



Your Guide to...
**Selling your Shared
Ownership Property**



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Contents

Introduction to Selling Your Shared Ownership Home	4
The Resale Process at a Glance	5
Step by Step Guide	6
Stage 1 Request a Valuation	6
Stage 2 Notify us With Your Intention to Sell	7
Stage 3 Preparing for Marketing Your Property	8
Stage 4 Advertising Your Home	10
Stage 5 Arranging Viewings and Allocation Process	12
Stage 6 Instructing Solicitors and Conveyancing Process	14
Stage 7 Exchange	16
Stage 8 Completion Date	17
The Cost of Selling Your Shared Ownership Home	18
Guide to Viewings	22

Selling your Shared Ownership home is also known as a resale - as you are selling your share of your home to someone else



An Introduction Into Selling Your Shared Ownership Home

As a homeowner you can sell your Shared Ownership property like any other property whenever you choose to do so. However, if you haven't staircased to 100% ownership, there are some restrictions on the sale of these properties. This is to ensure the properties remain available to people in need of affordable housing.

There is a procedure to be followed when selling your Shared Ownership property, which will be set out in your lease. We strongly advise you to read the terms of your specific lease, as the leases vary and may contain information that only apply to your property. If you cannot find your lease, check with your solicitor, or additional copies can be purchased directly from us.

This guide provides you with all the information regarding selling your Shared Ownership home. Please note, the contents of this guide is for guidance only and may be subject to change and is not exhaustive.



Step 1 Request a valuation

Instruct RICS qualified surveyor to provide a market valuation of your home.



Step 5 Arranging viewings and allocation process

Interested applicants will contact you to arrange to view your home. All interested applicants will be financially assessed by us before proceeding. Successful applicants will be offered the property and a £250 non-refundable deposit is taken.



Step 2 Notify us with your intention to sell

Complete and return the 'intention to Sell' form together with the valuation report and Energy Performance Certificate.



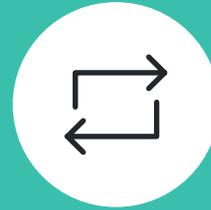
Step 6 Instructing solicitors and conveyancing process

We will issue the Memorandum of Sale to all parties to confirm sale details. Both you and the buyer will appoint solicitors – from this point solicitors will carry out conveyancing process. Buyers solicitors may raise enquiries about your property.



Step 3 Preparing for marketing your property

Send photos, floor plans and a description of your home to us.



Step 7 Exchange

Your solicitor sends Contract to the buyer's solicitors for the terms of the sale. Contracts are exchanged. A proposed completion date is discussed and agreed. We prepare a completion statement.



Step 4 Advertising your Home

Once we have all the relevant documentation your home is advertised for a maximum of 8 weeks on the Love Living Homes website and the local Help to Buy website.



Step 8 Completion date

Your solicitor sends the contract to the buyers solicitors for the terms of the sale. Contracts are then exchanged. A proposed completion date is discussed and agreed. We prepare a completion statement.

Step 1

Request a Valuation

To start the process of selling your home you first need to choose a RICS (Royal Institution of Chartered Surveyors) qualified surveyor to value your home. You can choose from our panel or select your own.

If you decide to choose your own surveyor, then please advise us (in accordance with your lease), as this must be an independent expert agreed between us and yourself.

The initial valuation and subsequent extension letters are valid for a period of three months from the date of issue. If your home is not formally under offer within this time, you may need to obtain a further updated valuation.

Please note, we will not accept an estate agent's market appraisal in place of a valuation.

Made some home improvements?

If you have carried out improvements that have added to the value to your home (not all improvements do), please inform the valuer at the time of inspection so they can take these into account. The valuation report must signify both the current price and price before works. Please note that you will only see the full benefit of all improvements if you staircase to 100% ownership.

Please remember that you need to request permission and written approval from us before carrying out any major improvements to your home. You will have had to provide us with estimates, quotations, plans and any required local authority planning approval for the permission to be granted.



Step 2

Notify us With Your Intention to Sell

What do you need to include in the email?

