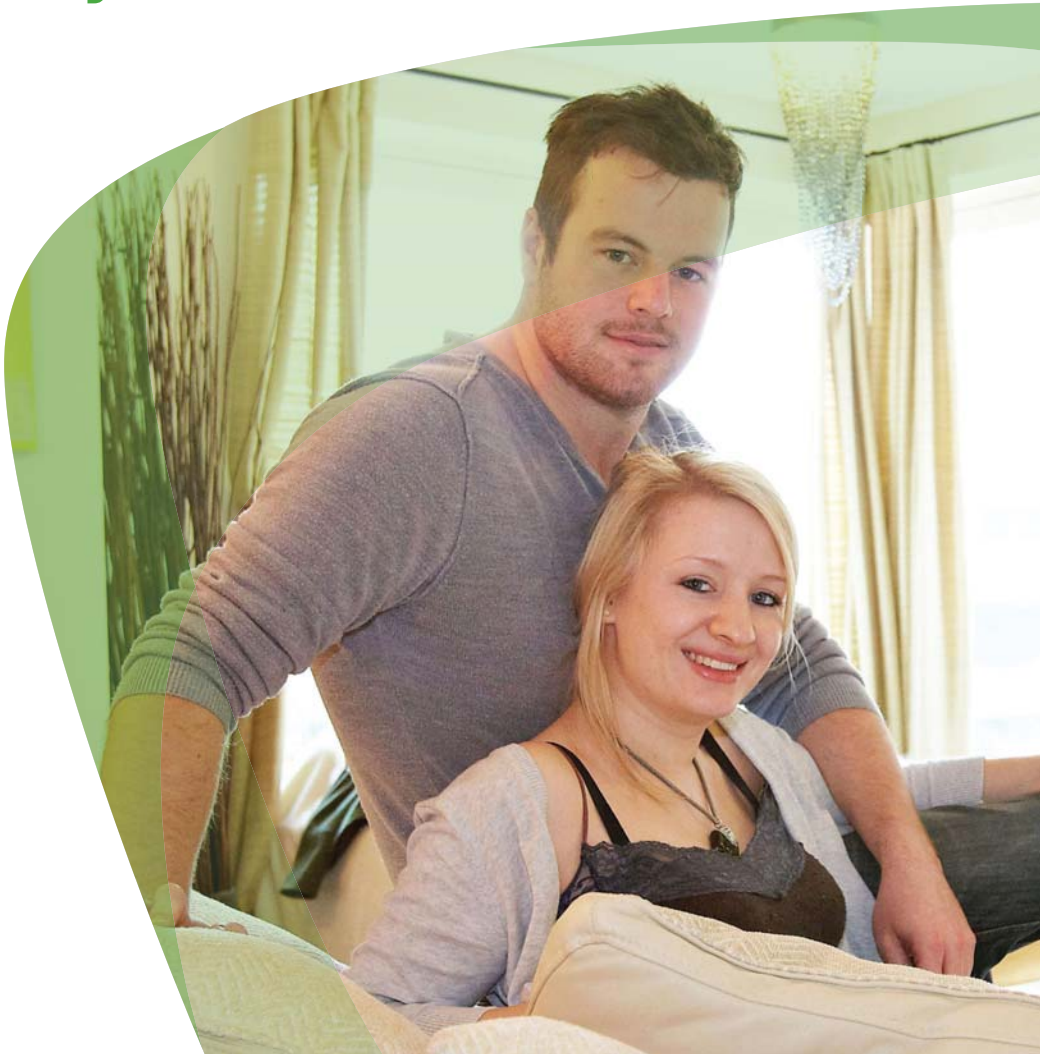




sovereign

Buying more shares in your home



When you buy extra shares in your home, your lease will refer to this as 'staircasing'.

In most cases you can buy enough shares (provided you buy a minimum of 10%) until you own your home outright. However, there might be restrictions on the maximum amount of shares you can buy or when you can buy them. We will have already discussed this with you when you first bought your home.



The amount you pay for the extra shares is based on the open market value of your home at the time you buy them. The valuation must be carried out by a Royal Institute of Chartered Surveyors registered surveyor.

If you have made improvements to your home, which have been approved by us, you will need to tell the surveyor about these and ask them to carry out two valuations: one which takes the improvements into account and one which does not. We will then use the valuation which does not include the improvement to calculate the cost of the extra shares.

The example below is based on a property where a 50% share is owned and the shared owner wishes to buy a further 25%.

Open market property value	£200,000
Open market property value with an added conservatory, which cost £15,000 to build and was added in 2005	£210,000
Value of 50% share	£100,000
Price to buy a 25% share	£50,000

Once you have bought more shares, your rent will reduce. Your leasehold services officer will be able to confirm your new rent figure, allowing you to calculate the extra shares you can afford to buy.

You will have to pay any costs associated with buying extra shares, such as valuation fees and solicitors' fees.

How to buy more shares

Step 1

Arrange for your home to be valued by a surveyor, who is a member of the Royal Institute of Chartered Surveyors. For details of a surveyor in your area, please refer to your local phone book or contact your leasehold services officer, as we hold a list of surveyors approved by us.

