

A guide to the selling process for shared ownership properties



Thank you for your enquiry about selling your shared ownership property. This information pack offers a step-by-step guide to your selling shared ownership property (known as 're-selling') and gives you an indication of the costs and timescales involved.

The guide also includes the form you will need to complete the process.

Please read this information carefully.

Shared ownership resales

As you were helped to buy your home with public money, to help people get onto the property ladder, one of the conditions of re-selling a shared ownership is that your home be offered to people who qualify for affordable housing (just as you did). Therefore, your lease gives Stockport Homes eight weeks (dependant on lease agreement) to find a purchaser from the date we receive your Resale Form and Royal Institute of Chartered Surveyors (RICS) Valuation (more information on this process is in this guide). The valuation sets the sales price for your property.

You only have complete freedom to sell your property for a price you decide upon, by any means, if you have bought 100% of your property from us before you decide to sell.

Buying more of your property is known as 'staircasing'. For more information on staircasing please email leasehold@stockporthomes.org or ring the Home Ownership Team on **0161 218 1524**.

Steps to re-selling your property

- 1 Valuation
- 2 Instruct a solicitor
- 3 Prepare to go to the market
- 4 Viewings
- 5 Eligible buyers
- 6 Conveyance process
- 7 Completion of sale

Before you start

All properties marketed for sale in England and Wales need an Energy Performance Certificate (EPC) before they can go on the market. If you do not have a copy of this document you may be able to find yours here: epcregister.com/searchReport.html

If your EPC is not listed online you will need to instruct an accredited EPC assessor to create one. You can locate an assessor here: epcregister.com/searchAssessor.html

We are unable to market your property if you are in rent or service charge arrears, please speak to our Customer Finance Team on **0161 218 6016** if you are in any doubt.

There are a number of costs associated with selling your shared ownership property. They include the following:

Resale fee

The cost of your resale fee if Stockport Homes find a buyer for your property would usually be up to 1% of the amount that you receive for the sale of your percentage of the property unless otherwise specified in your lease, e.g. you sell your 50% share for £100,000, our fee would be £1000.

Abortive Fee

If you withdraw your property from the market, we may charge you an abortive fee to cover our lost administration and marketing costs.

Leasehold Management Pack

This pack will contain the information that a potential purchaser's solicitor will require about your lease. For fees please see the Home Ownership section of our website.

Legal fees

You will be required to pay your legal fees as well as those of Stockport Homes. Our legal fees will usually be approximately £500.

Any fees required by your mortgage provider.

Checklist to get your property on the market

1. Contact surveyor to get valuation carried out
2. Receive valuation report from the surveyor
3. Once you have your report and are happy with the valuation please complete the

resale form at the end of this guide

4. Send us the following items:
 - Valuation report
 - Resale form
 - Energy Performance Certificate (EPC)
 - NHBC certificate (if applicable)
 - ID + Utility bill dated within 3 months

Step one: Valuation

Instruct a valuation to be carried out on your property by a surveyor registered with the Royal Institution of Chartered Surveyors (RICS).

You may use any RICS qualified surveyor to value your property. We cannot accept an estate agent's market appraisal in place of a valuation.

Valuations are valid for three months from the date your property is inspected. If you haven't found a buyer and exchanged contracts on the sale before your valuation expires, you will need a valuation update. A condition of Stockport Homes' consent to the sale is that a valid valuation needs to be in force at the point of completion. If completion does not occur within the three month period, then you will be required to obtain either an extension to the original valuation or provide a new valuation (If a new valuation is obtained the amount you may sell your share for may alter accordingly). It is your responsibility to make sure your valuation is up to date.

Stockport Homes has information on a number of surveyors who can provide a full valuation, extensions or new valuations thereafter.

We advise you to check your lease for the number of years remaining and have this to hand when the surveyor arrives so they can value your property accurately.

If you have less than 80 years remaining on your lease, you may want to consider extending your lease before starting the sale process, as this could make it easier for a buyer to secure a mortgage for your share.

If you wish to dispute the value provided by your RICS valuer, you are able to challenge this by providing written reason for your concerns directly with your chosen valuer. You should provide evidence of the sale prices of at least three similar properties in your area. You may

then request that your valuer reconsiders their opinion. If you are still not satisfied with the outcome you may instruct another RICS qualified valuer to revalue the property at your expense. Stockport Homes will not be involved in this process and should only be forwarded the report once you are happy to proceed.