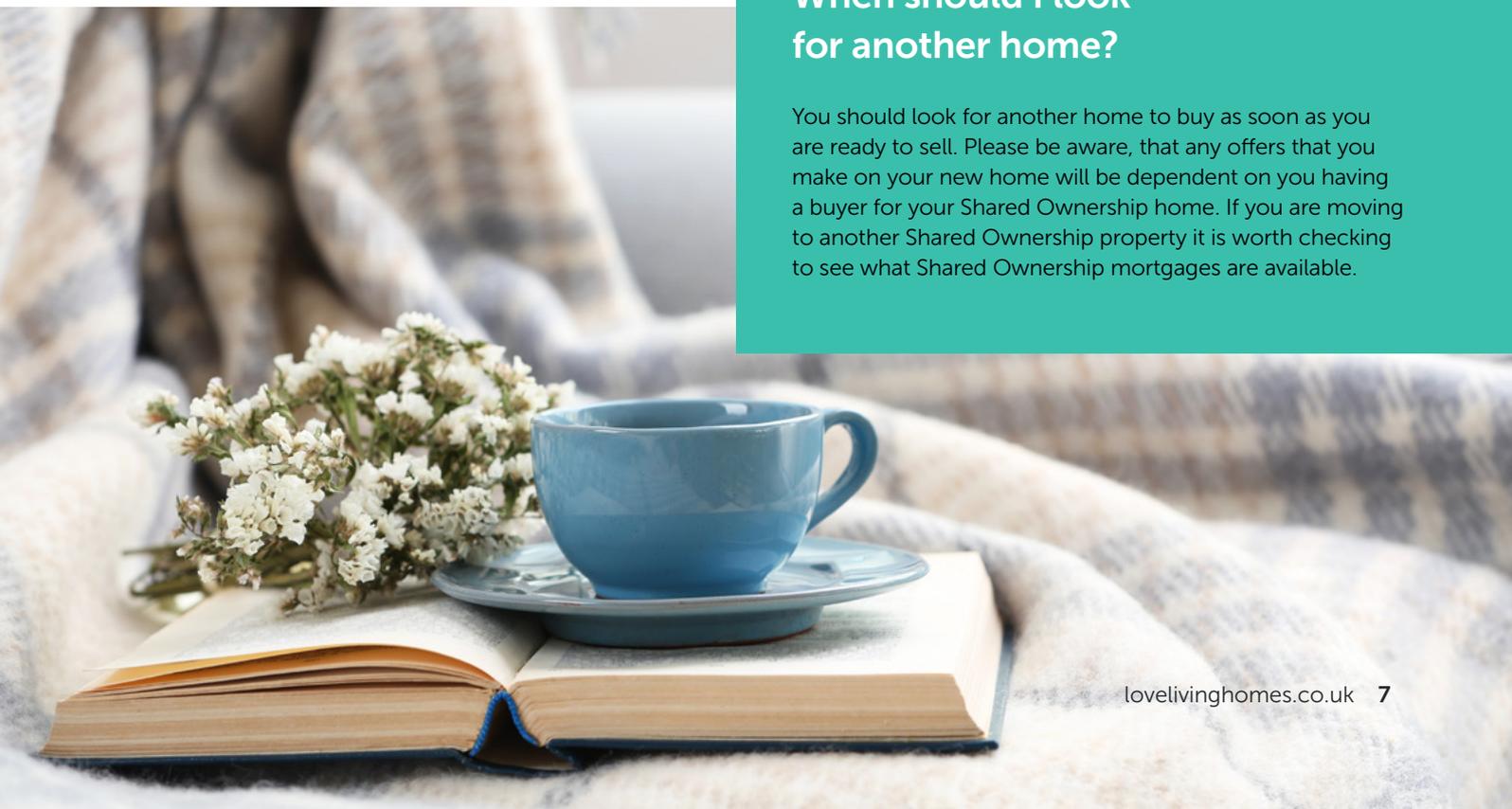
- 1. Intention to Sell form** This asks for information about your home. You need to complete, sign and return this form to us via email. [Download the form here.](#)
- 2. EPC Certificate**
This certificate ranks the energy efficiency of your home. We need you to send us a copy of this document. You may already have one from when you first bought your home from us. Depending on the age of your home, you may also be able to download it from www.epcregister.com. If you're unable to locate your EPC, you'll need to arrange one. You can search for EPC assessors on the EPC register website.

Am I eligible for another Shared Ownership property?

If you are currently in a Shared Ownership property and wish to move to another Shared Ownership, you will need to sell your existing home or be in the process of selling. You will need to re-register with the Help to Buy agent www.help_tobuyagent3.org.uk to confirm your eligibility for Shared Ownership as you must fulfill certain criteria to qualify for this scheme. You can go through the process of selling and buying at the same time but please remember that your offer for another Shared Ownership property won't be accepted until you have a buyer for your existing home.

When should I look for another home?

You should look for another home to buy as soon as you are ready to sell. Please be aware, that any offers that you make on your new home will be dependent on you having a buyer for your Shared Ownership home. If you are moving to another Shared Ownership property it is worth checking to see what Shared Ownership mortgages are available.



Step 3

Preparing for Putting Your Property on the Market

Once we have required your Instruction to Sell form, we will then ask for both internal and external photographs of your home for our marketing purposes. These assist in selling your home, therefore you should endeavor to have your home looking its best. Once you are happy with the photos you may send them as individual jpegs to us at buy@lovelivinghomes.co.uk.

You should also send us a description of your home and the local area that we can use in the marketing information.

Hints & Tips for taking photos of your home

1. Declutter your home, put away personal items and remove pets and their bowls/beds
2. Put toilet seats down
3. Please ensure all photos are taken horizontally
4. Before you take a picture, turn off all the lights as internal lights can create glare. Pull up the blinds, tie back the curtains allowing as much natural light into the property as possible
5. Take your photos at the brightest time of the day when the sun isn't too low, usually in the morning. Natural light makes everything look crisper and brighter!
6. Take the shots from a kneeling position to make the room look bigger. When your camera sits lower than eye level, your photos will look more like those you see in magazines. You will be amazed this really works!



