Guide to selling your Shared Ownership home

Contents

This guide explains the following:

When the time comes to sell your Shared Ownership home, the information below will help guide you through the process step by step.

Notice of sale

You will be asked to complete and return the notice of sale form, this can be returned via email to **assignments@amplius.co.uk.** The form will need to be signed by all parties named on the Shared Ownership Lease, along with a copy of your RICS Open Market Valuation report and your upfront part payment of £100 towards the administration fee payable for selling your home.

Valuing your home

You will need to arrange and provide a RICS Open Market Valuation Report confirming the current value of your home. This must be undertaken by a member of the Royal Institute of Chartered Surveyors (RICS), and you will be responsible for covering the cost of the valuation report. You can find a range of surveyors at **www.ricsfirms.com.** This valuation report is valid for an initial period of three months, we will agree to extend the valuation up to a maximum period of 6 months, if required to allow time for the sale of your home to complete (9 months from original date of issue).

Your purchaser may wish to purchase a greater share than you own or to purchase the property outright on a freehold basis, should your lease allow. In these circumstances a 'back-to-back' staircasing sale will be undertaken to allow you to sell a higher share. The RICS Valuation will be used to confirm the staircasing premium due to Amplius.

If your purchaser wishes to buy a higher share than you own, and the sale takes longer than nine months to complete, we may at our discretion, refer to your purchasers Mortgage Valuation to determine the premium due to Amplius, alternatively, an updated valuation report may be required and you will be liable to cover any additional cost.

Please note the valuation must include the below points:

- Provide evidence of comparable property sales
- The term of your lease and remaining years

- The market value of the property with any improvements you may have conducted since you initially purchased (Please note general improvements and upgrades, including decorating, flooring, landscaping etc. will not be taken into consideration)
- The market value without improvements
- Any restrictions relating to your lease for example Designated protected area lease or staircasing restrictions
- The current percentage you own.

There are fees due to Amplius upon the sale of your home which are detailed within your lease in which we will confirm to you.

Marketing your home

To assist you in selling your home Amplius may agree to waiver the nomination period stipulated within your Lease. Allowing for your chosen Estate Agent to target a wider buying audience, advertising your share for sale along with promoting that further shares can be purchased including the Freehold should your lease allow (we will be able to confirm this prior to you marketing your home. We may be unable to waive the nomination period if your home is situated in an area with Low Affordable Home Ownership properties.

We will provide all the below required information to your Estate Agent to support the marketing of your home:

- Important Information for Shared Ownership Buyers – resales
- Guide to Shared Ownership
- Your guide to purchasing a pre loved Shared Ownership home
- Key Information Document 1 (KID1)
- Shared Ownership Application Form & Local Connection Form (if applicable)
- The Estate Agent should inform potential buyers of the following:
- The remaining term of the lease
- Any qualifying age criteria within the Lease
- The cost of the ongoing monthly rent including Buildings Insurance, Management Fees, and any service charge payments. (if purchasing shared ownership)
- The cost of the ongoing Management Fees and service charge payments. (if purchasing outright and the property has associated communal areas).

Please note under current Government legislation, you will also need to organise an EPC (Energy Performance Certificate) prior to the property being marketed. Please ensure to speak with your estate agent regarding this. This will need to be instructed by yourself or your chosen Estate agent and carried out prior to the marketing of your home.

You must ensure to inform your estate agents If your lease has restrictions i.e staircasing. We will inform you if any restrictions apply.

Accepting a purchaser

All potential purchasers will be required to complete and submit an application form to Amplius via the estate agent; this is to confirm that they meet the affordability and eligibility criteria for Shared Ownership. The completed application form and documents will be assessed and Amplius will notify your estate agent of the outcome. Should we receive more than one application, these will be assessed in accordance with Amplius First Come First Serve policy.

All applicants will be assessed in line with Homes England Capital Funding Guide (CFG), Amplius Minimum Surplus Income Policy, and First Come First Served Policy. All applicants applying for Shared Ownership will be required to undertake a Financial Assessment with an Independent Financial Advisor who will determine their financial position and what share is affordable to them. In any instances where an applicant does not meet the requirements of the Minimum Surplus Income Policy and Regulator eligibility requirements, we will be unable to proceed with their application and will inform the estate agents of this outcome.

As you are aware Amplius may agree to waiver the nomination period within your lease, allowing you to sell your property on the open market at a price above, below or the same as the RICS Valuation. In these instances if your home is sold outright (should your lease allow), you will be liable to pay back to Amplius the open market valuation amount for the equity in our ownership. For example: you own a 50% share, and your home is valued at £200,000. Your share is worth £100,000 and our share is worth £100,000. You would be liable to pay back to Amplius £100,000 for our 50% share in the property. This is dealt with as one transaction by the solicitors acting on the sale. NB: if your Valuation Report includes improvement works you have undertaken, then you would pay back to Amplius the amount for our share based on the figure 'without improvement works'.

If you secure a purchaser for the freehold interest in your home (should your lease allow), then they will not be required to complete a Shared Ownership application form and we would only require a copy of the Memorandum of Sale from your estate agent to allow for solicitors to be instructed. If your home is sold outright, there may still be ongoing service charges payable after the sale completes. We will notify your estate agent of these at the time to inform your purchaser of all ongoing costs.

Your purchaser will be required to pay a reservation fee to Amplius to confirm their intention to buy your home, this will not apply if your purchaser is purchasing the freehold.

