



A guide to reselling

your Shared Ownership home

The sale of your Shared Ownership home is also known as a resale.

At a glance: Reselling your home

Step one:

Check your home is registered with the Land Registry, you can do this by requesting confirmation from your solicitor that helped with the purchase of your home. You may wish to start finding a solicitor to represent you during the sale process.

Step two:

Complete your Request to Sell form and check you've got a valid Energy Performance Certificate (EPC).

Step three:

We will arrange a RICS accredited valuation of your home.

Step four:

Once you have appointed your estate agent, they will arrange viewings and collate the information we will need to approve your potential buyer.

Step five:

Work with the buyer and Sage Homes to have all paperwork and enquiries dealt with. Agree a completion date and get ready to handover keys.

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An introduction to reselling

A resale property is a Shared Ownership home that was previously purchased and is now available for sale by the current owner.

All Shared Ownership leases include special terms around selling. Your lease states that Sage Homes must be given a period in which to find a new Shared Ownership buyer on your behalf. Sage Homes waives the right to this.

If you decide to go ahead with the sale of your home, your estate agent will work with you to market your home, find a buyer and carry out eligibility checks. They'll support you and the buyer through the sale process.

Before selling your home, please make sure you're not in rent or mortgage arrears. Sage Homes reserves the right to refuse the sale of your home if you're in arrears without a payment plan.

If you're in financial difficulties, please contact us via My Sage Home, at mysagehome.co.uk.

How it works

Step one: Check your Land Registry title

Check with your original solicitors that they've registered your home with the Land Registry. We suggest you check this first before you start the selling process as there may be delays at the Land Registry.

At this stage you may want to have initial discussions with a solicitor to work on your behalf. You won't need them formally until your buyer is found.



Step two: Request to Sell and Energy Performance Certificate (EPC)

Complete the Request to Sell form on My Sage Home. An example can be found on page 9.

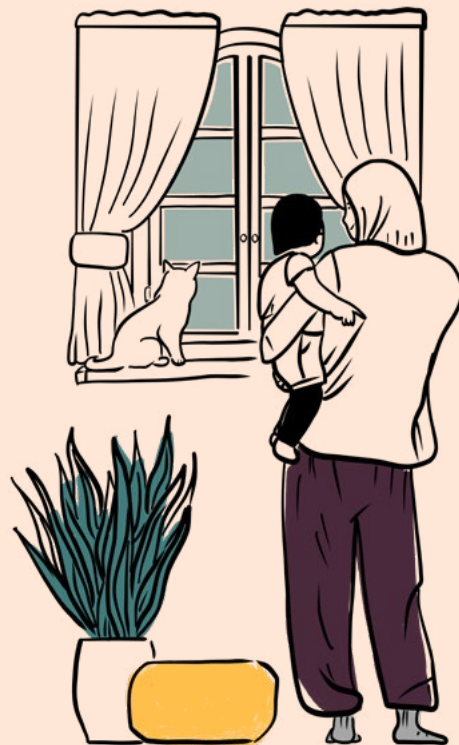
Energy Performance Certificate (EPC): It's legally required to have an EPC when selling your home. This provides an energy efficiency rating for your home and is valid for 10 years. You may have a current one already and can check this online at epcregister.com.



Step three: RICS valuation report

Once you send us the Request to Sell form, we'll find a local RICS valuer for you and let you know how much the valuation report will cost. Your lease requires we get an updated property valuation completed by an independent Royal Institute of Chartered Surveyors (RICS) accredited value/surveyor. If you want to continue, you can pay us the fee and we'll pass this on to the valuer. The valuer will then contact you to book an appointment.

Once we receive your valuation report, we'll check it and forward to you so that you can instruct your estate agent of the valuation requirements.



Step four: Finding a buyer

You will appoint your chosen estate agent to undertake the marketing and sales of your home at the market value reported by the RICS valuer. They'll arrange professional photographs and floorplans of your home for marketing. Once this is complete, your home can go on the market.

You'll need to let us know your estate agent's details and you will also be responsible for their fees.

Depending on where your home is, it may be advertised on Rightmove, Zoopla, Prime Location, Keaze Homes for Londoners and your estate agent's website.

Your estate agent will work with you and potential buyers to book viewings. Please let them know if you have any special requirements around these.