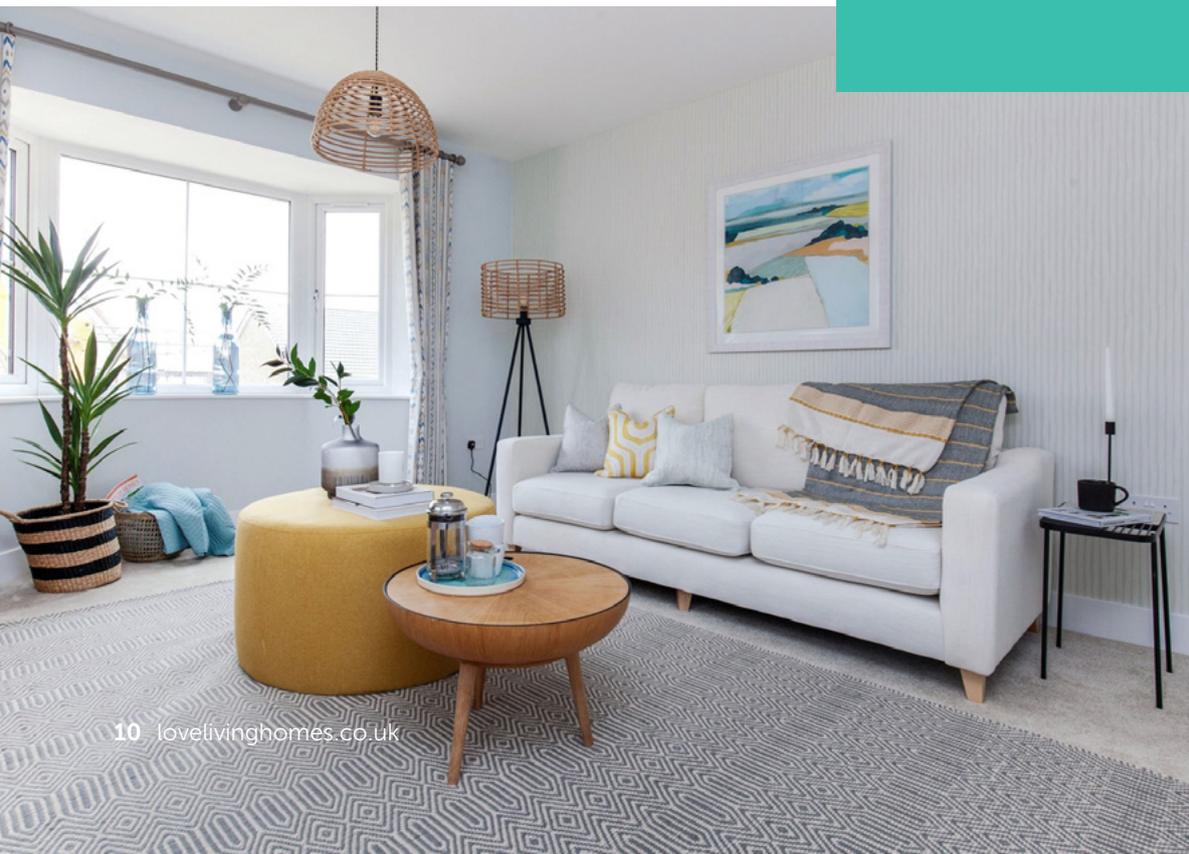
Step 4

Advertising Your Home

Once we've received all the documents (your valuation report and approved marketing information and photos) we can then start the process of selling your home. Our team will use the information and photographs you've given us to prepare our marketing information.

What is a Memorandum of Sale?*

Memorandum of Sale (MOS) is a document recording the prospective buyer's interest in purchasing the property and the seller's terms of the sale. It relates to the 'sale agreed' step when purchasing a property. While it's not a legally binding contract, it acts as written confirmation that a price has been agreed and declares the intention of both parties to complete the sale. The document will include any special conditions or remarks that deviate from the standard conditions of sale.



We have 8 weeks to sell your home – this is known as the ‘nomination period’. During this time we’ll encourage people to apply to us if they wish to purchase your home. If we have more than one suitable applicant, those with the highest priority/eligibility/need for your home will be successful. This is the same process used when you first bought your Shared Ownership home.

We will promote your home on the following websites:

- [LoveLivingHomes.co.uk](https://www.lovelivinghomes.co.uk)
- Local Home Buy Agents helptobuyagent3.org.uk

We will send you the links to these once they are up on the website. Please notify us if any of the details are incorrect or if you would like to add further information.