The sales process

Once a purchaser has been accepted, you will both be required to instruct a solicitor to act on your behalf.

Your estate agent will provide all parties with a Memorandum of Sale confirming the sales details, this is then used to instruct solicitors, so please ensure your estate agent provides this at the earliest opportunity to avoid any delays.

Amplius will instruct our own solicitors to act as an administrator on your sale. Once our solicitor is instructed, we will work with them throughout the conveyancing process and provide them with the required information, ensuring legal documents are completed and signed correctly. Solicitors acting on behalf of both you and your purchaser will have their own obligations to complete throughout the conveyancing process.

We would request that you keep in regular contact with your solicitors to obtain updates. The legal process can take around 12 - 16 weeks to complete, please note this can vary on a case to case basis.

Completion of the sale

Upon completion of all the legal work which has been undertaken, a completion date will be agreed and set between the solicitors acting for you and your purchasers. Amplius's solicitors will provide completion figures and approve the completion statements. If there are any outstanding arrears these would be shown on your completion statement along with the settlement of the administration fees balance.

In readiness for your purchaser moving into their new home, please leave the property in a clean, clear and presentable condition Please ensure all instruction manuals and warranties are left in the property.

On the completion day, please make arrangements with your estate agent or purchaser to collect the keys for the property. Please note keys should under no circumstances be handed over to your purchaser without confirmation from your solicitors or estate agent that completion has taken place.

Once Completion has taken place we will arrange for the sale to be updated on our system, the Homeownership Team will then be in touch to arrange for any overpayment in rent to be refunded if applicable.

Cost and fees payable when selling your home.

Under the terms of your Shared Ownership lease, there are several fees which will be required:

- The RICS valuation fee
- Your estate agent's fees
- Your legal costs
- Amplius's legal fees – as detailed within the lease
- Amplius's administration fee* as detailed within the lease, this is normally set a 1% of the current share value at the time of the sale (*A £100 non-refundable deposit is due upfront when placing your property on the market).

Please ensure prior to incurring any costs, that you are committed to selling your home before proceeding as these costs are non-refundable.

Frequently asked questions

Selling your Shared Ownership home

What are my responsibilities when selling my home?

- Complete and return the Notice to Sell form and pay the deposit towards your selling administration fee prior to placing your property on the market for sale.
- Arrange and provide a RICS Open Market Valuation report.
- Appoint an estate agent and solicitor to act on your behalf.
- Reply promptly to your solicitor with any required information and keep in regular contact with them for updates on the status of your sale.
- Allow access for your purchaser's mortgage surveyor to visit the property.
- Make sure your rent and service charge accounts are up to date prior to completion.
- Leave spare keys, guarantees, and instruction manuals in the property for your purchaser.
- Arrange a completion date with your purchaser and leave the property in a clean and acceptable condition.

What is Amplius's involvement?

- We will provide your estate agent with information to assist in the marketing of your home.
- We will assess and accept a suitable purchaser for your home that meets the criteria and eligibility for Shared Ownership.
- We will liaise with our solicitor throughout the sale and provide the required information to complete the LPE1 Management/ Leasehold information pack.
- We will provide figures and approve the completion statements and arrange for all required legal documentation to be signed on behalf of Amplius.
- Upon completion of the sale, we will arrange for our systems to be updated, including closing your rent account and issuing any refunds due, and setting up the new account for your purchaser.

What is the role of Amplius solicitors?

- Provide a sales pack to your solicitors.
- Prepare the Licence to Assign document.
- Ensure all legal enquires have been answered.
- Prepare completion statements.
- Collect completion monies and any outstanding rent and service charge amounts.

Why am I paying fees to you to sell my home?

You are required to cover our legal costs involved in your sale as it is you who is selling your share, we are not selling ours. You will also be required to pay an administration fee to cover our time and involvement in selling your home. We will review your lease and confirm the amount of fees payable once you inform us that you are proceeding with the sale.

Why do you need a RICS Open Market Valuation report?

This is a requirement of your lease. The report is needed to confirm the current open market value of your home, and the solicitors will require a copy of your report. The report is valid for three months and must still be valid at the time the sale of your house is completed, if your purchaser is purchasing a higher share from Amplius. You will be liable to cover the costs of the valuation.

What happens if I don’t agree with the report?

The report must show comparable sales evidence to support the surveyor’s recommendations. If you are not happy with your valuation, you can discuss this with your original surveyor or arrange for another report to be carried out. The surveyor must be MRICS or FRICS qualified, and you will be liable for all costs associated with the valuation. As your home could be worth more or less than what you originally paid for it, we advise you seek independent financial advice before making any decisions to sell your home.

How long will it take to sell my home?

This depends on how long the property is on the market for and how long the conveyancing process takes. Amplius has no control over this, however the below information gives an indication of timeframes.

Assessing applications
We will require five working days to assess applications from purchasers (based on fully completed applications being received - missing information will extend this timeframe).

Accepting a Purchaser
Your purchaser is required to pay a deposit once accepted. We give them five working days to do this, and we are unable to instruct solicitors until the payment is made.

The conveyancing process
Once solicitors have been instructed, the legal process can take on average 12-16 weeks to complete, this can vary on a case to case basis.

Please note that Amplius solicitor acts as administrator on the sale and is not involved in setting completion dates, additional enquiry, or information requests as this is the responsibility of the solicitors representing you and your buyer.

Amplius

For enquiries

assignments@amplius.co.uk
0345 601 9095

Further information relating to Amplius can be accessed via our website: amplius.co.uk