



## RIGHT TO BUY: EXPLANATORY NOTES

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### A NOTE FROM THE STATUTORY SALES TEAM...

**We have put this guide together because we understand the Right to Buy process can be confusing. We know it'll take an hour or two, but it's so important that you understand the information on these pages before you apply.**

**We guarantee that sitting down with a cuppa and reading everything through a few times will be worth it, as you'll understand the next steps and the process will run much more smoothly. It'll also help you to fill in your forms correctly first time which means we'll ask less questions!**

**We wrote these notes based on queries we're received time and time again. So, we're sure they will answer most (if not all!) of your questions.**

## Completing your application form

### Who's who?

It's important that you **don't rush** to fill in the application form. We can start processing your application straight away if it's completed correctly and we won't have to come back to you with questions.

Before we can go any further, it's important for you to understand the difference between a tenant and an occupant.

A **tenant** is someone who is named on your tenancy agreement. This is different to an **occupant**, who is someone who lives with you but is not named on the tenancy agreement.

It's usual for each household to have one or two named tenants. Some also have occupants e.g. partners, children, grandchildren or parents.

If you're not sure who is a tenant and who is an occupant in your household, please call our Customer Service Centre on 0345 141 4663.

### TENANTS:

Tenants need to complete all columns in **PART B section 1** (regardless of whether they want to purchase) and **PART F section 1** if they wish to buy or **PART F section 2** if they don't.

### FAMILY MEMBERS:

Family members need to complete all columns in **PART B section 2** and **PART F section 3** - but only if they want to apply.

Those who don't want to apply don't need to be mentioned on the form.

**If something doesn't apply put 'N/A'** in the box so we know that you've not missed the question accidentally.

If you have **previously purchased a property** from a public sector landlord at a discount (e.g. through the Right to Buy or Right to Acquire schemes) complete **PART D** in full.

Read the **guidance on improvements** below before you fill in **PART E**. We don't need to know about the itty-bitty things: they won't improve the value.

It's really helpful if you **provide at least one email address** in **PART F**. It means we can email notice documents so you don't have to wait for them to arrive in the post. Plus we can still provide regular updates even if we can't catch you on the phone.

**EXAMPLE:**

The family at 60 Stone Street are applying for the Right to Buy. Five people live at the property. Jenny and John are tenants. Their children Jane, Joseph and James are occupants.

Jenny is a tenant applying for the Right to Buy. John is also a tenant but he is not applying to purchase the property as he has a bad credit rating so he'll struggle to get a mortgage.

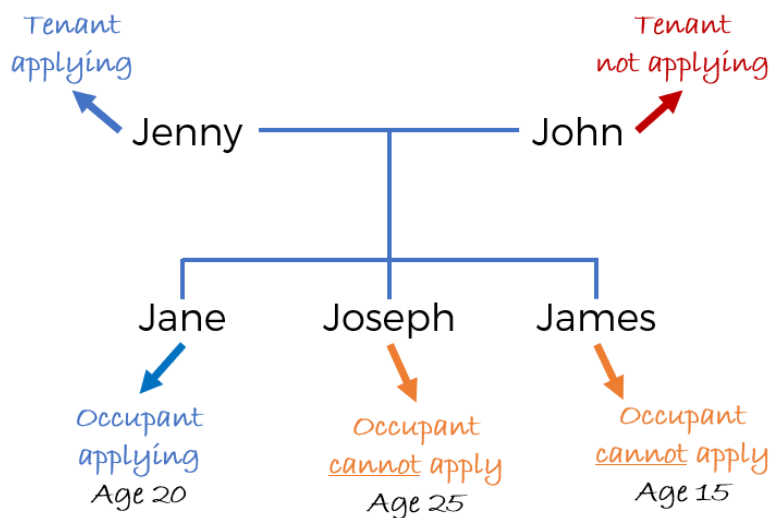
Jane, their daughter, is joining the application as a family member. She can do this as she is over 18, the property is her main home, and she has lived there throughout the past year.

