

Selling Your Shared Ownership Home

If you wish to sell your shared ownership home, you can do this by selling or assigning your lease to someone else. Assignment is the name of the legal process for transferring your lease to another person.

If you wish to sell your share you are required to notify the Council in writing of your intention to sell. You must do this because your lease states that you require the landlord's consent to any resale of the property.

Your lease gives the Council the right to nominate a purchaser for your share. This way the property will remain available for those people who really need help to get a foot on the property ladder with the help of the shared ownership scheme. Your purchaser must be eligible for the shared ownership scheme and will have to complete our application process to confirm their eligibility and affordability.

If you are in rent arrears, or owe us any other money, the sale of your property cannot be completed until the debt is cleared.

When you sell your property you will have to pay:

- The valuation fee
- Energy Performance Certificate (EPC) (if an updated certificate is required)
- Your solicitor's fee
- Your estate agent's fee (if required)
- The Council's administration fee of £167 + VAT

How to sell your share

1. Get your home valued:

You must have a current valuation of your home before you can sell your share. You need to arrange for an independent valuation to be carried out by a RICS (Royal Institution of Chartered Surveyors) approved valuer. An estate agents market appraisal is **not** acceptable but may be used to give you an indication of the market value only.

The valuation will determine at what price you can sell your share. The valuation must be based on the 100% value of your home and from that figure you can then calculate the price for selling your share.

A valuation is usually valid for three months. An updated valuation only needs to be sought once a buyer has been identified, if you do not complete on the sale within the valuation expiry date after a buyer has been identified you will need to obtain an updated valuation. Most valuers will provide an updated 'desktop' value for no further charge covering a further 3 months.

You are responsible for the costs involved in getting your home valued when reselling.

2. Check your EPC:

You must have an in date Energy Performance Certificate (EPC) available before you market or sell your home.

Depending on the age of your property you may already have an EPC as they are valid for 10 years. You can find out by entering your postcode at: <https://www.gov.uk/find-energy-certificate>

If you do not have an EPC then you will need to arrange for one to be completed. The RICS approved valuer you choose to value your property may be able to carry this out, or you can find an Energy Assessor here: <https://www.gov.uk/find-an-energy-assessor>

3. Inform the Council that you wish to sell your home:

Once you know the value of your home you can notify the Council that you wish to sell your share of your home.

You need to notify the Council in writing and you must include the following information:

- The full address of your property.
- The percentage of the property which you currently own.
- A copy of, or link to, the EPC for your property.
- A copy of the RICS valuation report.
- The asking price for your share of the property.
- Your current monthly rent, including any service charges if applicable.
- The name and address of the solicitor you intend to use.

You can notify the Council by post or by email:

Shared Ownership Sales - Babergh & Mid Suffolk District Councils
Endeavour House, 8 Russell Road, Ipswich, IP1 2BX

sharedownershipsales@baberghmidsuffolk.gov.uk

4. Advertising your home for sale:

The Council must confirm receipt of your notice to sell before your property can be advertised for sale. The Council will confirm their consent to the sale of your share and will also confirm the length of the nomination period and any other requirements stated in your lease.

The Council have a right to nominate a buyer in the nomination period. If the Council is not able to nominate a purchaser then you can then sell your property on the open market.

Nomination Period

The nomination period is the time in which the Council has to nominate a buyer for your share, it is usually 8 weeks but can be more or less. The Council may charge you an estate agent fee if the property is sold in the nomination period.

The Council will arrange for your share of the property to be advertised through a estate agent and will nominate a purchaser. The estate agent will be in touch with you to organise photographs and to arrange convenient times for prospective purchasers to view your property.

In the nomination period your share of the property will be advertised and sold according to the value given in the RICS valuation report.

Open Market

If the Council is unable to nominate a buyer during the nomination period or the Council waives the nomination period, you may then sell your home on the open market yourself, subject to all conditions in your lease. If your lease allows, you may be able to sell 100% of the property instead of just your share, this is a process called 'back-to-back' staircasing.

You can market your share of your home with an estate agent of your choice. You are responsible for the costs of the estate agent. Your estate agent will need to be aware of the eligibility and affordability requirements for Shared Ownership if you are selling your share only.

When selling on the open market we recommend that you advertise your property at the value given in the RICS valuation whether you advertise just your share or 100% of the property, however you do have the choice to sell the property at a price below, above or the same as the independent RICS valuation if you wish.

If you sell your share only for a price above or below the RICS valuation, the value you will receive for your share is based on the price sold and not based on the RICS valuation. If you sell 100% of the property *above* the RICS valuation, the value the Council receives for their share is based on the RICS valuation and you receive any excess. If you sell 100% of the property *below* the RICS valuation, the value the Council receives for their share is based on the RICS valuation however the Council will work with you to avoid this situation as it may result in significant financial detriment to you.

5. The sale is agreed:

Once a purchaser has been found the Council will make checks to confirm that they meet the requirements before the sale is agreed. If the purchaser is approved, then a Memorandum of Sale will be created and the legal process can begin.

If you have not already instructed a solicitor, you can do this now. The Council's Legal Department will pass on all relevant paperwork concerning the shared ownership lease to your solicitor.

Your solicitor must inform the Council when completion has taken place within 1 month of the sale. They will need to provide the Notice of Assignment / Transfer to the Council's Legal Services Department and pay the Council's reasonable Registration Fee (usually £50), if applicable.

This leaflet is for information and guidance only. It is not legally binding and does not replace your lease agreement, which sets out in full the legal terms and conditions with Babergh or Mid Suffolk District Council.