Please note that an estate agent's valuation is not acceptable. Under the terms of the lease the valuation must be carried out by a RICS qualified surveyor. Whichever valuer/s you choose you are responsible for their fee.

Step two: Instruct a solicitor and pay for a management pack

You will need to instruct a solicitor or licensed conveyancer to act as your legal representative in the sale of your property.

Your legal representative will require a leasehold management pack from Stockport Homes for which we will require payment. Our leasehold administration fees can be found on our website at <https://www.stockporthomes.org/my-home/home-owners/>

In order for your enquiry to be dealt with as soon as possible, please make payment over the telephone via our Customer Finance Team on **0161 217 6016**. Alternatively, you can send a cheque to the Home Ownership Team, **Stockport Homes, Cornerstone, 2 Edward St, Stockport, SK1 3NQ**.

Please email leasehold@stockporthomes.org to confirm you have made the bank transfer and provide us with proof. Please be aware the pack will not be released to your solicitors until you provide us with confirmation of payment.

Step three: Prepare to go to market

Once you have received your valuation report from the surveyor, please send the following to the Sales Team:

- Copy of your valuation report
- Fully completed resale form (found at the end of this guide) You will need to include your full address, full valuation figure and the percentage of the property you own (you will find this on your lease document)
- Energy Performance Certificate (EPC) (EPCs are valid for 10 years)
- ID + Utility bill dated within 3 months

Please note: the documents listed must be sent in together.

You can email or post your documents to us:

- sales@viaducthousing.org
- Stockport Homes, Cornerstone, 2 Edward St, Stockport, SK1 3NQ (please send by recorded delivery).

Once we have all of your information we will advertise your property on our Viaduct Partnership website and social media. We will check our shared ownership waiting lists and contact any suitable potential purchasers.

If we are unable to find a buyer in the nomination period you will be free to market your property on the open market for the valuation price. However, any applicant will need to satisfy the same shared ownership and affordability criteria you did when you bought. If we find a buyer after the

nomination period ends you will still be liable to pay our fee. If an estate agent finds your buyer you will need to pay us a separate administration fee to cover our administration costs. Our leasehold fees are available on our website at <https://www.stockporthomes.org/my-home/home-owners/>

If you market your property via an estate agent, a potential buyer could agree to purchase 100% of your home using a process called 'back-to-back staircasing'. This enables a potential buyer to purchase 100% of your property from both you and us on the same day. If using this process the prospective buyer does not have to meet any shared ownership criteria

Step four: Viewings

Once your property has been marketed, all enquiries will be managed by our Sales Team. Any enquiries from applicants who wish to view your property will be referred to you for an appointment to view. It is important that you provide the correct information to us at the outset and work with us during the nomination period, e.g. arranging viewings etc. to avoid the nomination period being considered invalid.

Step five: Eligible buyers

We are required to carry out regulatory checks on potential buyers to confirm they comply with any nomination criteria before a sale can be

agreed.

If more than one applicant is interested in buying your home we will nominate the first applicant whose application fully meets the shared ownership criteria and successfully passes the shared ownership affordability checks. *See our 'Accessing Shared Ownership' Policy.

Step six: Conveyance process

Once you have found a buyer and we have completed our regulatory checks, we will pass the matter over to our solicitors for conveyancing

Your buyer's solicitor will raise any queries with your solicitor about your home. The number of queries raised can vary from solicitor to solicitor, which will affect the length of time the sale takes to complete. The average property takes around twelve weeks to conveyance in the UK. A shared ownership property may take longer as there are additional steps to be completed and another party involved, i.e. your landlord and/or freeholder.

There is a charge for the work our solicitors will do, which will be around £400 - £500, depending on the work required. You will be responsible for paying this fee.

If you are purchasing another property and are involved in a chain, please make sure both we and your purchaser are aware of the deadlines you are working to and please contact your solicitor on a regular basis for a progress report on the sale.

Once your buyer's mortgage offer is issued and we have approved the offer, both you and the buyer will need to arrange to sign the legal documents required to complete the transaction. Once this is done, exchange of contracts can take place and a completion date can be set.

Step seven: Completion of sale

Once a completion date is set, our solicitors will prepare a completion statement, consisting of:

- sale price
- rent/service charge
- resale fee

This is the time to make sure you have made

arrangements with your buyer regarding when and where they will be able to collect keys.

