

Elim
HOUSING

**Shared Ownership
Handbook**

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Welcome

Welcome to Elim Housing Association

We hope that you enjoy living in your new home

This handbook provides you with information about shared ownership. It explains the rights and responsibilities for you as the Shared Owner and Elim Housing Association as your landlord.

Please keep it handy for reference. If you need further information or have any queries relating to your home please contact:

Head Office:

Elim Housing Association
Briarlands Office Park
Units 3 & 4, Pinkers Court,
Gloucester Road,
Rudgeway
South Gloucestershire
BS35 3QH

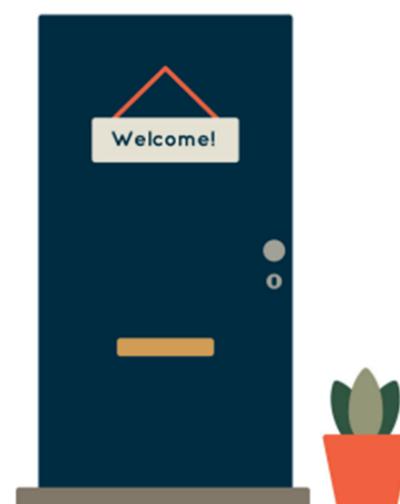
Tel: 01454 411172

Email: info@elimhousing.co.uk

Website: www.elimhousing.co.uk

Our Head Office is open between 9:00am and 5:00pm, Monday to Friday.
We are not open on Bank Holidays.

To contact out of hours for repairs and maintenance
please ring : 0808 169 2910.



Introduction

The shared ownership Handbook offers general advice and guidance for your home, including information around responsibilities for repairs and maintenance.

This book is for information only and does not replace your lease. Your legal rights and responsibilities are set out in your lease and transfer document.

About Elim Housing Association

Elim is a smaller provider of social housing covering a relatively wide area. Elim has properties in Bristol, Birmingham, Wales, South Gloucestershire and Gloucestershire. We provide diverse services including Supported Housing and management of Gypsy and Traveller sites with some sites as far south as North Devon.

As a social housing provider, our focus is on the provision of affordable housing. Our vision is to meet housing need and deliver homes that change people's lives.

Elim's customers include families and single people living in our properties for rent, young people undertaking apprenticeships or training, clients within our support services and people buying houses or flats as shared owners that we have developed.

We have the same aim for all customer relationships: to ensure that the housing and services Elim provide serve as a platform for growth, facilitating all our customers to achieve their aspirations. In this way, we make our homes truly life changing by ensuring that our service has a positive impact long after a person has left Elim accommodation.

Elim **CARES** Values were created in partnership with our customers, staff, Board and other stakeholders, and they represent our commitment to how we deliver our services and work together successfully:

| | | | | |
|---|---|--|--|---|
| C | A | R | E | S |
| CUSTOMERS FIRST | ASPIRATIONAL & ACCOUNTABLE | RESULTS | EVERYONE'S VIEW MATTERS | SUPPORTIVE |
| Customers are at the heart of our services and decision making. | We are ambitious for our customers, staff and stakeholders. We work with integrity, learn from mistakes and do what we say we will. | We work hard and deliver great results for our customers and for Elim. | We listen to understand, improve and build our services. | We tackle challenges head on and inspire each other to achieve our potential. |

Your Leasehold

Leasehold Property

Almost all flats in England and many houses are sold on Leasehold tenure. As a leaseholder you have bought the right to live in your property for a fixed number of years. Leases for shared owners normally run for a period of up to 125 years from the date they are entered into.

Your lease is a legal contract, which sets out the rights and duties that both you, as the leaseholder, and Elm Housing Association, as your landlord, have agreed to. It is important that you have a copy of the lease for reference.

Not all leases are the same and you should always consult your own lease.

If you are in any doubts about your rights or obligations, please take independent professional advice.

As a leaseholder you will have to pay the house / flat's share of the costs of maintaining the block and providing services. The Service Charge is your share of the costs of running the building and grounds.

Rights and Responsibilities

About your lease:

- The lease is a contract between you and the Association. It gives you and your successors the right of possession of your flat for a long period provided you keep to the terms of the lease.
- The lease document sets out terms and conditions. You should get legal advice to look at it when you buy the lease.

- The lease is a legal document. Keep it in a safe place.

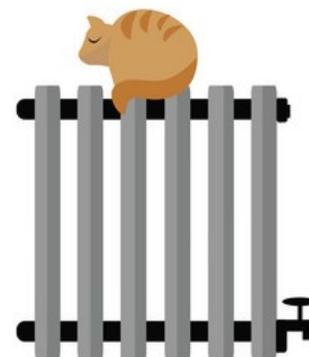
The Law:

There are several laws and Acts of Parliament protecting your rights as a leasehold tenant. If you are not sure of your rights, your own solicitor can advise you or you can contact the Citizens Advice Bureau.

The main Acts of Parliament covering leasehold tenancies are:

- Housing Act 1985
- Landlord and Tenant Acts 1985 and 1987
- Housing and Planning Act 1986
- Leasehold Reform, Housing and Urban Development Act 1993
- Housing Act 1996
- Commonhold and Leasehold Reform Act 2002

You can see copies of these Acts at the main public library.



Your Leasehold

Your Rights as a Leaseholder

- Requires your landlord to keep the “common parts” of your block in a fit state of repair.
- Requires information on Service Charges and costs incurred in your development to be provided.
- Be consulted about major works affecting your development. We will consult you about significant changes in the way that your property is managed. We will contact you in various ways including via letter, email, telephone calls, visits and meetings. Your opinions will be considered before any changes are introduced.
- To make alterations to the inside of your property, as long as you do not remove structural walls or cause damage to the outside or shared parts of the building. For major alterations you must ask our permission beforehand in writing and you may need planning permission and building regulations approval.
- To have “quiet enjoyment” of your home. This means you have the right to live peacefully in your accommodation without interference from your neighbours or the landlord, as long as you keep to the conditions of your lease.
- Sell your lease to anyone you want to. You can also leave it to someone in your will or give it as a gift. (You should get legal advice to do this and you must still advise us when you plan to sell it.)