Once you are happy with the listings, you will be required to complete and send us the Property Misdescription Act Certificate (PMAC). This is to ensure we have the correct details of your property. This can be found here [lovelivinghomes.co.uk/wp-content/uploads/2021/04/Property-Misdescriptions-Act-Validation-Forms.pdf](https://www.lovelivinghomes.co.uk/wp-content/uploads/2021/04/Property-Misdescriptions-Act-Validation-Forms.pdf).

If we cannot find a buyer during the 8-week nomination period, you are free to sell the share that you own or the property 100% outright through an estate agent.

What instructions should I give to my estate agent selling my home?

After the nomination period has ended, you may instruct your estate agent to find either a purchaser for your share or an outright purchaser to buy your property. You’ll need to ensure you have enough funds to allow for legal fees (for both your own

and our solicitors) and your estate agency fee.

Information to provide to your chosen Estate Agent...

- You will need to make your estate agent aware of the price they may sell your share for and that the property cannot be sold for more than the RICS (Royal Institution of Chartered Surveyors) valuation
- If you decide to sell your share, your buyer needs to be registered and approved by the Help to Buy Agent as they need to meet the eligibility criteria for Shared Ownership (just as you did when you bought your home)
- The buyer’s application must be forwarded to us by the estate agent for us to conduct a financial assessment. Please be aware that we have the right to reject any prospective purchaser if they do not meet our affordability criteria. Please provide our contact details to your estate agent so they can liaise with us directly
- If your estate agent finds a buyer who wishes to purchase 100% of your home, we will transfer the remaining shares to you, and you will in turn transfer the 100% leasehold/freehold to the purchaser. Both these transactions will take place simultaneously, and the sales proceeds will be split in line with the share owned by you and us
- You are likely to incur higher legal charges when you sell outright as the solicitors will need to draft additional staircasing and transfer documents for you to sign
- Once the sale has been agreed, your estate agent should provide us with a copy of the **Memorandum of Sale*** to enable us to instruct our solicitors

Step 5

Arranging Viewings and the Allocation Process

We'll encourage interested parties to contact you directly to arrange a viewing of your home. We'll provide you with everything you need to give people when they visit, please see [Guide to Viewings here for advice](#).

Consent to share your contact details with potential buyers will be required at the point of intention to sell in accordance with GDPR guidelines.

When it comes to selling your own home, the way you prepare and carry out your viewings can make all the difference. [Click here to read how to carry out and prepare for a successful viewing and get your house sold](#).

Applicants who then wish to proceed with a purchase will need to contact us directly. We will then request financial details from the buyers in order to assess their application for affordability and eligibility. Applications will be accepted on a first come first serve basis.

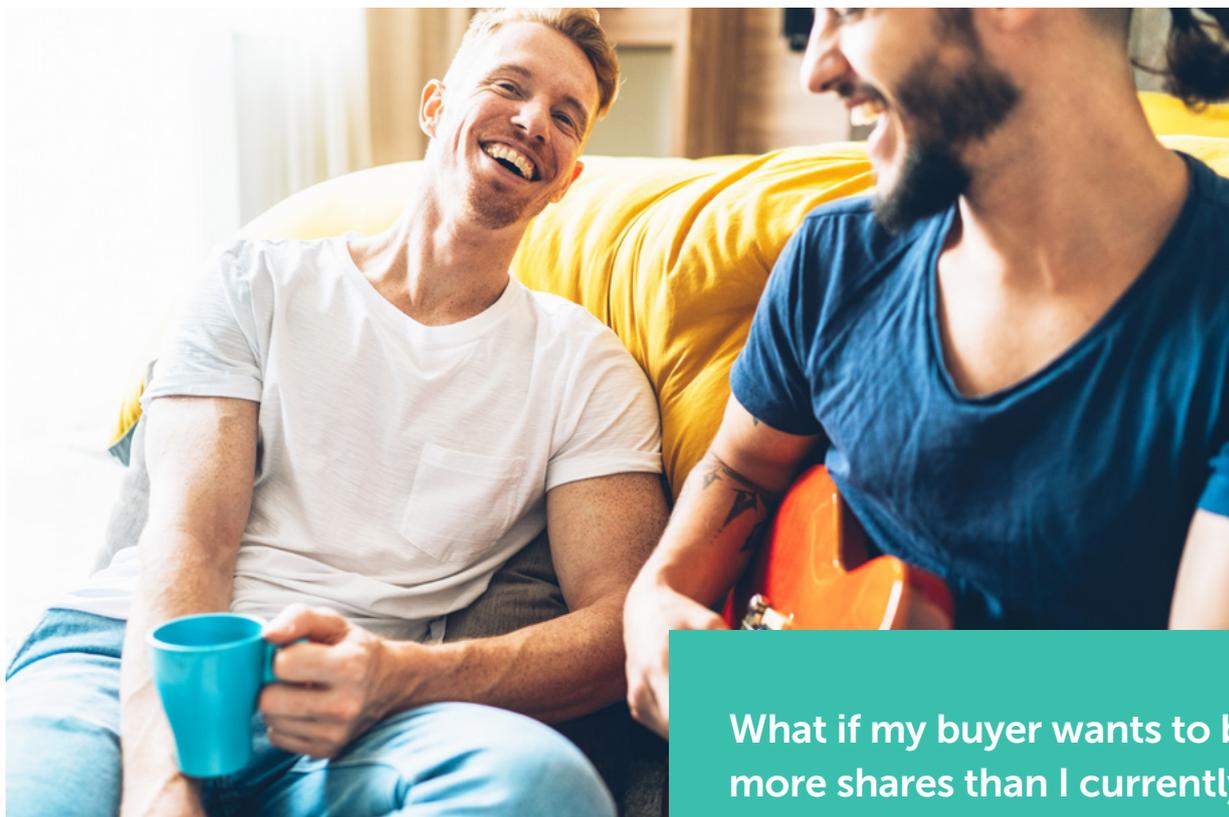
The successful applicant will be issued with an offer and they will need to pay us a non-refundable deposit of £250 to show their commitment towards the purchase of your home.