Joseph is an occupant and he's 25. He would like to buy the property with his mum and sister. Unfortunately he can't as he was living with his partner until they broke up recently, so he hasn't been living at 60 Stone Street for the last 12 months.

James is an occupant too. He can't join the application as he is under 18.

Jenny and John both need to complete the application form as they are tenants. Jane needs to complete the form too as she is an occupant joining the application.

Joseph and James do not need to complete the form as they are occupants rather than tenants, and they are not joining the application.



**PART A: The property**

Address of the property you wish to buy (including postcode)	Name of your landlord
60 STONE STREET, CRANHAM, RM14 5PW	HOME GROUP

## PART B: The tenant(s) and family member(s) wishing to share the Right to Buy

### 1. Tenant

	Title	Full name	Is the property the tenant's only or principal home Y/N?	Do they wish to buy Y/N?
Tenant 1	MS	JENNY	YES	YES
Tenant 2	MR	JOHN	YES	NO

### 2. Family member

	Title	Full name	Have they lived in this property for the last 12 months Y/N?	Relationship to tenant (son etc)	Is the property the applicant's main home Y/N?	Do they wish to buy Y/N?
Family member 1	MS	JANE	YES	DAUGHTER	YES	YES

## PART C: Qualification and discount

### Current tenancy details

Property address (including the postcode)	60 STONE STREET, CRANHAM, RM14 5PW			
Name of tenant 1	JENNY			
Name of tenant 2	JOHN			
Name of tenant 3	/			
Date tenancy started (MM/YY)	01/19			
Have you ever been known by any other name?	Yes	No	If 'yes' - give details	JENNY'S MAIDEN NAME: JONES FROM 1980 - 2010
	X			

**Previous tenancy details**

Name of tenant	JENNY AND JOHN
Landlord of the property (e.g. name of council/ housing association)	HOME GROUP
Property address (including the postcode)	73 HENLEY ROAD, BOWER HINTON, TA12 0PA
Date tenancy started (MM/YY)	01/00
Date tenancy ended (MM/YY)	12/16



**Previous tenancy details**

Name of tenant	JENNY JONES
Landlord of the property (e.g. name of council/ housing association)	HOUSES GROUP
Property address (including the postcode)	45 CAXTON PLACE, BUTTONOAK, DY12 7WP
Date tenancy started (MM/YY)	01/98
Date tenancy ended (MM/YY)	12/99


**Authority to Disclose**

Names of tenants	JENNY AND JOHN
Property address (including the postcode)	60 STONE STREET, CRANHAM, RM14 5PW

**Tenant's signatures**

Signed (Tenant 1)		Date: 17/06/2020
Signed (Tenant 2)		Date: 17/06/2020
Signed (Tenant 3)		Date:

**Family member's signatures**

Signed (Family Member 1)		Date: 17/06/2020
Signed (Family Member 2)		Date:
Signed (Family Member 3)		Date:

### PART D: Previous discount

Address of property (including the postcode)	73 HENLEY ROAD, BOWER HINTON, TA12 0PA					
Name of your landlord	HOME GROUP					
Name of purchaser(s)	JENNY					
Date of purchase (MM/YY)	12/16					
Have you ever repaid any of the discount given?	Yes	No	If 'yes', how much?	£15,600	When? (MM/YY)	12/18
	X					

### PART E: Tenants' Improvements

General decoration	Give details:
Flooring	Give details:
Kitchen fittings	Give details:
Bathroom fittings	Give details: INSTALLED A WET ROOM (JENNY AND JOHN)
General decoration	Give details:
Garden landscaping	Give details:
Other	Give details:

## PART F: Signatures

### 1. To be completed by each tenant wishing to buy:

#### Tenant 1

Full name	JENNY	Date of birth	01/01/1980
Signed		Date: 17/06/2020	
Phone number	0191 731 1445		
Email address	TENANTSALLES@HOMEGROUP.ORG.UK		