Your Responsibilities as a Leaseholder

- To pay the rent, ground rent, service charge, insurance and any major work contributions as required.
- To keep the inside of your property in good order and repair at your own cost.
- To arrange for annual checks to be carried out on your gas fires and boilers by a competent engineer.
- Not to act in such a way that will make the insurance invalid.
- To allow Elim Housing Association to come into your property, subject to giving you reasonable notice, to carry out agreed works.
- To observe the terms and obligations contained in your lease.

Living with your Neighbours

- Not to commit a nuisance or annoyance to neighbours.
- To use the parking areas (if provided) as prescribed in your lease.



Our Rights & Responsibilities



Our Rights as the Landlord

We have the right to make decisions about:

- The management of your development.
- Delivery of repairs to and maintain the structure and shared areas of the development.
- Delivery of improvements to the development.

We will consult with you about changes in management and about major repairs and improvements.

Charges

We have the legal duty to make charges for:

- Ground Rent.
- Management Costs.
- Repairs to and maintenance of shared areas.
- Improvements to the development.

Right of Entry in Emergencies

We have the right, in some circumstances, to enter your property to carry out repairs if there would otherwise be a danger to other residents. We will make every effort to contact you and advise you of what and why we need to gain access and will only do so if we absolutely have to.

Examples would be if you removed a structural wall or if damage is being caused to other properties in the block (for example, if a leak in your plumbing was flooding the flats below.)

Our Responsibilities as the Landlord

Repairs

We are responsible for keeping the structure and shared areas of the block in good repair.

Insurance

We are responsible for insuring the building against fire, lightning, explosion and other such risks. This does not include insurance for your personal property inside your flat, so you must always get your own insurance to protect what you own.

Consultation

We must consult with you about any repairs to your block which are likely to cost more than £1,000 in total, or £50 to each leaseholder (whichever is greater.) We must get at least two estimates for the work and give you at least one month to comment before we order the work (except in an emergency, such as gale damage to the roof.)

Charges

We have a legal duty to collect from leaseholders their share of the costs of managing and maintaining their development.



Costs and Payments



Payments

Your lease requires you, as the leaseholder to pay rent, ground rent and building insurance. It will also require you to reimburse Elim Housing Association, as your landlord, for any expenditure relating to communal areas on the building through the service charge.

Rent

You are required to pay rent on the part of your home we own. When you signed your lease, you will have been advised how much your initial rent would be for that financial year.

In March each year a letter will be sent to you advising you of the annual increase of your rental proportion. This includes a breakdown of the rent and service charges, so you are clear on what you are due to pay us.

Your service charge is calculated using the costs from the previous financial year and wherever possible we base these on actual costs and not projected costs. We may use projected costs where we are using a new supplier, or if we are waiting for actual costs.

You will be written to in September / October to advise you of any change in your service charge costs.

Rent payments are due on the first day of each month and you must pay in advance. You are required to pay any service charge at the same time. Payment must be by direct debit from your bank or building society.

You will receive a statement of the amount that you should have paid, and the amount and number of payments received from you every quarter.

Building Insurance

When you buy your flat, building insurance is automatically provided by the Association. The cost of the insurance is included in your service charge.

Insurance provided by the Association is for the structure of the building only. Please remember that you need your own insurance that will cover your contents.



Service Charges

The service charge is calculated so that every leaseholder contributes a fair and reasonable share of the costs providing each service in their development.

Your share is calculated by dividing the costs of the works between the number of flats or houses on the development.

Shared ownership residents have a variable service charge. This means that the amount you pay will be determined by our actual expenditure. If you have been overcharged or undercharged over a 12-month period, an adjustment will be made to your rent account to reflect this and your direct debit will also be amended.

Your lease will set out the items of expenditure for which you will have to pay for. Depending on your development, the service charge may cover items such as:

- Heating, lighting of communal areas and stairways
- Fire safety equipment
- Door entry systems
- Day-to-day repairs (communal areas)
- Garden Maintenance/boundary wall & fencing
- Cleaning of communal areas
- Administration
- Building Insurance
- Ground Rent



Please refer to your service charge breakdown for your home that will set out the expected services your development receives.

A breakdown of estimated costs for each service is provided to you each year.

Grounds Maintenance and Communal Cleaning

If there is a problem with the quality of the service provided, please contact your Housing Officer at Head Office, who is responsible for monitoring the services provided to your block.

Payments for Major Works

If major works have been completed, you will be invoiced separately for your share of works that have been undertaken.

Your lease may also allow Elim Housing Association to operate a sinking fund. You will receive annual updates on the amount that has been collected with the actual accounts.

Rent and Service Charge Arrears

If you are having problems paying your rent or service charges, please contact your Housing Officer at Elim Head Office.

We will work with you to make sure you have any entitlements that you are due, and to offer advice and support.

People do not always realise that they may be eligible for help. It is always worth finding out if you are entitled to any help with paying:

- Rent
- Service Charges
- Mortgage interest repayments
- Council Tax

If you are not able to pay rent and service charges due to a change in circumstances or choose not to pay your rent, Elim will recover any outstanding rent amount in line with our policy and procedures.

We will always contact you to try to make an affordable arrangement to repay what you owe and support you where we can in making those payments.

If the rent debt accrues and you break your arrangements with us, we will pursue possession of your home through the county court. We have a legal responsibility to advise your mortgage company of any arrears on your rent account.

YOUR HOME WILL BE AT RISK IF YOU DO NOT KEEP UP WITH YOUR PAYMENTS.



General Information

Heating

Please refer to the manufacturer's information about your boiler and time clock, programming guidelines.

This is provided on the initial handover of your property.

Smoke Alarms

If you have purchased a New Build Shared Ownership property, your smoke alarms are linked and connected to the mains which charge the battery backup. These should be checked on a regular basis.

For further details please refer to manufacturer's information.

Floor Coverings

These are provided to kitchen and bathrooms. These consist of vinyl sheet or tiles, and they can be cleaned with warm water, disinfectant or similar products. Do not use excessive water or any scouring products.

You may have carpets which are gifted to you as part of the sale. You have responsibility for cleaning, maintaining and where needed renewing any flooring in your home.

Television

A television point is provided in the lounge and is ready to use for digital TV. You may have other TV points in your home.

You will usually require a digital receiver (built-in or separate) as this is not usually provided.

Loft Space

No goods must be stored in the loft or any roof space.

Cracking to Walls

With new build properties, cracks will often occur due to the property drying out. Please be aware that these are not detrimental to the structure of the property.