You are not allowed to sell your share for more than RICS (Royal Institute of Chartered Surveyors) valuation. You can, however, accept lower offers for your share if you are willing to accept it.

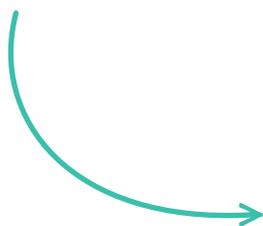
Viewings during COVID-19

- Initial virtual viewings are encouraged
- Seller and the buyers must wear face coverings (unless medically exempt)
- Restrict the number of people that attend the viewing, if possible
- Maintain 2 metre distance apart
- Purchasers not to touch any surfaces and wear gloves
- Keep doors and windows open
- Have a hand sanitiser at hand

For further information, please refer to www.gov.uk/guidance



It is possible for the buyers to purchase a larger share than you currently own. This will involve partial staircasing and simultaneous resale.



What if my buyer wants to buy more shares than I currently own, but not 100%?

You must sell your home for at least the share you currently have. For example, if you currently own 35% of a Shared Ownership property you are selling, the next buyer must at the very least buy this existing share. They cannot buy anything less than 35% in this example.

However, if they choose to, the buyer can decide to buy a bigger share. We will assess the buyer's application based on the share they wish to buy. You will be required to partially staircase to whatever share the buyer wishes to purchase and simultaneously sell it to them. On completion, you will receive monies for the share you currently own and we will receive monies for the additional shares purchased.

Example:

You currently own 35% of Shared Ownership property valued at £250,000, and the buyer wishes to purchase additional 15% shares, so on completion they own 50% shares in total. In the above example, on completion of the sale you will receive £87,500 for your 35% share and then we will receive £37,500 for our 15%.

Please remember as this transaction involves partial staircasing and resale, there will be additional legal costs for our solicitor's fees in respect of staircasing of £250 plus VAT. We would usually request this to be paid by the buyer to their solicitors at the start of the process. This fee is for our solicitors drafting staircasing documents for you to sign. The buyer will be liable for this fee whether the transaction proceeds to completion or not.

Step 6

Instructing Solicitors and Conveyancing Process

Once the buyer has been accepted, both you and your buyer will need to provide us with your solicitor's details. At this point we will issue the Memorandum of Sale (MOS) to all parties so that the sale can progress.

What solicitors can I use?

It can be helpful to ensure you appoint a solicitor with previous experience in completing on Shared Ownership transactions. You may decide to use the same solicitors that acted on your behalf when you purchased your home, or you may decide to instruct a different firm. You should make sure you get a quotation of the likely costs before you appoint a solicitor, and we recommend doing this early in the process.

You can find a solicitor near to you that is qualified to offer conveyancing, on The Law Society's www.lawsociety.org.uk/public/for-public-visitors/using-a-solicitor/law-society-accreditations

It is important you formally instruct your solicitors as soon as the buyer has been accepted so they can start conveyancing process. You should also send any monies for fees to your solicitor straight away, as if it isn't done right at the beginning of the process, it can result in unnecessary delays.

If we are not the freeholder of the block or if there is a wider estate management company in place, your solicitor may need to contact the freeholder for additional information. The freeholder/management company is likely to charge a fee for providing information and you will be responsible for this cost.

If your buyer is obtaining a mortgage, their lender will require a mortgage valuation to be carried out, and you will be asked to allow access to your property for this purpose. We will give your details to the surveying company so they can contact you directly for access. Please arrange for this as soon as it is requested to avoid delays.

During the conveyancing process, your solicitor will issue draft contract papers to the buyer's solicitors. On review of these documents, the buyer's solicitors will raise LPE1* and general enquiries with your solicitor. In the meantime, the buyer's mortgage offer will be issued and provided to our solicitors for our approval.

