

Policy checklist	
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Park Properties Housing Association will provide this policy, on request at no cost, in large print, in Braille, in audio or other non-written format, and in a variety of languages.

1.0 Introduction

1.1 This Policy sets out PPHA's approach to shared ownership resales when a shared owner requests to sell their home.

1.2 This Policy has been developed in line with the Homes England Capital Funding Guide for shared ownership and any request for resales will be dealt with in line with the terms of the shared owner's lease.

2.0 Resales

2.1 The Shared Ownership Resales Policy outlines the guidelines and procedures for the resale of shared ownership properties.

2.2 Shared ownership allows individuals to purchase a share of a property while paying rent on the remaining unsold share, and when they decide to sell, this policy ensures fairness and transparency to all parties involved.

2.3 The lease may state the conditions and timescales required to sell your home. If the lease does not state conditions, PPHA will follow the model lease in the Homes England Capital Funding Guide.

3.0 Eligibility

3.1 You must currently own a PPHA shared ownership property to ensure you are eligible to participate in the resale process.

3.2 The homeowner must have obtained the necessary permissions from PPHA to proceed with the resale in writing.

4.0 Affordability

4.1 Before applying to sell their home, a customer must have the following:

4.1.1 A clear rent account including service charges and any major works. A resale application cannot be progressed if these are not up to date.

4.1.2 Confirmation of affordability for other fees, including any legal and valuation fees.

5.0 Home Improvements

5.1 If the customer has carried out any home improvements, they must inform PPHA, along with confirmation that PPHA has approved them.

5.2 PPHA will ask the surveyor to disregard the added value of those improvements when they value the customer's home. If the customer does not have consent for the changes they have made, they must apply for retrospective consent from PPHA.

5.3 If the customer has carried out works, PPHA would not be able to grant consent for this and could delay the resale application. The works will need to be inspected and approved before the application can progress. The costs of the inspection will need to be met by the customer.

6.0 Valuation and Pricing

6.1 An up-to-date valuation by an RICS qualified surveyor with confirmation that their home has been valued in accordance with the terms of their lease. The valuation is usually valid for three months from the date of the report. If it expires before the resale completes, the customer will be required to provide an updated valuation and meet the additional cost. If the updated valuation shows the value has changed, the sale amount will be recalculated in line with the new valuation.

6.2 If the customer disputes the valuation, PPHA will refer to the customer's lease. If the lease does not provide a resolution, the customer will need to provide PPHA with three comparable values to consider. This will enable the original valuer to reconsider their valuation. If the customer remains unhappy with the outcome, PPHA will refer the matter to the District Valuer for a final view.

6.3 The sale price will be based on the current market value of the property and will reflect the percentage share being sold.

7.0 Advertising and Marketing

7.1 The homeowner must notify the housing association or shared ownership provider of their intention to sell their property.

7.2 You can sell your shared ownership home at any time. If you own 100% of your home, you can usually sell it on the open market. For example, instructing an estate agent. If you do not own 100% of your home, you must notify your landlord when you want to sell your home. This gives the landlord the opportunity to find a new buyer for your share.

7.3 Once the valuation is accepted by the shared owner, PPHA will assist in marketing the property to potential buyers.

7.4 The property will be advertised ensuring that all parties have an equal opportunity to express their interest.

8.0 Priority and Allocation

8.1 When you give the landlord notice that you want to sell your home, the landlord has a 'nomination period'. This means the landlord has a period (4, 8 or 12 weeks, depending on the lease) to find a buyer.

8.2 The landlord may offer to buy back your share, but only in exceptional circumstances.

8.3 If the landlord does not find a buyer within the nomination period, you can sell your share on the open market.

8.4 If the landlord finds a buyer during the nomination period, the sale price will be no more than the current market value of shared owners share. It will be based on a valuation by a surveyor who is full qualified and registered with the Royal Institution of Chartered Surveyors (RICS).

8.5 The landlord's nomination period does not apply in some circumstances. This includes:

8.5.1 If you or someone else on the lease dies

8.5.2 If the court has asked you to transfer your ownership

Contact your legal adviser if you're not sure.

8.6 Buyers will be assessed for eligibility based on the shared ownership criteria, ensuring that they meet the necessary income and affordability requirements.

9.0 Offers and Negotiations

9.1 PPHA will facilitate negotiations between the shared owner and interested buyers. PPHA will choose the purchaser that is eligible for shared ownership.

9.2 Once a buyer has been identified and an offer has been accepted, the legal process can commence.

9.3 The shared owner is responsible for appointing a solicitor to handle the conveyancing process.

9.4 The buyer will also appoint their solicitor, ensuring that the necessary legal requirements are met for the transfer of ownership.

10.0 Fees and Charges

10.1 The shared owner is responsible for covering any fees and charges associated with the resale, including legal fees, valuation fees, and any outstanding service charges or ground rents.

10.2 PPHA may charge an administrative fee for facilitating the resale process.

11.0 Completion and Handover

11.1 Once all legal formalities are complete, the property ownership will be transferred to the new buyer.

11.2 PPHA will update their records and issue a new shared ownership lease and agreement reflecting the change in ownership.

11.3 The shared owner is responsible for vacating the property by the agreed completion date, ensuring it is in a suitable condition for handover to the new shared owner.