You can remedy these by filling them with a recognised decorator's filler, sanding back and repainting.

Please Note: before drilling any walls, you should check that you are not in the zone of vertical lines that are 225mm (9 inches) from either side of the centre line of any plug socket or light switch, either above or below. Also check the opposite side of the partition from the same zone or preferably use a current detector.



New Property Defects

Defects Period

New Build - 12 months

If your Shared Ownership Home is brand new and you identify any repairs issues or defects, they need to be passed back to the contractor via Elim for remedial action.

A defect is a fault or problem with either a product or service recently installed, or the workmanship at a new property and happens within an agreed period of time, known as the defect period.

Defects should be reported through the Repairs Team at Head Office on info@elimhousing.co.uk or on 01454 411172 in the first instance. They will be able to advise you further as to how the problem will be resolved.

New Home Guarantee from the House Builder

NHBC (National Home Builders Council) 10 Year warranty or Premier Warrantee

All new homes are covered by a 10-year warranty. Further details are provided in the booklet provided at handover.

Your home will have been built by a reputable builder. Under the terms of our contract, the builders must put right any defects in workmanship which may appear in the first 12 months of the property being

built and any defects to the service such as heating, plumbing or electrics. This is part of the warranty.

The 12-month warranty period will begin from the date the property is handed over to the Association from the developer and NOT from the date you move into the property.

Most newly built homes will have some teething problems, and we will do whatever we can to resolve the problem. If you have a defect/repair to report, you need to contact our office on 01454 411172 or email info@elimhousing.co.uk.

12 months after your home was built, we will inspect your home alongside a representative from the builders. We will arrange a convenient appointment with you for this inspection.



Repairs & Maintenance



The terms of your lease will set out who is responsible for the management, repairs and maintenance of your building. You must check your lease for specific responsibilities to which you have agreed. However, it is common for houses that the leaseholder will be responsible for the whole property.

For flats, it is more likely that Elim will own the building and will be responsible for keeping the structure in good repair and maintaining and cleaning any common parts. The costs will be recovered through service charges as set out in your lease.

Landlord Repair Responsibilities

- Exterior walls
- Roof
- Foundation
- Timbers and joists
- Beams
- Chimney stacks
- Rainwater and soil pipes
- Gas, water and electricity pipes up to the flat
- Communal heating
- External decoration
- Internal common way decoration
- Public way windows and doors
- Communal gardens, paths, walls and fences



Repairs & Maintenance



Leaseholders Repairing Responsibilities

Leaseholders are responsible for the repair and internal decoration of their flats which include:

- Fittings such as kitchen units and sinks
- Floorboards
- Internal non-structural walls
- Internal doors and frames
- Toilets, baths, washbasins and showers
- Radiators, cisterns, tanks, boilers and pipes used exclusively within the flat
- Leaks or burst pipes

| Type of Repair | Elim | Leaseholder |
|--|------|-------------|
| Re-washer mains stopcock: to block | ✓ | |
| Re-washer mains stopcock: inside flat | | ✓ |
| Repair to burst / leaking pipe: up to stopcock | ✓ | |
| Repair to burst / leaking pipe: beyond stopcock | | ✓ |
| Clear blockages and repair gutters (flats only) | ✓ | |
| Replace / repair bath, basin, taps and WC | | ✓ |
| Shared flooring and staircases | ✓ | |
| Flooring within flat (except joists and wall plates) | | ✓ |
| Roof structure and covering (Flats only) | ✓ | |
| Outside windows in flat s(frame and sashes only) | ✓ | |
| Outside windows (glass only) | | ✓ |
| Internal doors to flat | | ✓ |
| Flat entrance doors (frame only) | ✓ | |
| All shared windows and doors | ✓ | |
| Electricity within flat | | ✓ |
| Shared re-wiring and repairs | ✓ | |
| Shared heating systems (including equipment in flat) | ✓ | |
| Individual heating systems | | ✓ |
| Forecourts, play areas, wall, hedges, boundary gates and so on— Flats only | ✓ | |
| Shared plastering and decorating | ✓ | |

Repairs & Maintenance



Consultation about Works

Section 20 of the Landlord Tenant Act 1985 (as amended by section 151 of the Commonhold and Leasehold Reform Act 2002) requires that Elim Housing Association consults the leaseholder in certain circumstances about service charges.

This applies when:

- Elim proposes to enter into an agreement for works and/or services for a period of more than 12 months and the costs to any individual leaseholder will be more than £100. Please note that some contracts are exempt from this provision.
- Elim proposes to enter into a long-term agreement and the costs of the works exceed £250 for any individual leaseholder under the agreement.
- Where works or repairs or maintenance or improvements are not under a qualifying long-term agreement and the cost to any one leaseholder is over £250, Elim must consult all leaseholders who would be expected to contribute to the bill.

A written notice listing the work to be carried out will be sent to you with the estimated costs to you as an individual. This is what is referred to as Section 20 Notice.

You will then have one month in which to give any written comments. The notice will advise you where your comments should be sent.

Emergency or urgent work, for example where a roof collapses, can be carried out without prior consultation and the costs can still be charged to you.

If you consider that you should not have to pay for an item on your service charge invoice because you feel that the quality of the work that has been carried out is inadequate or that a charge is not reasonable, you are advised to check your lease to see if you have to contribute to the services billed and then contact Elim to discuss any issues that you may have.

You also have the right to challenge the part of the service charge at the Leaseholder Valuation Tribunal. You can also seek determination on works or services that are proposed in the future.

Living in Your Home

Gardens

Please consult your lease with respect to any garden area for which you may be responsible.

Car parking

You must only park in your own designated parking area, not in those designated for use by others.

Pets

Please consult your lease which will state if the keeping of pets is permitted in your property.

Rubbish

If you have rubbish that is not household waste, please contact your Local Council to arrange a special collection or information on where the nearest recycling centre is situated.

Pest control

Even the cleanest of homes can be troubled by vermin (such as mice, cockroaches.) If you cannot get rid of them yourself, we recommend that you contact your Local Council Environmental Health Department.

Drug waste

If you discover used syringes or needles, or anything else on our land, please contact Elim immediately. **Never handle these items yourself.**

Abandoned cars

If a car is left on our land, please ring the office to tell us. We can then take the appropriate action

for the vehicle to be removed. If the car is on the public highway, then you need to contact the Local Council as we do not have any powers to remove vehicles on land we do not own.

