



CLARION
HOUSING

STAIRCASING

A STEP-BY-STEP

GUIDE TO BUYING

MORE SHARES IN

YOUR HOME



Are you looking to buy more shares of your Shared Ownership property?

Find out more about the process with this step-by-step guide.

Contents

- 4** What is Staircasing?
- 5** Before you start
- 6** The process
- 9** FAQ's
- 10** Get in touch
- 11** Glossary

What is Staircasing?

After you buy your home, you can purchase more shares in your property via a process known as staircasing. Most shared ownership leases allow you to buy shares in chunks of 10% or more up to 100% ownership. For example, if you own 50% of your property, you can staircase to 60%.



When you buy more shares, you'll buy them at the current market value. An independent valuation will need to be carried out by a RICS independent surveyor at the time of your application to determine this.

Once you staircase to 100% ownership you will no longer pay rent, but you may have to pay ground rent and service charges if you own a flat, or estate maintenance charges if you own a house.

Some properties limit the maximum equity you can purchase to ensure the availability of affordable Shared Ownership homes in an area; for example, properties within a designated protected area are limited to 80% ownership. You should check your lease to see if this applies to your property.



Before you start

As a shared owner, you are entitled to buy more shares in your home at any time. Most shared owners can buy 100% of the shares in their home so that they own the property outright and no longer pay us any rent. There are some older properties where you might not be able to buy the full 100% but you can buy up to 70 or 80%. Your lease will give you all the details.

Before you make the decision to buy more shares, it is important to understand the costs related to the staircasing process. This will include paying for a valuation, a solicitor and any mortgage related costs. In addition, your rent and service charges account must be up to date and they must remain so throughout the process.



The process

Step 1 - Valuing your property

You will need to instruct an Independent Surveyor (accredited by RICS) to determine the current market value of your home.

The survey will take into account any improvements you have made or work that may now be required. We have an experienced panel of RICS-accredited surveyors who offer competitive rates. When you contact one of our panel professionals to make an enquiry please quote 'Latimer'.

Please note that property market values can go up or down and the value provided by the surveyor could be more or less than you paid.

Step 2 - Staircasing Instruction Form

Once you have received your RICS valuation and you want to proceed, you will need to complete our Staircasing Instruction Form on our Latimer Homes website.

Your Staircasing Instruction Form gives us all the details we need to start the process and confirms you would like to proceed.

If the property is owned in joint names, all parties have to sign the Instruction Form. When you submit your staircasing instruction form to us, you will need to provide us with a copy of your RICS valuation, a valid EPC, evidence of home improvement, and certified proof of ID and address.



Step 3 - Buying more shares

Once we have reviewed your documents, and carried out all necessary checks relating to the purchase of the additional shares, we will instruct our solicitors to act on our behalf. We'll put together a Memorandum of staircasing that we'll send to our solicitors and we'll send you and your solicitor a copy.

We have a panel of solicitors you can choose from, who have specific knowledge of our developments and experience of shared ownership Staircasing.

Your memo of staircasing will identify (if appropriate) what your new rent will be. If you are staircasing to own 100% of your home, you will no longer have to pay rent. Our solicitors will contact yours, answer any queries they have, await the mortgage offer (if applicable) and agree the target completion date.

Please note that this transaction must be completed within three months of the date on the valuation report so it's advisable that you start discussing purchasing more shares with your mortgage lender as soon as possible. If completion takes longer than this, you may be required to pay for an updated valuation report and if the value changes, the transaction price will have to be recalculated and new new legal documents issued.



The process

Step 4 - Completion of Staircase

Once everything is in place, and any legal work finalised, your purchase of additional shares will be complete. Don't forget to change or cancel direct debit payments with us.

FAQ's

How is the purchase price calculated?

You buy the additional shares at the current market value. For example, if you wish to buy a further 25% and your property is valued at £200,000, the purchase price will be £50,000. This means that the price of the new shares reflects any changes in your home's value.

House prices can go down as well as up so this house price movement will be reflected in the price you pay.

What happens to my rent?

If you staircase to 100% you will no longer pay rent. If you staircase to less than 100% your rent will decrease, and we will confirm the new amount payable in your offer letter.

Service charges, ground rent and other fees may continue to be payable after you staircase.

What is the minimum I can buy?

Its best to check your lease, but in most cases, the minimum additional you can buy is 10%.

There may be a limit on how many times you can staircase (see your lease) but you can staircase to 100% (subject to your lease) in one go if you prefer.

What costs will I be expected to pay?

You will need to pay the valuation fee upfront and an administration fee will be collected on completion by our solicitors.

You will also be responsible for your solicitor's costs and any costs associated with your mortgage lender.

Get in touch

If you're thinking about buying more shares in your property, then get in touch with our staircasing team.

Clarion.staircasing@clarionhg.com

Minicom: We welcome calls from the text relay service: add 18001 before any of our phone numbers.

Glossary

Completion	This is the point at which all transactions concerning your purchase are concluded.
Lease	A legal document by which the freehold (or leasehold) owner (Clarion) lets the premises or a part of it to another party (you) for a specified length of time; after the expiry of which ownership may revert to the freeholder or superior leaseholder.
Leaseholder	When you purchased your property through shared ownership you became a leaseholder; with Clarion owning the freehold or head lease.
Mortgage	An amount of money advanced by a lender such as a bank or building society on the security of a property and repayable over a long period.
RICS independent surveyor	An independent party who offers surveying services to determine the current market value of your property.
Service charge	The cost of repairing and maintaining external or internal communal parts of a building charged to a Shared Ownership leaseholder. We also include buildings insurance and management charge.

Solicitor A legal expert handling all documentation for the sale or purchase of a property.

Staircasing Buying more shares of your Shared Ownership home is known as 'staircasing'.

Clarion Housing Association Limited is a charitable Community Benefit Society (FCA number 7686). Registered with the Regulator of Social Housing (Reg No 4865). VAT No 675 646 394. Registered office: Level 6, 6 More London Place, Tooley Street, London, SE1 2DA. Part of Clarion Housing Group.



CLARION
HOUSING