### 2. To be completed by each tenant(s) not wishing to buy:

#### Tenant

Full name	JOHN	Date of birth	01/01/1981	
1. I do not wish to claim the Right to Buy. 2. I agree to the stated purchaser(s) exercising the Right to Buy. 3. I understand my tenancy will end if the purchase goes ahead.		Please tick the box that applies to all three statements to the left	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Signed		Date: 17/06/2020		
Phone number	0191 731 1445			
Email address	TENANTSALLES@HOMEGROUP.ORG.UK			

### 3. To be completed by each family member (who is not a tenant) sharing the Right to Buy

#### Family member 1

Full name	JENNY	Date of birth	02/02/2000
Signed		Date: 17/06/2020	
Phone number	0191 731 1445		
Email address	TENANTSALLES@HOMEGROUP.ORG.UK		

## Evidence required alongside your application

### Verifying your identity:

In order to be compliant with **Anti-Fraud, Anti-Money Laundering and Know Your Customer regulations**, we are obliged to **verify your identity**.

Once we've received your completed application form, you will be sent an SMS (text message) or email from **Credas**, a technology company we've partnered up with to make ID verification safe and hassle-free.

If you have a preference, you can let us know whether you would like to receive your invite from Credas by SMS (text message) or email. You will not be contacted until we receive the completed application form.

**The identity of any tenant who does not wish to share the Right to Buy (i.e. they do not wish to buy the property) must still be verified.**

### WHAT ELSE DOES AN APPLICANT NEED TO PROVIDE?

If you have been a **tenant** of Home Group for **less than three years**, you must provide evidence of your other public sector landlord tenancies.

If your **spouse by law** is a joint applicant you must provide a marriage certificate or civil partnership certificate. If your spouse is a tenant you do not need to provide certification.

If an **occupant** who is **not a spouse by law**, but who is a **family member** (e.g. live-in partner, grandchild) is a joint applicant they **must provide proof** that they lived in the property for one year before your application is submitted.

In this situation the family member must provide a document which states their name, address and the date of the document. Most customers find it easiest to provide either:

- A scan of a council tax bill covering the current financial year;
- Original documents in electronic form (e.g. a PDF utility bill or bank statement downloaded from an online account) which can be emailed to us at [TenantSales@homegroup.org.uk](mailto:TenantSales@homegroup.org.uk). Please note it must be a PDF document; we can't accept screenshots.



## Next steps

### 1. Eligibility checks:

We will **acknowledge receipt** of your application form within 5 days. We will either confirm that your application is complete, or we will let you know if anything is missing. All tenants and applicants will receive an invite from Credas so we can verify their identity.

Your application will **not be considered complete** until we have everything we need and the identity of all tenants and applicants has been verified.

We have already completed basic eligibility checks. Once your application is complete, we will begin carrying out further checks on both your tenancy and your property.

**This is why it is important to remember that being sent an application form is not a guarantee that your application will be admitted.**

#### TENANTS:

You must have had a **public sector landlord for at least three years**. The three years do not need to be consecutive.

A public sector landlord is either a housing association, council, armed service or NHS trust/foundation trust.

The home you want to buy must be your **only or main home**.

You cannot buy if:

- you are in **breach** of any part of your tenancy agreement – this includes (but is not limited to) antisocial behaviour or rent arrears;
- you are **bankrupt** or are being made bankrupt;
- you are subject to a **formal creditors agreement**, e.g. you have an Individual Voluntary Arrangement (**IVA**);
- you are currently subject to **legal proceedings**, e.g. a court has ordered you to leave your home or a notice of seeking possession (**NOSP**) has been served.

#### PROPERTY EXCLUSIONS:

Some properties are excluded from the Right to Buy scheme. The property cannot be purchased if:

- it **isn't self-contained**;
- it **isn't the tenant's only or main home**;
- it is located on an **independent living scheme** where services are provided;
- it has been designed or adapted for **elderly or disabled tenants** or people with **special needs**;

The lists above are **not exhaustive**, though they do cover the most frequent reasons people cannot exercise their Right to Buy. You can find other exclusions here: [www.gov.uk/government/publications/your-right-to-buy-your-home-summary--2/right-to-buy-summary-booklet](http://www.gov.uk/government/publications/your-right-to-buy-your-home-summary--2/right-to-buy-summary-booklet) (section 2, Do you have the Right to Buy?).