Graffiti

If you see graffiti on a property that we own, please contact the office and we will take appropriate action.

Running a business from your home

You cannot run a business from your home without getting our written permission in advance.

Subletting

Subletting is not normally permitted in leasehold properties; however, you need to consult your own lease with regard to this issue. You will also need to contact us and put the request in writing.



Being a Good Neighbour

Being a good neighbour

Please be a good neighbour and respect the privacy and comfort of your fellow residents.

It is equally important that your neighbours are tolerant of yourself and others in the locality. Residents are encouraged to think about whether their expectations are fair and reasonable.

Sometimes a little thought and consideration are all that are needed to make your neighbourhood a more pleasant place to live.

Please remember to:

- Set your volume on your sound system or television so you can hear it, but it is not too loud to be a nuisance.
- Use your washing machine or Hoover only in the daytime or early part of the evening so as not to disturb others.
- Park your car in your own designated space if you have one and not in your neighbour's space. In areas where there is no designated parking, all parking is shared and everyone has equal rights to the parking areas.
- Ensure that your children are supervised and not causing a nuisance to your neighbours.



Noise nuisance

Very often when people live close together, they may not realise they are disturbing others. The first step you can take is to explain to them politely that they are causing you a problem.

- Try to reach a compromise with them.
- Try to settle the matter without ill feeling.

If the problem lies with an Elim Tenant or other Elim Shared Owner

Please contact the Housing Officer who can advise you of how we can help in this situation. We will ask you to start logging the noise either by diary sheets or using the Noise App which is a free download for Apple or Android phones. If possible, try to get another neighbour or independent person as a witness who is prepared to confirm the problem on your behalf.

Once you have gathered enough information to establish that the problem is ongoing then we will contact the Council's Environmental Health Department to report the matter and seek assistance in addressing the problems.

If the problem lies with a private owner, private tenant or other Housing Association tenant or shared owner.

You will need to speak to the Environmental Health Department at the Local Authority. It is likely that you will be asked to log the issues you are experiencing, and any action will be taken by the local authority.

Being a Good Neighbour

Anti-social behaviour

If the perpetrator is threatening violence towards you or threatening to damage your property, you should contact the local police.

If the perpetrator is an Elim Shared Owner or tenant please contact your Housing Officer for advice on 01454 411172 or at info@elimhousing.co.uk

Nuisance from dogs

Under the terms of the lease agreement, leaseholders are required to act with consideration for their neighbours including keeping animals under control at all times. If you are experiencing problems, you should contact the local council and speak to the Dog Warden.

What if I cause nuisance to a neighbour?

You may be found to be in breach of your lease if you, a member of your family, or a visitor to your home, creates excessive noise or nuisance to neighbours. Serious reports of anti-social behaviour can result in legal action to recover your lease.

Harassment

Harassment is the deliberate interference with the peace, comfort and safety of any person on the grounds of race, ethnic origin, religion, sex, sexual orientation or disability. It includes incidents of



graffiti, damage to the property, abuse, threats and physical attacks.

Elim Housing Association is committed to investigating and resolving any reported instances of racial harassment and other forms of harassment. We will take a complaint of this nature very seriously and treat any information given to us in strictest confidence.

What you can do

Keep an accurate record of any incidents/events with as much detail as possible of times and dates. Contact the police and make a note of the incident log number.

You can contact a Solicitor for advice about taking civil action against the perpetrator.

You can contact your Housing Officer for advice at Elim Head Office.



Getting Involved

Elim is committed to involving leaseholders in the decisions made about the leasehold service.

Our proposed methods for doing this include:

- Conducting regular questionnaires and surveys via telephone, email and post
- Project-specific consultation
- Meetings and consultation events
- Customer Oversight Group

Introducing the new Elim Customer Oversight Group

This is a new group which will be made up of Elim Housing Association customers. Customers

include our tenants, support service clients, Gypsy Roma and Traveller residents, shared owners, and anyone who receives a service from us.

The purpose of the new Oversight Group is for customers to have a say in decision-making that affects them and to ensure that they are able to independently scrutinise performance and hold Elim to account for the decisions that affect the quality of the homes and services we provide.

These will help us to understand how satisfied you are with the service we provide and how to make it better. We use the information you send us to understand and act on your priorities for making changes and improvements in the future.



Buying & Selling Your Home



Buying Further Shares (Staircasing)

The process of buying more shares in your Shared Ownership home is known as "staircasing." The great advantage of Shared Ownership is that you can buy more shares in your home in easy stages and eventually own the property outright. You choose when to buy more shares in your home as and when you are ready to do so.

The ability to staircase will depend on the individual lease. Some leases will restrict the ability to staircase up to a fixed amount, say 75 or 80% of the property. These restrictions usually apply in areas where affordable housing is scarce, and it is designed to safeguard the opportunity for shared ownership for future generations.

Currently the legislation permits for staircasing to increase in tranches of 10%. (There have been recommendations recently by Government to reduce this amount to 1% in the forthcoming years, but as of August 2021 this is not primary legislation.)

The amount that you can borrow as part of the staircasing will depend on the amount in £ that you request and is linked to the valuation.

- Buying additional shares may increase your mortgage but will reduce the amount of rent you pay.
- You can meet the cost of the additional shares by increasing your mortgage if your lender agrees.
- You will still be required to pay the service charges and other eligible charges even if you buy your home outright.
- The long lease will continue.



Buying & Selling Your Home

How Additional Shares are Valued

- An Independent Valuer will need to determine the value of your home, excluding any improvements that you may have carried out.
- The value of the shares will be based on the market value at the time of the valuation, not at the time you originally purchased the property.
- You will be required to pay for the valuation.
- The valuation will be binding on both parties for three months.

Frequently Asked Questions about Staircasing

What if I have made improvements to my home?

Elim should already be aware of any improvements that you have made to their home as this forms part of the lease requirements.

You can advise the valuer about any improvements that you have made to your home, and they will then be able to assess how much value, if any, these have added to your property. Elim will then take this amount off the full value of the property before working out how much the share should be worth.

If any improvements have been made without Elim's approval, the following information should be sent to Elim:

- A description of the improvement, including any plans or specifications.
- The date the work was completed.
- The name and address of the contractor (if applicable.)
- The cost of the work – please supply invoices or receipts.

