

SHARED OWNERSHIP STAIRCASING PROCEDURE

You currently share the ownership of your home with Curo Group. The following information explains how you can buy another share of your property or buy it outright.

Buying a share in your home or buying it outright is known as 'staircasing'.

Please refer to your lease for the amount of additional shares and blocks of shares you can purchase in your shared ownership property. Some leases stipulate that you can buy another 25% share to increase from, for example 50% to 75% or buy all of the outstanding shares to own 100% of the lease. Other leases stipulate that you can purchase blocks of 10% shares. Please note that some leases do not allow you to purchase all the shares in your home, please refer to your lease to confirm.

For any of these options there are certain steps detailed in your Lease, which you, your solicitor and Curo must take:

- 1) Your should notify Curo in writing of your intention to purchase a further share in your home, using the attached form. To be eligible you must not be in arrears with your rent
- 2) If you are considering staircasing then you should find out from your Mortgage Lender whether they are willing to lend you a further amount of mortgage. The amount you borrow will determine the size of the further share which you may be able to buy. If you decide to change mortgage companies, you should beware of any redemption penalties you may have to pay.
- 3) You should appoint a solicitor to act for you. It is important that you have a legal representative, as the document involved is complex.
- 4) Upon receiving written notification of your intention to purchase further shares, Curo will instruct an independent, qualified valuer to provide a current market value of your property, you will be responsible to pay for the valuation. The valuation will be carried out by a qualified valuer, a member of the Royal Institution of Chartered Surveyors as per the terms of your lease
 - Curo have been quoted a fee of £195 (plus VAT) by Davies & Way Chartered Surveyors
 - An Estate Agent's valuation is not acceptable, nor is a valuation carried out by a Bank or Building Society for mortgage purposes, as this is not classed as an independent valuation.
 - The valuer will confirm the market valuation of your property, as the cost of purchasing any further shares in your house is based on this figure. The valuer will disregard any improvements you have made since moving into your property, or any improvements undertaken by previous occupants. Improvements could include the

installation of double glazing, central heating or the building of an extension.

- 5) Curo's approval should be obtained before any improvements are carried out. If any improvements have been made without Curo's approval, the following information should be sent to Curo on the attached form:
 - A description of the improvement, including any plans or specifications
 - The date the work was completed
 - Provide copies of Building Regulations or any Planning Permissions that were granted
 - A photograph of the works carried out.
- 6) Within 14 days of Curo receiving the notification of the valuation, you will be informed of the current market value of your home and the costs of purchasing further shares.
- 7) Please note that the valuation will be valid for 3 months and you must confirm in writing your intention to continue with the staircasing and notify Curo of your solicitor.
- 8) If you or Curo feel that the valuation given is not a fair valuation, then the District Valuer can be instructed to re-determined the value of the property. The District Valuer's valuation will be final and binding on both parties.
- 9) Once you have notified Curo:
 - If you are purchasing 100% Curo will instruct their solicitors to convey the further share to you.
 - If you are purchasing an additional share and not staircasing to 100%, Curo will prepare the Memorandum of Staircasing for you to sign. When both copies have been signed by you and sealed by Curo, the premium has been received and all costs have been paid, the memorandums will be sent to your solicitor for them to register with the Land Registry.
 - Curo will also notify you of your new weekly/monthly/annual rent
- 10) In purchasing additional shares, as well as the valuation fee, you will have to pay:
 - Your solicitor's fees
 - A valuation fee to your Lender should they decide to revalue the property.

- 11) **Shared ownership HOUSES**-When you have acquired 100% of the shares in the property the Leaseholder shall have the right to give notice to Curo to acquire the freehold of the property for no charge other than the costs incurred in the conveyance procedures. Your solicitor should advise you on the terms of your individual lease.

When you are purchasing your remaining share, in the case of a house only, you will need to arrange your own Buildings Insurance from the completion date.

- 12) **Shared Ownership FLATS/MAISONETTES** – when you have acquired 100% of the shares in your leasehold flat/maisonette you will not have the right to give notice to purchase the freehold of the property (please refer to the Commonhold and Leasehold Reform Act 2002 'collective enfranchisement' for further information on purchasing the freehold) you will still be liable for service charges and buildings insurance.

Please note that the staircasing procedures are contained within your shared ownership lease and you should seek your own legal advice if you have any further queries

Disclaimer

The contents of this leaflet do not affect any lease or other legally binding document or arrangement. We have tried to ensure that the contents are accurate at the time of writing, but cannot guarantee their accuracy. If you are in doubt or difficulty; if you are involved in a dispute; or if you need to know your rights; you should seek your own independent legal advice from a solicitor or other suitably qualified person

INTENTION TO STAIRCASE

Please complete and return this form:

**To: Curo Group, The Maltings, River Place,
Lower Bristol Road, Bath BA2 1EP**

For the attention of: Paula Beel – Sales Co-ordinator

Ref:

Property address:

Contact telephone number:

I wish to purchase an additional share in the above property. I currently own _____% and wish to purchase an additional _____% share.

I enclose a cheque made payable to Curo Group for
£195 plus VAT for the valuation fee.

The improvements carried out to my property (*Please delete as applicable)

- * Of which Curo have been advised
- * Of which I give details below:

My Solicitor's details are: _____

Signed _____

Signed _____

Dated _____