Your estate agent will work with financial advisers to pre-assess buyers' finances and carry out early financial assessments before booking their appointments. This makes sure potential buyers are eligible to buy before they see your home.

Once they've found a prospective buyer, your estate agent will ensure all the correct information is gathered and will pass their details to Sage Homes for final approval.

We will carry out our comprehensive anti-money laundering (AML) checks, which can take around 14 days to complete, dependent on your buyer. Every additional AML document request can add a further 72 hours to the process from receipt.

A list of the documents that your estate agent will need to prepare for approval can be found on our website:

sagehomes.co.uk/resale-buyer-forms/

If a comprehensive and correct set of documentation are not submitted to us for approval, we will be unable to commence this important stage of your sale process. We would encourage you to speak to your estate agent to ensure the right information is being submitted to us. We are not able to chase this information on your behalf.

We would strongly recommend that you avoid making an offer on a home until your buyer has been approved.



Step five: Progressing to a sale

If the correct and satisfactory documentation has been submitted, the approval should be confirmed to you via your estate agent. This will allow you to make an offer on your new property

At approval, we will instruct our legal department and request the Memorandum of Sale (MoS) from your estate agent. This is the point at which you should formally engage your solicitor who you lined up in step one.

Sage Homes' solicitors will work with all legal parties to make sure the sale progresses smoothly. We will start working on the management pack (LPE1).

The fee to prepare a management pack is £150 +VAT. The buyer's solicitor will look through the paperwork and raise any queries with your solicitor. Their solicitor will request searches, including:

- Local Authority search (to see if there are developments in the area that might affect your home)

- an Environmental search (matters affecting the land on which your home is built)

Your solicitor may be sent enquiries by the buyer's solicitors. These could include questions about your neighbourhood or your home, such as information on guarantees, your lease or management arrangements. You may need to answer these questions and you can ask your solicitor for support in doing so. The buyer's solicitors may also have questions for the managing agents (if there is one). They may request fees to respond to these and you'll be responsible for paying these.

Once all enquiries have been answered and all solicitors are satisfied, the buyer will be asked to sign their contract and pay a deposit before exchange of contracts. A copy of your contract will be sent to you to sign. When the buyer's deposit has cleared and both of you have signed the contract, the solicitors will exchange contracts and set a completion date. At this point the sale is legally binding.

Step six: Completion

Once the legal work has been finalised, your solicitor and the buyer's solicitor will agree a completion date. They will then notify Sage Homes' solicitor of the agreed completion date and we will provide the information required to confirm completion figures. This includes any deductions for costs incurred, along with any rent arrears.

Once completion has taken place you should contact your bank to cancel your direct debit. You and your buyer will have already arranged key handover via your estate agent and you should also ensure you provide any information or items they will need, such as boiler instructions, warranties or window keys.



How much will it cost to sell my home?

As with any property sale, there are costs involved you'll need to cover. These are a list of potential costs (please note there may be more).

RICS valuation

The RICS valuation will cost between £200 to £300 +VAT.

Marketing fee

Your estate agent provides a comprehensive marketing service to increase the likelihood of selling your home. By providing this service, your estate agent will charge a fee percentage +VAT of your home's full market value as a marketing fee. You will be responsible for paying this fee.

Legal cost

You're also responsible for covering your own solicitor's costs. Sage has a panel of solicitors, who are familiar with shared ownership sales. Please contact us via My Sage Home if you would like these contact details.

There's a license to assign fee of £125 +VAT at the beginning of the legal process to our solicitors. They will request this from your solicitors.

If you're selling 100% of a house, you don't have to pay the license to assign fee but there is a £325 +VAT TP1 fee payable on completion. This covers the cost of transferring the freehold.

The fee to prepare a management pack (LPE1) is £150 +VAT.

The buyer's solicitors may have additional enquiries for the Managing Agent (if there is one). They may charge you a fee to answer these.

Example: total cost of sale

On a property worth £200,000 with a share of 25% (£50,000), the following fees apply if your buyer is purchasing your 25% share:

- Marketing fee at say 1% = £2,000 +VAT
- Management Pack (LPE1) £150 + VAT
- Licence to assign fee: £125 +VAT
- Your solicitor's fees: £850 +VAT (and any additional costs).