If you are unable to provide this information, then the valuation can only be taken at face value from the RICS valuer.



Buying & Selling Your Home

What will staircasing cost you as the Shared Owner?

You will be liable for the following fees:

- Valuation Fee – around £300.00 (in most cases, but this is an estimate)
- Administration Charge – £100.00 + VAT

Solicitors Fees for the work you instruct.

Do you still have to pay rent and a service charge after you have stair-cased?

If you partially staircase and you still do not own the property 100% then the rent payable will reduce in line with the smaller share that is still not owned. You still have responsibility to pay service charges and these are likely to increase year on year.

If you fully stair-case and own 100% then you will no longer pay any rent. However, if the property was subject to a service charge, this fee will still be payable.

What if the property has gone up or down in value?

The new share you will be purchasing will be based on the market value of the property at that time, irrespective of whether it has increased or decreased in value.

For example:

- Original purchase price in 2015 = £100,000
 - 50% share purchased in 2015 = £50,000
 - Revaluation in 2021 = £120,000
 - Additional 50% share to be purchased in 2021 = £60,000
-
- Original purchase price in 2015 = £100,000
 - 50% share purchased in 2015 = £50,000
 - Revaluation in 2021 = £90,000
 - Additional 50% share to be purchased in 2021 = £45,000



Buying & Selling Your Home

What if I do not agree with the valuation?

If you do not agree with the valuation that has been provided, then you need to put this in writing to the valuer you are using with evidence of at least 3 similar properties that are for sale or have sold in the local area within the last 3 months, and then you can send this to the valuer for comment and challenge.

If the valuer stands by the original valuation, and you continue to disagree you are able to arrange for a further valuation to be carried out by an accredited RICS surveyor. We will discuss the differences between valuations with you to reach a decision. Any new valuations will be your responsibility to arrange and pay.

Can I arrange my own valuation?

You can arrange to instruct a valuer of your choice to decide the Market Value of the property. The valuer must be a registered member of RICS. Elim require a market valuation of the entire long leasehold interest of the property with vacant possession.

Selling Your Home

Before you can sell your home, you must get approval from us in writing and complete the Notification of Intention to Sell form that is on Page 33 of this document.

You need to send the completed Notification form with your written request, a full set of photographs of inside and outside of the property and make a £100 payment to cover the administration of the work. Details of how to make this payment are on the Notification documentation.

Our policy is that your home is then registered on Help to Buy using the photographs you have sent us. Help to Buy is an independent website specialising set up to assist people looking to specifically buy and sell Shared Ownership homes.

Your property will need to be registered for 8 weeks with Help to Buy, and then you are able to also go to the open market and use your own Estate Agents if you choose. Any buyer will need to be approved by us before you exchange contracts on the sale.



Buying & Selling Your Home

The sale price will be set by an independent valuer based on market value at the time you wish to sell. You are responsible for obtaining and paying for the valuation.

There are 2 ways in which most shared owners will be able to sell on to someone else. The legal term is “assignment of the lease”.

You can either buy the remaining shares through staircasing and then sell your home outright, OR you can sell only your part-share in the property. You will need to consult the terms set out in YOUR lease, as to which (or both) of these apply.

Regardless of the terms of your mortgage agreement, you MUST still pay rent on the proportion of your home that is owned by the Association until the date your interest in the lease has officially ended.

Frequently Asked Questions About Selling Your Home

Why do I need a RICS valuation?

There is shared ownership guidance set by an authority known as Homes England. We must operate the scheme within this guidance, to ensure that we may continue to access Government funding and to continue to provide affordable housing into the future.

This guidance states that all shared ownership properties must be valued this way. RICS valuers are professional members of a chartered institute, which offers a method for valuation.

The advice is independent of both you and us, which makes it the fairest way to value the property. Your leases sets out that the advice of the valuer you appoint is binding.

Why do I pay for the RICS valuation?

These valuers are independent professionals providing you with a specialist service. As you are selling the property, the cost is yours.



Buying & Selling Your Home

Frequently Asked Questions About Selling Your Home (Continued)

Why are valuations only valid for three months?

The Homes England guidance states that valuations are assumed valid for three months.

This is not to penalise you, it is to ensure that the valuation advice remains valid through protracted transactions, and you and the buyer are accepting a fair market price.

Sometimes valuers are happy to state that their advice is valid for up to six months, and if they are, they will state this in their report. Often, if there have been no material changes to the property, the valuer you have chosen may be willing to extend the valuation if needs be.

Why don't all of my improvements have an impact on the value?

If you have made an improvement to your home which is decorative or subjective, it is unlikely that this will increase the value. You have to remember that lots of people will intend to make changes when they have moved in. It isn't personal, we all just like to make homes our own. Replacing like-for-like fixtures and fittings does also not impact the valuation.

If you have made significant changes, such as replacing windows or installing central heating, these may cease to add value after five years or more.

Do I have to use a valuer, estate agent or solicitor you recommend?

You can use any service provider you wish.

What is an EPC and why is it required?

An Energy Performance Certificate (EPC) is a rating on the energy efficiency of your home. It makes potential buyers aware of the likely cost for heating the home, and whether improvements may be able to be made. It is legislation that this is available for all property sales. You may be able to find your EPC via the www.gov.co.uk.



Buying & Selling Your Home

Frequently Asked Questions About Selling Your Home (Continued)

Why don't you market my property for me?

The Help to Buy Website is set up specifically to help those who are looking to buy Shared Ownership properties and so is best placed to help those who are selling a Shared Ownership home get in touch with those who are looking for them.

If after 8 weeks you have not had an offer on your home, you are able to approach another Estate Agency. Estate agents offer competitive prices and the service they offer vary, which means you can shop around to get the service you are happy with, for a price you are happy to pay.

When you appoint an estate agent, we waive our right to charge you up 1.5% of the full market value of the property, plus VAT.

Is it more difficult to sell a shared ownership property?

We try and make your experience in selling your shared ownership property as similar to an open market sale as possible, whilst ensuring we meet all regulations. Selling any property is open to market factors, so it's unlikely to be the shared ownership aspect which hinders any sale.

Why do you have to assess my buyers?

It is part of our duty as a provider of affordable homes, to ensure that any applicant meets the relevant local connection criteria (if applicable) and will be able to afford to live in the property, based on Homes England and Elim calculations.