## 2. Admitting or denying your application:

Your application will be either admitted or denied within four weeks if you have been our tenant for 3 years. This extends to eight weeks if you have been our tenant for less than 3 years.

## 3. Valuing the property:

We have provided the **approximate value** of your property in the enclosed letter. This value is based on the sale of comparable properties nearby.

If your application is successful the property will be valued at the date we received your application. The **valuation is fixed** and will take the property's condition into account, **including any disrepair**.

If you plan to undertake **improvement** or **repair work** after purchasing the property, **the associated costs won't be considered** by the valuer.

### EXAMPLE:

A tenant intends to remove asbestos from the attic. A tradesman quoted them £6,000 for the work. This amount will not be deducted from the valuation, as the valuation is of the property in its current state, including any disrepair. The valuer will not disregard the cost of future maintenance/repair work.

### IMPROVEMENTS:

Improvements are things that would affect the valuation. In general, only **structural improvements** affect the value of your home. This includes extensions and conversions. Replacement bathrooms, kitchens or flooring rarely affect the value unless there have also been structural works, e.g. moving an internal wall.

**If you did not obtain our consent** we cannot ask the valuer to disregard the improvements from the final valuation figure. You must provide consent alongside your application if you have made improvements. If you did not know you needed to obtain consent for the works you have carried out, please discuss obtaining retrospective consent with your housing manager prior to submitting your Right to Buy application.

Valuers will **deduct the increase in the value** of your home due to improvements, **not the actual amount you spent**.

**EXAMPLE:**

A tenant obtained our consent and spent £20,000 on a wet room. The valuer determines the value of the property with the wet room is £110,000. They consider the value of the property without the wet room to be £100,000. The tenant’s offer is based on a value of £100,000. They are entitled to a £9,000 discount and we offer to sell the property for £91,000.

Tenants often include **redcoration** e.g. painting, wallpapering, laying carpet as improvements on their application form. These are only **cosmetic improvements** and **have no bearing on the value** of the property.

**DISCOUNT AND PURCHASE PRICE:**

There is a discount calculator on the Government website here: [www.righttobuy.gov.uk/right-to-buy-calculator/](http://www.righttobuy.gov.uk/right-to-buy-calculator/). You can use this as a **rough guide** to help you **work out the discount you** may be eligible for. You can base your calculations on the approximate value of your property provided in the enclosed letter.

If your application is admitted, the **relevant discount will be calculated from the actual valuation** to give you a discounted purchase price.

If you live in a house: There’s a **35%** discount if the customer has been a public sector tenant for between **3 and 5 years**. After **5 years** the discount increases by **1%** for each additional complete year, up to **70%** maximum or **£96,010** (everywhere except the London Boroughs) / **£127,940** (London Boroughs). The lower discount amount applies.

So (unless the maximum discount applies sooner) there is:

- a discount of **40%** with **10** years tenancy;
- a discount of **50%** with **20** years tenancy;
- a discount of **60%** with **30** years tenancy;
- a discount of **70%** with **40** years tenancy.

We find it’s easier to understand when you see examples like those below.

**House example 1**

<b>Current house value</b>	£120,000
<b>Years as a tenant</b>	10
<b>Discount</b> (35% + 1% for each year over 5 years)	40%
<b>Discount value</b>	£48,000
<b>Purchase price</b> (£120,000 less £48,000)	£72,000

**House example 2 (London)**

<b>Current house value</b>	£430,000
<b>Years as a tenant</b>	20
<b>Discount</b> (35% + 1% for each year over 5 years)	50%
<b>Discount value</b> (50% is £215,000 which is above the max. discount allowed in London)	£127,940
<b>Purchase price</b> (£430,000 less £127,940 the max. discount allowed in London)	£302,060

If you live in a flat: There's a **50%** discount if the customer has been a public sector tenant for between **3 and 5 years**. After **5 years** the discount increases by **2%** for each additional complete year, up to **70%** maximum or **£96,010** (everywhere except the London Boroughs) / **£127,940** (London Boroughs). The lower discount amount applies.

