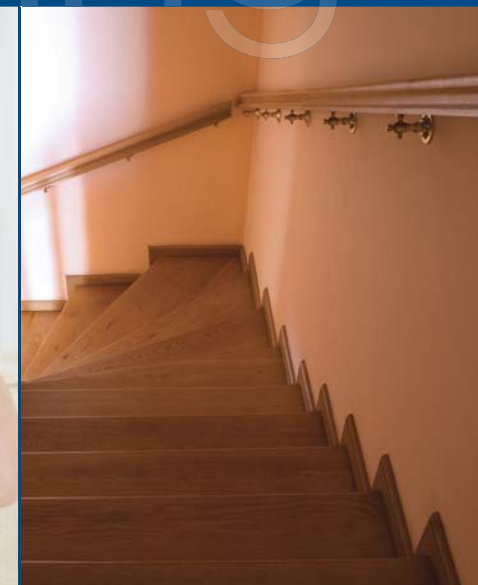


Guide to Staircasing

providing quality homes
for the community

Thames Valley Housing is a not-for-profit organisation with a forty year track record of achievement in housing. Our aim is to be one of the best housing associations in the country.

Working across West London and in the counties of Surrey, Berkshire, Buckinghamshire, Hampshire and Oxfordshire we own in excess of 10,000 properties for shared ownership and for rent.



This pack explains how you can buy further shares (known as staircasing) in your home. Although not comprehensive it gives you a step-by-step guide to the procedures involved and answers some of the questions you may have.

How do I purchase more shares?

The first step is to obtain a valuation of your home.

In accordance with the terms of your lease, an independent surveyor registered with the Royal Institution of Chartered Surveyors (RICS) must be appointed to produce a valuation report. This report sets the price of your home.

We have a panel of independent RICS surveyors and will nominate one according to the location of your home. To remain on our panel, the surveyor has to provide written valuation report for a fee of approximately £135. This specially negotiated fee is likely to be lower than fees quoted by other surveyors.

However, if you prefer to use an alternative surveyor, please put your request in writing for our approval. If agreed you may then instruct the surveyor. Please note, "free market valuations" provided by estate agents are not sufficient under the terms of your shared ownership lease and neither are mortgage valuations.

The valuation report must contain a declaration by the surveyor that he/she is not connected in any way with you, your home, or any other party associated with the sale and must be RICS registered.



INVESTOR IN PEOPLE



business for neighbourhoods

Thames Valley Housing is registered with the Housing Corporation (L0514) and under the Industrial and Provident Societies Act (17375R)

We are affiliated to the National Housing Federation

For further information please contact
Thames Valley Housing Association Ltd
Premier House, 52 London Road, Twickenham TW1 3RP
Tel: 0845 600 6699 (option 4) or 020 8607 0671
Fax: 020 8607 9923, e-mail: info@tvha.co.uk

Committed to Equality





How long is my valuation report valid for?

The valuation report is valid for a period of 3 months which commences from the date we send the report to you. If you have not completed the transaction within this time period it will be necessary for an updated report to be obtained. You are responsible for the cost of the report (currently £45).

If your home increases in value this will affect the purchase price so it is important you provide us with the relevant forms immediately if you wish to proceed.

Purchase price

The purchase price of the share you are buying will be based on the current independent valuation report. Therefore if your home is valued at £150,000 and you wish to purchase another 25% the purchase price will be £37,500. This is the money we will receive on completion from your Solicitor.

If you have made improvements to your home the surveyor will take these into account. Further shares can be purchased at the basic valuation figure, ie excluding the value of the improvements.

Mortgage

Please ensure you have a mortgage or funds in place before proceeding with your purchase.

Improvements to your home

Generally, the surveyor will only take into account structural improvements such as adding a garage or conservatory, or installing new windows or a central heating system. Items such as internal decorating, new carpets, gardening or updating the heating system do not necessarily affect the value of your home and may be disregarded in the valuation.

Please note, the value of improvements made may be lower than the amount that you paid for them. The cost of work carried out does not always increase the overall value of your home by the same amount.

Thames Valley Housing does not benefit financially from any improvements that you have made, but neither does it pay for improvements. You alone will benefit from any increase in value to your home attributable to your improvements.

Equity shares

The minimum share you can purchase is 10% and then in 5% multiples, ie 15%, 20%, 25% and so on. If you are not staircasing up to 100% ownership you must leave a minimum of 15% in TVH ownership.

It is worth bearing in mind that each time you decide to staircase you will have to pay legal fees, valuation costs etc. so it is best to be sure what share you can afford to purchase in the first place. We would recommend you seek advice from your lender or financial adviser.

Rent and service charge

If you purchase your home outright you will no longer pay any rent to us. However you may still be responsible for service charges if we are maintaining communal areas etc.

If you buy further shares but do not staircase to 100% ownership, your rent will be reduced accordingly because you will own more of your home.

If you own a house and staircase up to 100% ownership you will normally be granted the freehold of your home. Your solicitor will arrange for this to happen. The terms of the ownership of the property may carry with it any ongoing obligation to pay for some services associated with the maintenance and upkeep of the common areas such as estate gardening and management.

Costs involved

You will be responsible for your own legal fees, valuation costs etc. We would recommend you contact a solicitor to obtain a quote. Details of solicitors we know to be familiar with shared ownership are found in this pack.

Completion

Our solicitors will advise us when completion is likely to take place. All arrears of rent and service charge must be cleared prior to completion.

You will be charged rent up to and including the completion date. If there is any credit on your account we will arrange to refund this to you after completion has taken place.

Selling 100%

If it is not possible to sell your property within three months of your staircasing purchase other than with the consent of TVHA; any such consent will always be subject to restrictions in respect of the sale price.

If you sell the 100% of your home above the independent valuation figure we may be able to claim back some of this additional profit you are making. This depends on the terms of your lease and your solicitor will advise.

Your lease

Please bear in mind the procedures outlined here are intended only as a guide and in no way override the terms contained in your particular lease. If in doubt, always obtain clarification from your solicitor.



What next?

If you decide to staircase and wish to use a panel valuer, please complete and return the staircasing valuation form with a cheque made payable to the valuers whose name appears on the enclosed leaflet. The valuer will contact you for an appointment.

Once we receive the report from the surveyor we will send this to you. If you wish to proceed please complete the instruction to proceed form. On receipt of this form we will instruct our solicitors and they will contact you solicitor to let them know the procedure involved in the transaction. The timescale for a transaction is usually 6-8 weeks.

If you have any further questions or require assistance please do not hesitate to contact us on: 0845 600 6699 (option 4) or 020 8607 0671, or email: info@tvha.co.uk