is payable to Aster for granting consent to a restrictive covenant, then we will provide you with a formal letter of consent which you should retain with your title deeds for any future sale.

5. When valuation advice is required, we will instruct an independent RICS registered valuer and provide them with a detailed instruction based on our investigation into your application. You will be responsible for the valuer's costs and we will obtain a quotation for your approval before the valuation is instructed.

6. If the valuer concludes that a premium should be charged by Aster in return for granting consent to the proposed work, then they will also make an assessment of the amount to be paid. The sum payable will be determined by the valuer in their report. We will confirm the outcome of the valuation to you. The valuation will remain valid for 3 months.

7. Once you are happy to proceed with your application on the basis of the valuation then you will need to instruct a solicitor to act on your behalf. You will be responsible for Aster's legal costs as well as your own and we will obtain a quotation for you from our solicitor. When we receive the details of your chosen solicitor, we will instruct our solicitor to initiate communication and to begin drafting the legal documentation to enable your intended work to go ahead.

8. When the legal documentation has been approved by both parties' solicitors, a copy will be

sent to you and to Aster for signing. On completion, any compensation assessed by the valuer will become payable to Aster and the funds must be transferred between our respective solicitors. Where applicable, your solicitor will then register the legal documentation at Land Registry and it will be recorded against your register of title.

Key points to consider

- If your proposed works require planning permission, this must be granted before applying to Aster for restrictive covenant consent.
- If your application involves any party wall or boundary shared with an Aster owned property, we will require you to follow normal party wall procedures. For further information on this, please refer to:

<https://www.gov.uk/party-walls-building-works/overview>

Aster recommends that you consult a qualified party wall surveyor.

- Consent will only be given by a signed formal letter of consent or other legal documentation and correspondence does not constitute consent.
- You should retain the letter of consent or legal documentation with your title deeds as it may be required when you come to sell the property in the future.

Should you have any queries regarding the process for requesting restrictive covenant consent from Aster Communities then please contact landandproperty@aster.co.uk and a member of our team will be pleased to assist you.

Aster Group acts on behalf of Synergy Housing Limited on all asset management functions including land transactions and consents.