There will be a charge for the valuation and you will be responsible for this.

You should complete and give the surveyor the 'Valuers instruction' form (included in this leaflet) when they visit your home to carry out the valuation. This gives the surveyor all the information they must include in their report.

Step 2

When you have received the report, please send the original, not a copy, to your leasehold services officer together with the 'Request to buy more shares in your home' form, which is also included in this leaflet. If you do not agree with the value or anything else in the report, you should go back to the surveyor and query this before sending the report to us.

Step 3

Your leasehold services officer will then write back to you confirming:

- the price to buy the shares
- the new rent figure you will pay
- the date the valuation runs out (three months from the date of the survey)
- if a copy of your mortgage offer is needed, and
- any fees you will need to pay us.

Step 4

If you wish to accept the valuation price, please complete and return the 'Accepting the offer' form that will be enclosed with the letter, and let your solicitor know.

Step 5

All contact will now be between your solicitor and ours, and it is not unusual for you not to hear anything for a few weeks.

Your solicitor will only act on your instructions. Therefore, you must keep them updated of any deadlines and give them any information they need as quickly as you can.



Step 6

If your valuation time runs out before the purchase completes, we will write to you to let you know.

You will need to contact the surveyor and ask them to give you an updated valuation. There will be a charge for this and you will be responsible for covering this cost.

Step 7

When you have received the new valuation, please send the original, not a copy, to your leasehold services officer, who will confirm if the price to buy the shares has changed.

Step 8

If you are not buying all of the remaining shares, we will need to approve your mortgage offer.

We will have already told you if we need a copy of your mortgage offer, and any fee which is needed for us to approve this.

You should send a copy of the offer as soon as you receive this from your mortgage company.

Step 9

Your solicitors will agree a date with us for the purchase of the shares to complete.

Step 10

We will make the changes to your account and let your solicitor know of any over or under payment. We will also let your solicitor know if you will have to carry on paying a service charge (a charge for the maintenance and repair of communal areas around your home).

Valuers instruction

Please complete your details and give this to your surveyor when they visit your home to carry out the valuation. This form includes important instructions for the surveyor to follow.

Name:

Address:

Phone number:

Email:

Please could you arrange for an open market valuation of this property on the basis of vacant possession, ignoring any shared equity element. If home improvements have been made to the property, please provide two valuations within the report, one including and one excluding home improvements.

Although this valuation is in connection with a shared scheme, I only require a description of the property and the valuation of the property if sold on the open market (on the assumption that full vacant possession will be given at the valuation date).

Sovereign is requesting the valuation. Therefore, the report must be in joint names of the association and the leaseholder. The valuation should state that it is valid for three months and Sovereign will require a one-line letter supporting the original valuation on an ongoing basis until the property has exchanged contracts.

The leaseholder will be solely responsible for your fee.

Improvements made Yes/No (if yes please provide details over the page)

Structural defects Yes/No (if yes please provide details over the page)

Signed:

Date:



Request to buy more shares in your home

If you would like to buy more shares in your home, please complete your details and return this form to your leasehold services officer.

Name:

Address:

Phone number:

Email:

I would like to buy more shares (tick as appropriate)

10%	20%	30%	40%	50%	60%	70%	75%
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

My solicitor's details are:

Company name:

Your personal contact:

Address:

Phone number:

You should let your solicitor know our solicitors' details, which are:

Legal Department
Sovereign
Saxon Court
Sarum Hill
Basingstoke
RG21 8SR

Phone: 01256 302424 or 302425

Email: legal@sovereign.org.uk

Fax: 01256 357375

Portuguese

Se precisar de uma cópia deste documento em outro idioma, Braille, letras maiores, CD ou cassete, favor informar-nos. Podemos solicitar um intérprete para que possa falar conosco no seu idioma.

Trad. Chinese

您若需要這份資料的其他社區語言譯本、盲文版本、大字體版本、CD光碟或錄音磁帶，請通知我們。另外，我們還能安排傳譯員來幫助您用中文與我們溝通。

Polish

Proszę nas powiadomić, jeśli potrzebują Państwo ten dokument w innym języku, alfabetem Braille'a, dużym drukiem, na płycie CD lub kasecie. Możemy również zorganizować dla Państwa tłumacza, abyście mogli z nami porozmawiać w ojczystym języku.

Bengali

আপনি যদি অন্য কোনো ভাষা, ব্রেল, বড় হরফ, সিডি বা টেপে এই দলিলের কপি পেতে চান, অনুগ্রহ করে আমাদের জানাবেন। আপনি যাতে নিজের ভাষায় আমাদের সঙ্গে কথা বলতে পারেন সেজন্য আমরা একজন ভাষানুবাদকের (ইন্টারপ্রেটার) ব্যবস্থাও করতে পারি।

Somali

Haddii aad u baahan tahay midkasto oo ka mid ah dokumeentiga yaga oo tarjuman, fadlan inoo sheeg. Waxa aanu xattaa diyaarin karnaa tarjume si aad noogula hadli karto luuqaddaada.

If you need this leaflet in a different language, on tape or CD, in large print or Braille, please let us know. We can also arrange for an interpreter so that you can speak to us in your own language.



sovereign

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