So (unless the maximum discount applies sooner) there is:

- a discount of **60%** with **10** years tenancy;
- a discount of **70%** with **15** years tenancy.

#### Flat example 1

<b>Current flat value</b>	£100,000
<b>Years as a tenant</b>	10
<b>Discount</b> (50% + 2% for each year over 5 years)	60%
<b>Discount value</b>	£60,000
<b>Purchase price</b> (£100,000 less £60,000)	£40,000

#### Flat example 2 (London)

<b>Current flat value</b>	£270,000
<b>Years as a tenant</b>	10
<b>Discount</b> (50% + 2% for each year over 5 years)	60%
<b>Discount value</b> (60% is £162,000 which is above the max. discount allowed in London)	£127,940
<b>Purchase price</b> (£270,000 less £127,940 the max. discount allowed in London)	£142,060

### REDUCING THE DISCOUNT:

**Discounts can be reduced if we have spent money maintaining or building a home – sometimes they are even reduced to zero.**

This is known as the cost floor. For more details please see the Government website here: [www.righttobuy.gov.uk/apply/things-that-affect-discount-amount/](http://www.righttobuy.gov.uk/apply/things-that-affect-discount-amount/).

**No discount** will apply if we have spent **more money** on the property **than it is now worth**, but we will still sell the property at the price determined by the valuer.

### DID YOU KNOW...

...your discount might be reduced if you've bought through the Right to Buy or Right to Acquire scheme in the past.

## 4. Sending the offer notice:

When we **receive the valuation report**, we will do some **financial checks relating to the cost floor, as described above.**

We will **send you the offer notice within 8 weeks** of saying yes if the property will be sold freehold (most houses). This **extends to within 12 weeks** of saying yes if the property will be sold leasehold (all flats, some houses).

#### **THE OFFER NOTICE WILL TELL YOU:**

- the **purchase price** and how it was worked out;
- estimates of any **service charges** for the first 5 years;
- any known **problems** with the property's **structure**.

### **5. What happens then?**

You will have **12 weeks** to either:

- **accept** the offer;
- request a **redetermination** of the property price;
- **withdraw** your application.

### **6. What happens after I accept?**

We will instruct our solicitors to draw up the paperwork. In normal circumstances **average conveyancing** takes between **6-12 weeks** though it can take more or less time depending on the buyer's circumstances, solicitors involved and legal restrictions related to flipping the tenure from rented to owned etc.

## Understanding the costs of homeownership

You've started thinking about becoming a homeowner. You're probably pretty keen to get things started and who can blame you? But before you do, it's time to stop and ask yourself: **"am I sure I can afford this?"**

There are many **benefits** of being a homeowner, but there are also **significant responsibilities**. You should carefully weigh the benefits against the costs and risks before you apply. You need to be sure that you'll be able to **afford the property now and in the future** if your circumstances change, or if mortgage interest rates rise and your monthly repayment increases.

### What are the financial implications of being a homeowner?

Buying a home is an exciting milestone but it can be a little daunting too. After all, it's likely to be the most expensive thing you'll ever buy! That's why it's so important that you do your homework (no pun intended) and understand all the costs involved before leaping in.

#### WHAT FEES WILL I NEED TO PAY?

There are a handful of upfront fees and payments you'll need to budget for before you get started – the costs stated below are averages in the UK:

**Deposit:** This is the lump sum of money you pay towards the cost of buying your home. It'll normally be at least 5% of the value of the property, however some lenders do accept the discount as the deposit.

**Stamp duty:** This is a government tax paid on homes over a certain amount. The amount will depend on the value of the home you're buying.

**Valuation fees:** £250. Before you can buy a home, it'll need a valuation survey to make sure it's worth the amount you want to borrow - this is for loan security purposes. So only applicable if you are using a mortgage.

**HomeBuyers report or structural survey:** £400-£1,000. We recommend you obtain a survey to help you find out if there are any structural problems, e.g. subsidence or damp.