Under no circumstances should you hand over keys prior to your solicitor's confirmation that completion has taken place.

Once you have received confirmation from your solicitor that your sale has completed you can immediately cancel any rent or service charge Direct Debit payments.

If you believe any credit is due back to you after you complete you will need to apply for this through our Customer Finance Team by ringing **0161 217 6016**.

List of Royal Institute of Chartered Surveyors

This is a list of surveyors we know have experience of valuing shared ownership properties. You are free to use a RICS surveyor of your choice.

Ian Gallery

07969 506 446

ian.gallery.ijg@gmail.com

Miller Metcalfe Surveyors

01204 275190

www.millermetcalfesurveyors.co.uk

Geo. Unsworth & Son

0161 273 7400

survey@guas.co.uk

John Thomson

0161 839 4809

www.thomsonchartereddsurveyors.co.uk

Intention to sell **Shared Ownership Property**



Stockport Homes Ltd / Stockport Metropolitan Borough Council

Shared Ownership Resales

Viaduct sales are part of Stockport Homes Group

Queries and correspondence should be directed to Viaduct Sales at
sales@viaducthousing.com or **0161 218 1303**

Viaduct sales are part of Stockport Homes Group

You should complete this form once you've had your property valued.

Please send a scanned copy (or a photo) of your completed and signed form together with your valuation report, EPC Certificate and photographic ID to us at sales@viaducthousing.com

Please read our Guide to Selling Your Shared Ownership Home on our website for additional information.

Please note the valuations are valid for 3 months only and EPCs are valid for 10 years.

Checklist to instruct Viaduct Sales to market your home on behalf of Stockport Homes Group: (Please tick below).

A copy of the EPC certificate is enclosed.

I /We have obtained an RICS valuation undertaken by a Fellow of the Royal Institution of Chartered Surveyors and a copy is enclosed.

I/We have attached our photographic ID. (Please note a member of the sales team will verify the ID with you in person when they visit your home to take marketing photos).

I/We acknowledge receipt of a RICS valuation for my property of £
and I own % therefore I will be selling my share at £

Please read the below information before signing this form.

If Viaduct sales team nominate a buyer, you are liable for a resale assignment fee of 1% plus VAT of the market value of the home, unless otherwise specified in you Lease.

The share of your home cannot be sold for more than the market value determined by a RICS Valuer (condition of the Lease).

You are responsible to have an up-to-date valuation until completion date and you will need to provide an updated valuation to Viaduct sales team and solicitors when it expires.

If Stockport Homes does not purchase the property or nominate a purchaser as per the lease terms, you may market the property on the open market. The market value sets the minimum sale price for the property.

You will be liable to pay Stockport Homes solicitor's costs.

You are liable for any payments for rent and/or service charge up to the day of completion and we cannot complete the sale unless these are up to date on the day of completion.

I/We, consent for my contact details to be given to potential buyers to arrange viewing with me.

I/We consent for Viaduct sales team to discuss the sales progress of my property with a third party, such as another Estate Agent or housing developer for my onward purchase.

As per the terms of the lease I/we will pay the reasonable and proper administration fees as set out on the Home Ownership section of the Stockport Homes website, and the legal fees of the landlord. Note: these may still be payable if the assignment does not proceed to completion.

Owner Details

Owner 1 Name

Owner 2 Name

Address

Telephone

Telephone

Email Address

Email Address

To ensure we have correct information about your property for marketing purposes, please choose from the options below that best describes your property:

House Type

Apartment Ground floor	House Detached	Mid-Terrace
Apartment First floor	Link detached	End Terrace
Apartment Second floor	Semi-detached	Bungalow
Apartment Third floor		

Bedrooms

Number of Bedrooms

Parking

Driveway	Shared Parking	Parking Permit
Other		

Outside Space

Private Front Garden	Private Rear Garden	Communal Garden	Private Balcony/ Juliette Balcony
----------------------	---------------------	-----------------	--------------------------------------

Heating Type

Gas	Electric	Solar Panels	Air Source Heat Pump
-----	----------	--------------	----------------------

Council Tax

Local Authority Council Tax Band	(Please provide a copy of your council tax letter)
----------------------------------	--

Signature of all Leaseholders If there are joint leaseholders, all leaseholders must sign this form to confirm the intention to assign the lease, you have read and understood the declarations and to confirm the above information is correct to the best of your knowledge.

Owner 1

Signed

Date

Owner 2

Signed

Date