What if my lease has less than 80 years remaining?

This is known as having a "short lease". This is an issue because most mortgage lenders will not consider lending on properties with short leases. Whilst mortgages advisors are keen to progress applications on properties with less than 80 years remaining, when your buyer's solicitor has to report to the lender, they will likely decline the final mortgage application. Therefore, this is best addressed from the outset.

What do you do during the process?

From the outset we will assist you to ensure that you are complying with all Homes England guidance. We will provide your estate agent with useful information, regularly check on the progress, help you with any questions you have, ensure you applicant meets all relevant criteria, and stay with you through to completion to ensure you always have someone to go to when things are becoming frustrating – we are always here to listen.



Buying & Selling Your Home

Frequently Asked Questions About Selling Your Home (Continued)

Can I buy another Shared Ownership property?

Yes! You will need to be sold subject to contract before you can apply for another property, but otherwise there are no limitations on making another application for shared ownership. You don't have to be "homeless", you just have to have somebody willing to buy your home, who has passed the assessment. If you are looking for another shared ownership home and may need some time to find one, we can help to manage this expectation with your buyer from the beginning.

What if I decide not to sell?

There aren't any penalties for withdrawing from the sale, but you may be letting somebody down. You will also have to cover any abortive fees with your agent and your solicitor, and you won't be refunded for the valuation advice you have been given.

What costs will I be liable for as part of the Resale Process?

- RICS survey/property valuation report: £300.00 - £500.00
- Re-sale fee: As a guide this will be around 1% to 1.5% of the full market value of the property.
- Energy Performance Certificate (EPC): £80.00-£100.00 (only needed if a valid EPC doesn't already exist for your property)
- Your Solicitors' Fees: You can expect to pay between £500.00 - £1000.00
- Elim Homes Admin fee: £100.00 and Elim Solicitors' Fees: £350.00 + VAT (only payable should you choose to market the property with an Estate Agent after the 8 week Help to Buy nomination period.)

Other possible fees to consider: Removal costs, any home improvements needed to sell the property, Estate Agency fees, professional imagery/photos of the property, stamp duty (if you are buying an alternative property.)

The administration fee charged by Elim covers our costs for listing the property during the nomination period and any administration costs including responding to solicitors and the new buyers' solicitors. This includes answering questions, assessing the purchaser, and approving any mortgage offer.

Elim do not provide the services of an Estate Agent. Estate Agents provide the production of sales particulars, providing a viewing service, signage, or any marketing other than listing the property on a Help to Buy Agent's website.



Specialist Advice

The Leasehold Advisory Service (LEASE)

LEASE is an independent advice agency, funded by Government grant. It provides free legal advice to leaseholders, landlords, professional advisors and others on the law affecting residential leasehold property.

Advice can be provided by telephone, in person at the office, or by letter. LEASE is based in London and is open to visitors by appointment. The telephone lines are open Monday to Friday from 9.30a.m. to 3.30pm.

(LEASE) Leasehold Advisory Service
Fleetbank House
2-6 Salisbury Square
London
EC4Y 8AE

Email: info@lease-advice.org
Tel: 020 7832 2500
Web: www.gov.uk

Free advice is available on:

- The Leasehold System
- Commonhold, service charges
- Rights to information
- General management issues
- Forfeiture and Possession
- Extending the lease
- Buying the freehold
- Commonhold

They publish and distribute a large range of advisory leaflets on all subjects and provide a list of professional advisors specialising in leasehold issues. Their advice is provided on a self-help basis; they cannot act directly for you.

They cannot provide any direct services in surveying, valuation, legal proceedings or conveyancing or other services usually provided by a solicitor or surveyor.

Residential Property Tribunal Service

If you have problems negotiating with your freeholder (Elim Housing Association) a Lease Valuation Service (LVS) may be able to help you. They can settle most financial disputes and may be able to sort out any disagreements about the quality of the service provided.

Many disputes between the leaseholder and freeholder can be taken to a Lease Valuation Tribunal. (LVT.)

This may include disagreements about:

- Insurance (Building)
- Service Charges
- Quality of Service
- Costs extending your lease

LVTs can have the power to decide if the amount you must pay for services or repairs is 'reasonable'.

The hearing is generally made up of a panel of three members; a solicitor, a valuer and a non-specialist lay person. Hearings do not always take place at the LVT's own offices. They are often held near your home. There are five regional offices and the office that deals with your area is based in Chichester.

Leasehold Valuation Tribunal
Southern Rent Assessment Panel & Leasehold Valuation
1st Floor
1 Market Avenue
Chichester
PO19 1JU - Telephone 01243 779394

FAQs

Your Questions Answered

Your solicitor is responsible for going through the lease with you before you purchase the property. However, this section covers questions which leaseholders frequently ask us. We are happy to discuss with you any of the issues covered in this section. If you have any serious concerns however, we recommend you contact your solicitor for advice.

What is a Fixed Equity Lease?

A Fixed Equity Lease means that you will be unable to purchase further shares in your property at a later date. You will usually find that a restricted number of lenders lend on this lease type.

The main lenders on this lease type are the Nationwide Building Society and the Halifax.

What is an 80% staircasing lease?

When a property is advertised as having an 80% staircasing lease, this means that you are able to purchase further shares at a later date but only up to a maximum ownership of 80%.

What is an 100% staircasing lease?

If you have purchased a property that has a 100% staircasing lease, you have the right as the shared owner to buy further shares in your property to up to 100%.

If you are in a house and you are able to staircase to 100%, you will obtain the freehold in the property.

If you are in a flat and staircase up to 100%, you would remain a leaseholder, as you will still have a responsibility to the communal areas of the flat.

What is an 100% repurchase lease?

Through this lease, you can staircase up to 100% property (as described above.)

However, there will be a covenant attached to the property that specifies if you staircase up to 100%, and then you decide at a later date you want to sell your property, you must give Elim Housing Association first refusal to purchase the property back at open market value.

If Elim Housing Association declines this offer, you can go ahead and sell to whomever you choose.

What does a Shared Ownership Lease entitle me to?

A Shared Ownership Lease is basically the same as a normal lease. It clearly sets out all the rights and responsibilities of Elim and the Shared Owner.