**Legal fees:** £1,000. These are fees that will need to be paid to your solicitor to cover the cost of all legal work associated with buying your home.

**Mortgage arrangement fees:** £2,500. These fees refer to the admin costs of setting up a mortgage. It's usually an upfront cost but can also be added to your mortgage repayments with interest.

**Other fees:** You'll need to be prepared for a number of other small fees that might appear along the way. For example, notice of mortgage fees, mortgage approval fees or a mortgage reservation fee.

## WHAT ARE THE ONGOING COSTS?

As a homeowner you will be responsible for things that you are not responsible for as a tenant. We've listed the main additions below, but there will be others that crop up too.

**Mortgage or loan repayments:** For information on mortgage repayments see here: <https://www.moneyadviceservice.org.uk/en/articles/mortgages-a-beginners-guide>.

**Buildings and contents insurance:** Your lender will need you to take out buildings insurance in case of fire, floods, subsidence etc. You'll also need contents insurance for your possessions.

**Life insurance/assurance:** This gives your family some security should you die before you've repaid the entire mortgage.

**Accident, sickness and unemployment cover:** This is insurance to assist with mortgage repayments should you lose your job, or if you become ill or injured and cannot work.

**Internal upkeep/maintenance:** Taking care of your home requires regular maintenance. Some examples can be found here: <https://hoa.org.uk/advice/guides-for-homeowners/i-am-managing-2/home-maintenance-checklist/>

**Major repairs/improvements:** This includes (but is not limited to) replacing doors and windows, internal structure alterations, replacing the boiler, installing a new bathroom suite.

**Service charges and ground rent:** You may continue to pay service charges and/or ground rent to Home Group after you have purchased the property. Where applicable, figures are provided in the offer notice.

**Sinking fund/building fund:** You may be required to pay into a fund used to carry out major work (for example, replacing a roof, replacing a lift, decorating a property and so on). The fund is not used for day-to-day spending. Where applicable, figures are provided in the offer notice.

**Management fee:** You may be required to pay a fee to manage the service charge. This is known as a management fee. Where applicable, figures are provided in the offer notice.

**Your home may be repossessed if you do not keep up repayments on your mortgage.**

## HOW WILL YOU BUY THE PROPERTY?

There is a form enclosed for you to explain to us how you intend to finance the purchase. You don't need to go into a great deal of detail, but it's important for us to know these details early on so we can signpost you to relevant information if necessary.

For instance, there are unscrupulous money lenders and property investors who encourage people to purchase through the Right to Buy scheme. There have been examples of people becoming homeless as a result of this. We need to know if people are being targeted by these rogue traders so we can alert our tenants to the risk.

**Please let us know if anyone has pressured you into buying your home or is offering uninvited help or advice with your application.**

**Do not apply for a mortgage, instruct solicitors or make any other financial commitments until you have received an offer notice from us. If you are sent an offer notice you will have 12 weeks to accept, so you'll have plenty of time to make these arrangements at this point.**

## BUDGETING TIPS:

If you're seriously thinking about buying, it's time to start saving! The good news is that sticking to a budget doesn't need to be as hard as you think. Here's five top tips to help you on your way to saving success...

- £ **Draw up a monthly budget:** Start by drawing up an honest monthly budget to work out what it really costs you to live and work out a plan you can stick to.
- £ **Pay off any bad debt:** Bad debts can really weigh you down. Credit cards in particular can be super costly and carry sky-high interest rates. Make the effort to pay a bit more back each month to lower the amount you owe.
- £ **Shop around:** Whether it's your broadband, your mobile phone or gas and electric, there are a number of ways to reduce your monthly bills with just a quick call to your provider. Don't get sucked in by seemingly appealing introductory offers - make sure you compare all the different deals available.
- £ **Bank accounts:** If you don't have one, you're missing out! Most companies offer discounts when you pay bills regularly via direct debit, which can help lower your monthly outgoings and you'll need one for your mortgage application too.
- £ **Lifestyle changes:** Take the time to write a list of all your small monthly expenses, and you'll probably be blown away by how much money you can save. Little changes like taking a packed lunch and having a weekly meal plan can really add up to heaps in the long run.



