



SHARED OWNERSHIP - FORTIS LIVING LIMITED (Previously Festival Housing)

Home Owners – How to buy more shares

These notes set out how you can go about buying more shares in your Shared Ownership home so that, eventually, you can potentially purchase the freehold and own it outright – a procedure known as ‘Staircasing’.

[1] Can I apply to buy further shares?

Yes, you can apply to buy further shares after the first 3 months of your initial purchase completing. First you need to decide whether you would like to buy some extra shares or fully staircase and potentially purchase the freehold.

If you are in a flat you can apply to purchase all of the property but it will remain leasehold with a service charge to pay.

If you are currently paying a service charge, certain charges may remain in place.

Please note that some rural properties will have a staircasing restriction, which means the maximum share you can purchase is 80%. Other properties may have a Mandatory Buyback restriction in the lease. This means you can purchase 100% of the property, but this will remain on a leasehold basis, with a requirement for Fortis Living to buy the property back from you, if you choose to sell in the future.

If you are looking to partially staircase, the shares purchased must usually be a minimum of 10% and in multiples of 5% [i.e. 10%, 15%, 20% etc) subject to any rounding off of the figures.

There is a minimum £150.00 valuation charge to pay each time you apply to purchase an additional share.

[2] What do I do next?

To make a valuation payment, please call our **Contact Centre on 0330 123 0700** to pay via a debit card. Please note we do not accept credit card payments.

For general Staircasing enquiries please email salesteam@fortisliving.com

[3] Then what?

Once you have paid for the valuation, we will arrange for your property to be valued at the current market price by an independent RICS qualified surveyor..

If you are satisfied with the valuation, you will then need to confirm in writing (by letter or email) what percentage share you wish to purchase, and provide the details of the solicitor you will be instructing. The valuation is valid for 3 months. If the valuation has expired at the point of which you choose to staircase, then another valuation may be required at your expense

If you need to increase your mortgage in order to staircase, we would advise discussing this with your chosen bank or building society to confirm you are able to proceed first.

There will be an administration fee to pay of £180 inc. VAT. This is payable to Fortis Living on completion. You will also need to instruct a solicitor, and they will be able to advise on their fees for dealing with the transaction.

[4] What happens if I disagree with the valuation?

We will write to confirm the valuation figure within 10 working days of the valuation being carried out, and we will provide you with a copy of the valuation report. If you disagree with the figure provided, we can arrange for a second independent RICS valuation to be carried out. Please note their decision will be final, and you will be required to pay the cost of their valuation fee.

If you have a valuation carried out, you are not obliged to proceed with staircasing. Fortis Living will not refund the valuation charge and you will continue to pay the same rent and service charge as before.

[5] What happens if the property value is less than the original purchase price?

If this is the case, further shares will be sold at the lower price. If the property value is more than the original purchase price, further shares will be sold at the higher price.

[6] How will the rent and service charge be affected?

As you purchase further shares in your property, the rent you pay will decrease. The service charge may also alter. We will confirm what the new rent and service charge amount will be.

When you buy the final share, there will be no further rent payable from completion, but there may still be a service charge to pay, and we will confirm this with you.

Please note that on completion of the transaction, your rent and service charge account must be clear.