FAQs

In summary, Shared Owners are obliged to:

- Pay rent monthly in advance by Direct Debit.
- Be responsible for the costs of maintenance and repair.
- Notify Elim if they wish to purchase further shares or to sell the property.
- Notify Elim if they wish to make improvements to the property.
- Not sub-let the property.

The Shared Owner is entitled to:

- Purchase further shares after the first year in a minimum of 10% portions up to the maximum allowable under the terms of the lease. This is called staircasing.
- With a resale property the new Shared Owner is allowed to purchase further shares after 3 months.
- Sell at any time, subject to Elim Housing Association being given the opportunity to find a purchaser in the first instance in accordance with the terms of the lease.
- Improve, decorate, alter the property as they wish (major improvements need the written approval of Elim, which would not unreasonably be withheld.)
- The rent will include buildings insurance, but not contents insurance, which is the responsibility of the Shared Owner.

Rents are reviewed annually; the lease will state the terms of the rent increase.

What does my rent cover?

The rent that you pay to Elim Housing Association covers the costs on the share we have in your home.

For example, our mortgage costs on our share of the property, or the financing we had to obtain in addition to any social housing grant in order to build your home.

The rent also covers the buildings insurance on your home and may, for some shared owners, include services charges for example to cover the costs of communal gardening, cleaning and lighting.

What is a Mortgagee Protection Clause?

A Mortgagee Protection Clause is a clause within most Shared Ownership leases which allows a mortgagee (mortgage lender) to exercise their right to acquire the long leasehold or claim money from Elim in the event of your property being repossessed.

It allows Elim to either acquire the freehold of the property which would include Elim's share and/or offset the following costs onto Elim, if the sales price after a repossession is not great enough to recover the following costs:



FAQs

- The whole of the original advance made to the leaseholder and some further advances.
- Up to 12 months unpaid interest.
- Payments of rent made by the mortgagee on the leaseholder's behalf where there has been non-payment.
- The legal costs involved in recovering the property and subsequently selling it. This includes solicitor's fees, cleaning costs, estate agents fees, etc.
- Any other costs incurred by the lender such as securing the property.

The benefits of this clause can only be claimed by the lender if Elim approved the initial mortgage and/or consented to any further advances being secured against the property.

The effect to Elim of the operation of the Mortgagee Protection Clause can be severe, especially if there has been a decrease in house prices. The lender's claim could take up most or even all of any proceeds of the sale, leaving Elim with nothing.

Why is there a Mortgagee Protection Clause in the lease?

A Shared Ownership Leaseholder is only buying under a shared ownership scheme because of a lower income or because their income is not high enough to afford to purchase on the open market because of high property values.

It is the lender's opinion that this is an increased risk for them.

Lenders will therefore not normally lend on shared ownership properties unless the lease contains a mortgagee protection clause.

What do I do if repairs are needed to my home?

As a shared owner, you will be responsible for all repairs and maintenance to your home from a broken window to repairing your central heating.

If a repair is needed to your home due to:

- Accidental loss.
- Destruction or damage to the property by fire.
- Lightning or explosion.
- Earthquake.
- Aircraft.
- Riot, civil commotion, malicious persons or theft.
- Storm, flood, bursting or overflowing of water tanks.

In other words, anything that you might be able to claim under your buildings insurance policy.



FAQs

Please contact us and we will provide you with the details of how to make a claim.

If your home was built less than 12 months ago by Elim, then the contractor who built the property is responsible for all repairs in the first 12 months. This does not include any deliberate damage, where you will be responsible.

Can I make improvements / adaptations to my home?

If you wish to make structural alterations or improvements, you must first contact your Housing Officer in writing to advise them of the changes that you wish to make.

You should enclose with your letter, a copy of any planning permissions / building regulations where appropriate. Elim will not unreasonably withhold permission for the works you wish to get done, but you do need to ensure that any changes would be in line with current building regulations, and the required planning consents are obtained. You will need to use qualified tradespeople for work.

If you wish to finance the improvements with further borrowing, you should be aware that Elim will not approve further lending, which is to be secured on the property in front of our second charge. This is in order to protect Elim's interest in the property.

Please note that Elim will not provide approval for further borrowing to be secured on the property, where the applicant is seeking to consolidate unsecured personal loans and/or debt.

If you require further information regarding the above, please contact us and we will be happy to discuss this with you.

This does not affect shared owners' ability to re-mortgage up to the level of the outstanding loan. All applications for re-mortgaging should be made in writing to the Housing Officer and are subject to the approval of Elim Housing Association.

Can I take in a Lodger?

Yes, absolutely. However, you are responsible for anyone staying in your home, and you must ensure that he/she keeps to the conditions within the Shared Ownership lease.

You should check with your local tax office because you may be able to claim some tax benefits on the rent you get paid by your lodger.

Can I sub-let all of my home?

We do not normally agree for you to sublet your home, but there are a very limited number of circumstances where we would consent to the sub-letting of a shared ownership property.



FAQs

If you are thinking of sub-letting your home, please contact the Housing Officer, who will be happy to discuss this with you.

I bought my property with someone else, but we are splitting up. What should I do?

Firstly, you should seek legal advice to sort out the best option for both of you. If you are both named on the mortgage, you should speak to your lender who will help to advise you on what to do.

You will need to decide whether one of you wishes to stay in the property. In which case the mortgage and lease would need to be transferred into that person's sole name, or you may both decide to sell your home.

Please remember that you will remain jointly responsible for your mortgage and rent until a mutually agreed solution has been found.

In the case of a relationship breakdown, it is best to advise Elim at an early stage what you would like to achieve. We can then advise you whether this is possible and the documentation we will need to see.