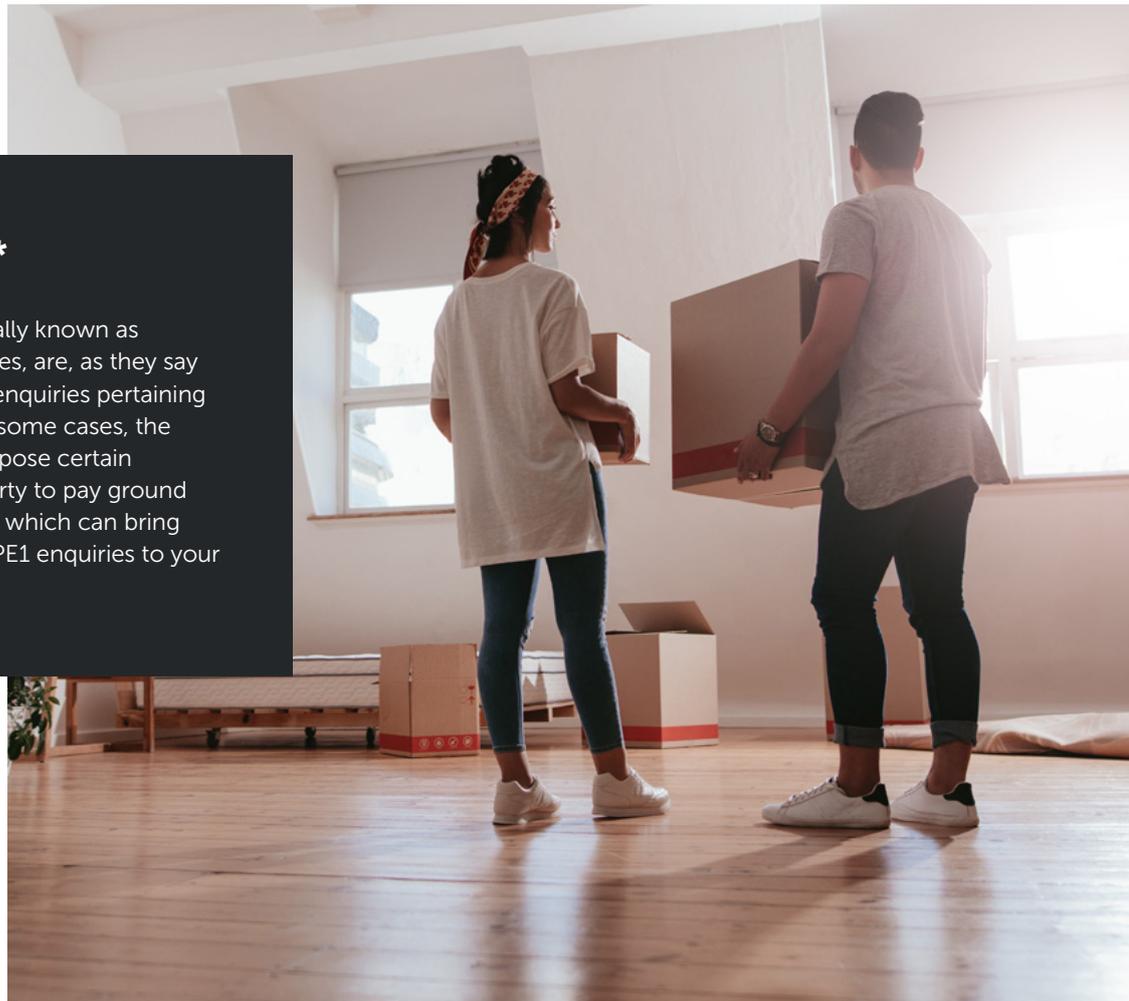


How can I ensure the transaction progresses as quickly as possible?

Good communication really is the key from the day you go under offer until the day you complete. To ensure the transaction progresses smoothly, please stay in regular contact with your solicitors for updates/to sign relevant legal documents, and to agree dates for exchange of contracts and completion of the sale. Your solicitor or conveyancer will probably ask you for a lot of information during the process, and it's important to fill out, review, sign and return everything quickly and efficiently. While, we can't tell you exactly how long it will take for the transaction to complete, we can keep you informed as developments are made.

What is a LPE1?*

LPE1 enquiries, more formally known as Leasehold Property Enquiries, are, as they say on the tin; standard set of enquiries pertaining to a leasehold property. In some cases, the freeholder/landlord can impose certain requirements on the property to pay ground rent and/or service charge, which can bring about the importance of LPE1 enquiries to your conveyance.



Step 7

Exchange

Once the buyer's mortgage offer has been approved by us and all legal enquiries answered, you should be able to exchange contracts. At the point of exchange, both parties are contractually bound to finalise the sale/purchase on the agreed completion date, which is agreed between you and the buyer.

When we have been notified of the agreed completion date, we will provide a statement of account. Please note any refunds will be arranged after completion and arrears will be taken at point of completion. The statement will also include any monies due from the buyer for the rent and service charges.



Step 8

Completion Date

Your solicitor will let you know once completion has taken place. You should then release keys to the new owner and any parking permits (if applicable) to the buyer.