## Frequently asked questions

### **CAN YOU HELP ME TO FILL IN THE FORM?**

We've provided guidance notes and a completed form as an example. If you have any queries though please do not hesitate to get in touch.

### **IS THERE A COST TO APPLY?**

No, we do not charge you to apply. However there will be costs involved if you accept our offer, as described throughout this pack.

### **CAN I APPLY IF I AM IN ARREARS?**

No, if you are in arrears when we receive your application it will be denied. You are welcome to reapply once your arrears are cleared. You must also keep your rent account up to date throughout the Right to Buy process.

### **I'M ON BENEFITS, CAN I STILL APPLY?**

You can, but you need to make sure you can afford the costs of homeownership. Owning a home may affect your benefits, e.g. you won't be eligible for housing benefit.

### **WILL I NEED A DEPOSIT?**

Some lenders (bank / mortgage provider) will take the discount as a deposit, although some don't.

### **CAN I BUY WITH MEMBERS OF MY FAMILY?**

Yes! Up to three family members can share the Right to Buy, even if they are not a tenant. The property must have been their main home for the last year. This is unless they are your spouse, who may share the Right to Buy with you if the property is their main home. Someone living with you as your spouse/partner, but not in the eyes of the law, is seen as a family member.

### **CAN SOMEONE ELSE BUY MY HOME FOR ME?**

Someone else could provide the funding for the purchase. However they won't legally own the property; the property will be in the name of the eligible tenant(s) and other eligible applicants regardless of where the money comes from.

### **I'M DUE TO HAVE A NEW KITCHEN FITTED SOON. WILL THIS STILL HAPPEN?**

We won't carry out improvement works or routine repairs whilst your Right to Buy application is active, as this will affect the price of the property.

### **WILL YOU STILL CARRY OUT REPAIRS?**

We will only undertake emergency repairs whilst your Right to Buy application is active. This includes things like fixing the toilet, repairing a

leaking roof or securing the property if necessary. Any issues should be reported to our Customer Service Centre on 0345 141 4663 as usual.

### **I HAVE MADE IMPROVEMENTS TO THE PROPERTY. WILL THIS INCREASE THE VALUE?**

Not necessarily. See the section above on improvements for more detail.

### **WHAT DOES 'REDETERMINATION' MEAN?**

If you disagree with the value of the property stated in our offer, you are entitled to a free valuation by the 'District Valuer' (the specialist property arm of the Valuation Office Agency). Their new valuation is binding on you and us - even if the valuation is higher than the original valuation.

### **CAN I BUY JUST A SHARE OF THE PROPERTY?**

No, the Right to Buy scheme does not give you the option to purchase on a shared ownership basis.

### **CAN I WITHDRAW MY APPLICATION?**

You can withdraw your application at any time up until the purchase is complete. Just drop us an email to let us know. If you withdraw your application you are welcome to reapply at any point.

### **IF MY APPLICATION IS APPROVED, HOW LONG BEFORE I'M A HOMEOWNER?**

It's different for everyone. Depending on your situation, it can take between 6-8 weeks for us to send an offer notice. You then have 12 weeks to decide what you want to do. If you accept our offer, we will instruct our legal team to start the conveyancing process once we have all the correct documents from you and or your family members or friends who are assisting you with the purchase. Transactions can take as little as 6 weeks, but the average is 12 weeks so please ensure you solicitor is experienced in dealing with Right to Buy transactions to ensure a quick and smooth process for you.

### **WHAT HAPPENS IF I BUY THE PROPERTY AND THEN SELL IT? WILL I HAVE TO REPAY THE DISCOUNT?**

If you sell your home in the first five years, you'll have to pay back some or all of the discount. This also applies if you are transferring ownership to somebody else.

If you sell in the first year, you'll have to pay back all of the discount. But the amount you pay back depends on the value of your home when you sell it. So, if you got a 10% discount, you'll have to pay back 10% of the sale price.