Form: Selling Your Property

Notification of Intention to Sell a Shared Ownership Property

If you wish to sell your Shared Ownership property please complete the following form, include your full RICS evaluation report and EPC and send it to your Housing Officer at:

| | |
|---|---|
| Elim Head Office Briarlands Business Park Units 3 & 4 Pinkers Court Rudgeway South Gloucestershire, BS35 3QH | Tel 01454 411172 Email: info@elimhousing.co.uk |
|---|---|

Personal Details

| | | | |
|---------------|--|-----------------------------|--|
| Your Name (s) | | Contact Telephone Number(s) | |
| Email Address | | Current % Share owned | |
| Your Address | | | |

Payment

I confirm that I / we have made a bank transfer of £100 for the fixed administration fee. I / We enclose a cheque for £100 for the fixed administration fee. **(Delete as appropriate)**

Account Details

| | |
|----------------|---|
| Account Name | Elim Housing Association |
| Sort Code | 55-61-38 |
| Account Number | 80033008 |
| Bank Details | National Westminster, Branch PO Box 1369, 16 The Plain, Rudgeway, South Gloucestershire, BS35 2BF |

Valuation and EPC

Please tick

| | |
|--|--|
| Please note that valuations are valid for 3 months and EPC's are valid for up to 10 years | |
| I/We have obtained a RICS valuation that was undertaken by a qualified surveyor, currently valid and it is enclosed | |
| I/We have obtained an EPC that is not more than 10 years old and is enclosed | |
| I/We enclose recent photographs for use on the Help to Buy Agent Website and have emailed them to info@elimhousing.co.uk | |

Declaration

| | |
|--|--|
| I/We understand that the share of my property cannot be sold for more than the market value, which is a condition of the lease | |
| I am/We are aware that the fixed administration fee of £100 charged by Elim is not refundable if the resale does not proceed to completion. | |
| I am /We are aware that should the sale proceed to completion there is an additional fee of £250 payable to Elim Housing. | |
| I am/We are aware that all payments for rent and/or service charges must be up to date at the time of completion, and non-payment may jeopardise the sale. | |

Property Information

Property type - please circle what best describes your property

| | | | |
|----------|---------------|-------------|-------------|
| House | Bungalow | Coach House | |
| Detached | Semi detached | Mid-terrace | End Terrace |

Apartment (Flats) Only:

| | | | |
|--------------|-------------|--------------|-------------|
| Ground Floor | First Floor | Second Floor | Third Floor |
|--------------|-------------|--------------|-------------|

Rooms:

| | | | |
|----------------------|----------------------------------|--------------------------|------------------------------------|
| Kitchen | Kitchen/Diner | Lounge | Lounge/Diner |
| Separate Dining Room | Downstairs WC | Utility Room | Hallway |
| Conservatory | Front Garden | Rear Garden | Porchway |
| Ensuite WC only | Main Bathroom with bath / shower | Ensuite with Shower & WC | Downstairs extra room (e.g office) |

Misc.

| | | | |
|----------------------|----------------|--|--|
| Patio / Bifold doors | Double Glazing | | |
|----------------------|----------------|--|--|

Parking

| | | | |
|------------------|---------------------------|----------|--------|
| Allocated spaces | On road | Driveway | Garage |
| Other off road | Parking scheme by payment | | |

Heating Type

| | | | |
|---------------------|-------------|-----|-------|
| Gas Central Heating | Electricity | Oil | Solar |
|---------------------|-------------|-----|-------|

Other Useful Information

| | |
|----------------------|--|
| Gas Supplier | |
| Electricity Supplier | |
| Water Supplier | |
| Council Tax Band | |
| Internet Provider | |

Your Solicitor Details

| | |
|------------------|--|
| Name | |
| Address | |
| Email | |
| Telephone Number | |

Signatures

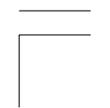
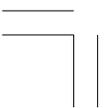
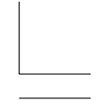
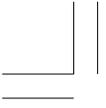
Please note that if the lease is in joint names both owners are required to sign below to conform the intention to assign the lease and progress the sale of the property. Signatures also confirm that the above information is correct to the best of your knowledge as signee. Failure to provide correct or misleading information may be fraudulent and risks the sale of your home and any subsequent move on.

| | | | |
|-----------------------|--|-----------------------|--|
| Your name: (PRINT) | | Your name: (PRINT) | |
| Signature: | | Signature: | |
| Date: | | Date: | |

Glossary of Terms

| Terms and Definitions | |
|--------------------------------------|--|
| Assignment | This is the term used when you sell your flat and with the sale, the leaseholder is the assignee. |
| Block | The building in which your property is situated. |
| Common parts | The parts of the building or estate that all the residents use such as stairs, lifts, paths or communal gardens. |
| Consultation | This is the process of asking for other people's opinions. Where possible we will consult you about everything we do that affects you. |
| Constitution | This is a document that sets out the rules for an organisation such as the association. |
| Contingencies | Insured risks or dangers that are covered under the block's insurance. |
| Covenant | A covenant is a promise to take responsibility. The lease states what you are responsible for during your ownership of the property. |
| Curtilage or demised premises | That part of the block included in the lease you have bought, this will include your flat, the common parts, any garage area and the landscaped area which form part of your block. Your lease will include a plan showing the curtilage. It will show parts of the building that are yours and which parts you share with other people. |
| Estate | The block, any outbuildings and any land associated with the block. |
| Fixtures | You are responsible for the fittings in your property such as bathroom suite, kitchen units, light fittings, central heating system. |
| Forfeiture | This means that the lease is terminated, and we as freeholder can lawfully repossess the property, require you to vacate it and dispose of it with vacant possession. |
| Freehold | Full ownership of the property and land on which it stands. |
| Ground Rent | This is the rent paid to the landlord during the term of the lease – it is an annual payment usually fixed term. |
| Improvement | Doing more work to the property than is required to satisfy an obligation to repair. |
| Landlord | The organisation that owns the freehold of the property and grants a lease to the leaseholder. |
| Lease | The lease is the contract that explains your responsibility to the landlord and the landlord's responsibility to you. |
| Leasehold | Ownership of a property in a building that comprises other flats and is subject to the payment of service charges and ground rent for a set period. |
| Leaseholder | This is the person who has been granted the lease by the landlord. |
| Leasehold Valuation Tribunal | A body, that makes decisions about service charge disputes between the leaseholder and landlord. It is made up of a panel of people with experience of property disputes such as a solicitor and surveyor. |
| Lessee | This means the same as leaseholder. |
| Mortgagee | This is the bank or building society that lent you the money to buy the property. |





Contact Us



Elim Housing Association

Units 3 & 4 Pinkers Court

Briarlands Office Park

Gloucester Road

Rudgeway

Bristol

BS35 3QH

Telephone: 01454 411172

Email: info@elimhousing.co.uk

Website: www.elimhousing.co.uk

**Our Head Office is open between 9.00am and 5.00pm
from Monday to Friday.**

We are not open on bank holidays.