Please ensure you have instructed your bank or building society to cancel your existing Direct Debit payments in relation to your property and inform utility suppliers that you have moved and provide final meter readings.

Leave any handover documents, instruction manuals that can be useful for the buyers, information regarding utility meters, bin and bike stores locations (if any), at the property.

Useful items to discuss at handover

- Location of meters
- Parking areas
- Bike/bin-store & codes
- How to use heating/door entry phone systems
- Handover any documentation & warranties etc



What are the Costs Involved in Selling Your Shared Ownership Home?

As with all property sales, you will have expenses to pay. Before deciding to sell your home, it is worth investigating the full costs involved and consider carefully when to market your property. Here are some of the costs that you can expect.

Please note the costs below are only a guide to the costs involved in selling your Shared Ownership property. Costs may vary.

Leases

We can provide a copy of your lease to you at the following cost:

£30 if you would like it emailed in a PDF version.

£42 if you would like it emailed and a hard copy put in the post.

Valuation Costs from £240 - £420 (variable)

Under the terms of your Shared Ownership lease, you require a RICS (Royal Institution of Chartered Surveyors) valuation to determine the market value of your home. You are liable for the cost of this valuation. The cost varies, depending on the valuers used therefore please do your own research and obtain quotes from different valuers. The valuation is only valid for 3 months and if your property has not sold, you will be required to provide extension to the valuation, incurring additional charge. Please be aware that the valuation may change from the original valuation in a fluctuating market.

Our panel of RICS (Royal Institution of Chartered Surveyors) & fees

Company	Contact Details	Valuation cost (prices include VAT)	Extension cost (after 3 months) (prices include VAT)	
			Extension Letter no change in Value	Extension Letter Change in Value
Jenner Jones	01689 820720	£354.00	No fee	£90.00
Copeland & Yussuf	01689 820720	£240.00	£120.00	£120.00

Your own solicitor's legal fees from £900 + extras (estimate)

Selling your home will involve an assignment of the lease to the purchaser, which will require the professional services of a qualified solicitor. Solicitors fees for Shared Ownership will usually be based on the fixed cost basis and it is important that you budget for these fees from the outset. Getting quotes from several Shared Ownership conveyancing firms means you can fully understand these costs.

Our solicitors' legal fees £450

In addition to your own solicitor's legal fees, you will also be responsible for covering our solicitors' fees in respect of the resale. This fee is for providing the necessary consents to assign your share to the purchaser. The fee is payable at the beginning of the process to your solicitor, who will then in turn provide an undertaking to our solicitors for their fees. You are responsible for this fee whether the matter proceeds to completion.

Staircasing fee (when selling 100% of your home) £330

When you find a purchaser that wishes to buy your property outright, you will be required to staircase to 100% ownership in order to simultaneously sell it to the buyer. This will require additional legal work that our solicitor will be doing to draft necessary staircasing documents for you to sign. The fee is payable to your solicitor at the start of the sale process. Please note, the fee is non-refundable if the transaction does not proceed to completion. If the matter does complete, you will only be responsible for the above Resale fee of £375 plus VAT and TCH will pay the balance of £275 plus VAT.

Energy Performance Certificate (EPC) £60 (variable)

By law, an EPC* is required when you sell a property in England, Wales and Northern Ireland. It is the vendor's responsibility to make sure the property is in possession of a valid EPC when it is marketed for sale. Please check the EPC register www.epcregister.com.

To find out if your property already has an EPC. If an EPC for your property has expired, you will need to commission a new one before the property goes on the market. The EPC is valid for 10 years. There is no uniform fee for an EPC – it will depend on factors such as the size and type of property. It's worth getting quotes from a few energy assessors in your area, which you can source from the EPC register www.epcregister.com.

What is an EPC?*

Energy Performance Certificates (EPC) provide important information on the existing energy efficiency of your home and make recommendations on how you could improve its energy efficiency. It is a legal requirement to commission an EPC before selling your home; failure to do so will prevent the sale.

You can search the central EPC register at www.epcregister.com if you already have a valid EPC. If your property's EPC is not showing, you will need to find an accredited assessor to produce an EPC and you will be responsible for the cost.

Leasehold enquiries fee (LPE1) £180

As a leaseholder of the property, you are responsible to cover the cost of this service. You can pay this fee via your solicitors or directly to TCH by contacting our Homeownership team at homes@lovelivinghomes.co.uk.

Managing agent's leasehold pack £350 - £500 (variable)

If we are not the freeholder of the block, or if there is an external managing agent on the estate your property forms part of, a separate pack may be required. Cost for this vary and your solicitor will need to contact the managing agent directly to confirm the cost of the pack.

Rent and service charge arrears

If you are in arrears, this will need to be cleared before completion can take place. This can include an underpayment for past service charges.