If you sell after the first year, the amount you pay back reduces:

- 80% of the discount in the second year
- 60% of the discount in the third year
- 40% of the discount in the fourth year
- 20% of the discount in the fifth year

If you sell your home within 10 years of buying it through the Right to Buy scheme, you must first offer it back to us.

If you live in a rural area any subsequent buyer may need a local connection. We'll let you know if this is the case.

#### **EXAMPLE:**

You bought your home worth £100,000 and got a 50% discount (£50,000). You sold your home after 18 months for £120,000. 50% of £120,000 is £60,000. As you're in the second year, you repay 80% of £60,000 (£48,000).

## **Contact details**

We are available Monday-Friday from 9:00-17.00. Please do not hesitate to drop us a line on 0191 731 1445 option 1 or email [TenantSales@homegroup.org.uk](mailto:TenantSales@homegroup.org.uk).

## **Useful websites**

- [www.moneyadviceservice.org.uk/en](http://www.moneyadviceservice.org.uk/en)
- [www.hoa.org.uk](http://www.hoa.org.uk)
- [www.tmpmortgages.co.uk](http://www.tmpmortgages.co.uk)
- [www.citizensadvice.org.uk/housing/moving-and-improving-your-home/buying-a-home](http://www.citizensadvice.org.uk/housing/moving-and-improving-your-home/buying-a-home)
- [www.gov.uk/government/publications/your-right-to-buy-your-home-summary-2/right-to-buy-summary-booklet](http://www.gov.uk/government/publications/your-right-to-buy-your-home-summary-2/right-to-buy-summary-booklet)
- [www.righttobuy.gov.uk](http://www.righttobuy.gov.uk)

## Checklist

Have you attached the following documents to your email to [TenantSales@homegroup.org.uk](mailto:TenantSales@homegroup.org.uk)?

### ITEM

### ATTACHED?

Your completed application form.

The other forms completed - how will you buy the property, previous names, insolvency declaration, signatures and declaration, Authority to Disclose.

Have you let us know if you would like to receive your Credas invite by SMS or email?

If you have been a tenant with Home Group for less than 3 years, have you provided evidence of your other public sector landlord tenancies?

If your spouse is a joint applicant but is not a tenant, have you provided a marriage certificate or civil partnership certificate?

If a family member (e.g. live-in partner, grandchild) is a joint applicant, have they provided evidence that they have lived in the property for one year before your application is submitted?

If you have made improvements to your property have you included evidence of Home Group's consent?

## A visual overview

There are four possible timelines which are outlined below. If you're not sure which applies to you please let us know.

	<b>Example 1</b>	<b>Example 2</b>	<b>Example 3</b>	<b>Example 4</b>
	You have been a tenant with HG for +3 years, and live in a property we would sell <b>freehold</b>	You have been a tenant with HG for -3 years, and live in a property we would sell <b>freehold</b>	You have been a tenant with HG for +3 years, and live in a property we would sell <b>leasehold</b>	You have been a tenant with HG for -3 years, and live in a property we would sell <b>leasehold</b>
<b>Weeks</b>				
<b>1</b>	HG receive complete application form and supporting documents			
2-3				
<b>4</b>	HG admit or deny application		HG admit or deny application	
5-7				
<b>8</b>		HG admit or deny application		HG admit or deny application
9-11				
<b>12</b>	If application is admitted - HG send offer notice			
13-15				
<b>16</b>		If application is admitted - HG send offer notice	If application is admitted - HG send offer notice	
17-19				
<b>20</b>				If application is admitted - HG send offer notice
21-23				
<b>24</b>	Tenant's deadline to accept offer or request redetermination			
25-27				
<b>28</b>		Tenant's deadline to accept offer or request redetermination	Tenant's deadline to accept offer or request redetermination	
29-31				
<b>32</b>				Tenant's deadline to accept offer or request redetermination

**We always try to meet the government's deadlines but there may be rare occasions where unfortunately we can't.**

**We'll let you know as soon as possible if this is the case.**