

BUYING MORE SHARES IN YOUR SHARED OWNERSHIP HOME (STAIRCASING)

If your circumstances change, you may want to consider buying more shares in your home. This is known as 'staircasing'. As you buy more shares, your rent reduces in proportion, and when you own 100% of the shares in your property you don't need to pay any rent at all. You will continue paying the service charge for any communal services you have the benefit of, regardless of the share percentage that you own, and for apartments you will still need to pay ground rent after 'final staircasing'.

The process for buying further shares is as follows.

STEP ONE – OBTAIN A VALUATION

You will need to arrange for a RICS qualified surveyor to value the property at the time of 'staircasing', and the price you pay for any additional shares will be calculated based on the full market value set by the valuer at that time. You will not need a RICS qualified surveyor if you decide to staircase by less than a 5% share. In this case, you will be able to use the House Price Index to determine the current market value of your property. When choosing a surveyor (if required) please ensure:

- The surveyor is independent and not associated with any estate agents.
- The surveyor is not employed by any bank/building society.
- The surveyor must be registered with a recognised qualification of FRICS, MRICS or RICS.
- We will require a copy of the valuation report; this must be valid until completion takes place. You can normally pay for an extension if needed.
- The surveyor will need to be informed of the remaining length of your lease and take this into consideration when valuing the property.
- On receipt of your own independent valuation report, please arrange for a copy to be sent to us.

STEP TWO – ARRANGE A MORTGAGE

You will need to arrange a mortgage to cover the cost of your additional shares unless you are funding your purchase without a mortgage. It is advisable to discuss this with your current lender or Financial Advisor to decide how much you can afford to borrow and how many shares you would like to purchase.

STEP THREE – APPOINT A SOLICITOR

You should now appoint a solicitor to undertake the sales conveyancing for you. You are welcome to use one of our trusted solicitor firms, who know the Shared Ownership scheme inside and out. Please note, St Arthur Homes will not receive any commission or financial benefit from these solicitors should you wish to appoint them.



Direction Law (London office):

0207 1580 031; london@directionlaw.co.uk

New Homes Law:

0300 0200 009; reception@nhlaw.co.uk

STEP FOUR – PROVIDE RELEVANT INFORMATION

Make sure you have the relevant documents available for your solicitor to use during the process:

- A copy of your current lease
- A copy of your RICS valuation (if purchasing 5% or more shares)

STEP FIVE – EXCHANGE AND COMPLETION

Once all the solicitors are happy that the transaction can proceed, they will exchange contracts and complete on the purchase of the increased shares in your home.

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