Assignment fees/administration cost – up to 1% plus VAT of the market value

Depending on the terms of your specific lease, if we nominate a purchaser for your property, a fee of 1% plus VAT of the sale price or market value will apply. If the lease does not specify a nomination fee or we are unable to nominate a buyer, then there will be an administration charge of £150 plus VAT. These charges are payable on completion of the sale.

Estate agency fees – variable

Once the nomination period has ended and if we were unable to nominate a buyer for your property, you may choose to instruct an estate agent to sell your property. You will be responsible for the fees the estate agent charges for their services. Fees may vary so please check with your estate agent before instructing them, as these can be more than what we will charge you for selling your home. Alternatively, you can instruct us to continue with the marketing for an agreed fee.

Service charge retention - £50 - £1000 (variable)

Your service charge obligation to pay it are governed by the conditions in your Shared Ownership lease. When you are selling a leasehold property, you may be asked by your buyer, via their solicitors, as to whether you are willing to have your solicitor hold an amount of money in their account on completion for a certain period. The service charge is property based, and the buyer becomes responsible for paying any existing bills or future debits from the day they take ownership of your home. Many buyers will want this retention in place so that if there is a demand for more money for the financial year in which the property is sold, then they have easy access to be reimbursed from you for the duration of your ownership of the property.

Stamp Duty

Usually, as a seller, you do not have to pay stamp duty. However, if you are selling 100% of the property, you are effectively buying the remaining shares from us and simultaneously selling the whole of the property to the incoming buyer. If you haven't paid stamp duty in full when you have originally purchased the property, you may be liable to pay stamp duty on the additional shares being sold. Please check with your solicitor how much you may be required to pay.

Notice of assignment, transfer, mortgage or charge - £90 per notice

Where a notice of assignment, transfer, mortgage or charge is required under the terms of the lease, a fee will be payable to our solicitors, who deal with this on our behalf. Please speak to your solicitors to confirm which notice fees will apply to your transaction.

What are the costs involved in selling your Shared Ownership home? continued...



Seller Etiquette for Showing Your Property

When it comes to selling your own home, the way you prepare and carry out your viewings can make all the difference. Below are tips of how to carry out and prepare for a successful viewing and get your house sold.

Viewings during COVID-19

- Initial virtual viewings are encouraged
- Seller and the buyers must wear face coverings (unless medically exempt)
- Restrict the number of people that attend the viewing, if possible
- Maintain 2 metre distance apart
- Purchasers not to touch any surfaces and wear gloves
- Keep doors and windows open
- Have a hand sanitiser at hand

For further information, please refer to www.gov.uk/guidance

1. It is a good idea to give your buyers a brief of all the main features of the house, including any important information. The house's distance from the supermarkets and schools, the fixtures that will come with the house, the surrounding area – are all useful things to mention
2. Think about safety. When you're showing your own home – ensure there is someone else present for safety reasons. Whilst most buyers will be polite and easy to work with, you could easily miss someone thieving or put yourself in a vulnerable situation should someone dangerous turn up. Clearly, we don't suggest having your buyers followed – but be sure that you keep an eye on them, and have someone to keep an eye on you
3. Know who you're showing around! When you greet buyers at the door be sure to welcome them warmly and keep a friendly tone throughout the viewing to make them feel at ease. Once you know more about your visitor's wants and needs, be sure to highlight certain rooms or aspects of the house that will appeal to their requirements
4. Be hospitable everybody has their own list of likes and dislikes when it comes to their ideal home. No two individuals have the same tastes in home décor so you must be open to accommodating buyers own ideas and help them think of ways in which they can make your house their own. Leave all emotion at the front door and remind yourself you are there to sell
5. Best room first impressions are indeed important. By showing your potential buyers the best room first you will begin the viewing on a positive note and hopefully trigger an optimistic mind-set which might just compensate for some of your less attractive rooms. You will be the best person to know what your houses best features are, so be sure to take buyers there first
6. Give them some space it's vital that your buyers feel comfortable during the viewing. Introduce your buyer to the main parts of the property; this gives you a chance to answer any questions the buyers may have and then encourage them to have a look around themselves
7. Don't 'over-exaggerate'. Don't be shy about mentioning the positives and counter any negatives with positive comments and suggestions. If a buyer asks about a certain feature that you don't have, be honest but offer ways in which they can adapt the house to suit their needs when they arrive
8. Let them leave. When the viewing is over, don't hold prospective buyers ransom by asking them awkward questions. This is not the right time for enquiries about their interest, if they are going to put in an offer, what they thought of the new bathroom. It will just make you seem pushy and desperate – which is not the impression you want to give. Thank them for coming and say you look forward to hearing from them and then let them leave
9. Prepare the house when you have a viewing scheduled, give yourself plenty of time to clean and tidy your home. Open the windows to freshen up the property, turn all the lights on, unlock all the doors and make sure there's no clutter or items littering the surfaces

Contact us

If you have any further questions about selling your Shared Ownership home, please contact us at:

buy@lovelivinghomes.co.uk

01892 501670



Buy, Rent & Invest Happy

Love Living Homes is
the trading name of