Request to sell: Terms and Conditions

Sale conditions

Before you confirm your request to us in the sale of your property*, please read our Terms and Conditions of business:

1. As per the terms of your lease, Sage Homes has sole nomination rights of your home for a reasonable period, normally 8 weeks, once marketing commences. Sage Homes will waive this right.
 - I/We understand that it is our responsibility to make all the necessary arrangements for selling our home, in terms of finding a buyer, via our estate agent.
 - You must maintain the payment of your rent and service account until completion. If you fall into arrears, Sage Homes will deduct monies owed from your completion monies.
2. Please make sure that you check your valuation report thoroughly as your estate agent will use this information to advertise your home.
3. I/We understand that the sale of my/our home must not include any fixtures, fittings or furniture.
4. If these are to be sold, I/We must agree the price separately with the buyer.
5. I/We are responsible for our estate agents fees, which will be payable on completion of my/our sale.

Reselling your Shared Ownership home

If you would like to sell your Shared Ownership home, please complete the form on our website sagehomes.co.uk/request-to-sell/.

Joint owners should complete and submit the form separately.

Resale form application

Please complete all the fields

Name:

Address line 1:

Address line 2:

Town or city:

Email address:

*Appointing a solicitor who is not experienced in Shared Ownership could lead to delays which are out of Sage Homes' control.

The Resales Process

A guide to roles, responsibilities and general advice

Sage Homes wants our customers selling their homes to have as much control over the process as possible. We do this by waiving our rights to nominations, letting you instruct an estate agent of your choice. This means you can sell a share of your home, or sell it at 100%, helping you find a buyer as quickly as possible.

Note: It's rare but in some cases there are local restrictions on who you can sell to and what percentage you can sell at.

There are points where Sage Homes need to be involved with the resale but we don't manage the resale and don't charge a fee to do this. This guide will help you understand what Sage do and don't do and what the other parties involved are expected to do.

What Sage Homes does

These are the key points where you'll need to be involved up to the point where solicitors are instructed.

✔ What Sage does

- We provide initial information and guidance on the process. We have a Resales Guide we will send you on request
- When you are ready to proceed we'll arrange a RICS valuation of your property, which you will need to contact us for
- We'll provide your appointed estate agent with the forms and information we need from any potential buyers
- Subject to being provided with the correct and complete information on your buyer by your estate agent we'll check your buyer's eligibility, identification and the source of any funds they are using to purchase the property
- Our legal team will deal with any solicitor enquiries relating to the resale
- We'll provide a management pack on the property, which you will need to pay us for
- Typically we will respond to these requests within seven days but we allow 14 days to issue management packs and to approve buyers. Some queries and approving buyers can take longer if there are additional questions we need to be answered.

✗ What Sage doesn't do

- Sage Homes isn't responsible for managing the process end to end and don't provide ongoing detailed guidance to any estate agent involved
- Other than speaking to a buyer to check their eligibility we don't speak to them directly about other aspects of the resale. Any enquiries from buyers should be formally dealt with through solicitors
- Sage doesn't carry out any work that would be considered the usual role of an estate agent. This is both where an estate agent isn't used or in default of any agent carrying out their expected duties
- We won't assess more than one potential buyer at a time. The checks we need to make take time and expense to conduct and we don't take a fee for this. It's important that you and your agent discuss who is your preferred buyer before they are presented to us.

✔ What an Estate Agent does

You need to agree the specifics of the contract with your estate agent yourself but these are the tasks that your agent should be conducting for your resale:

- **Marketing** - your agent will market your property to attract potential buyers
- **Conduct viewings** – most agents will conduct viewings on your behalf but this depends on your specific agreement with them
- **Vet potential buyers** - your agent should be assessing the potential buyers and discussing with you which one you feel is in the best position given your requirements to achieve a sale
- **Administer the sale** - your agent should be responsible for making sure the sale progresses end to end. A key part of their duties is to issue the Memorandum of Sale when the buyer is approved.

✔ What Solicitors do

The solicitors involved are responsible for making sure all the paperwork is completed and registered correctly and to protect their respective client's interests in the sale.

This includes:

- Your solicitors and the buyer's solicitors will agree contracts and when exchange and completion take place
- The buyer's solicitors will ask questions on behalf of their client to protect their client's interests. These may be directed at you as the seller or at Sage as the landlord. It's important that these enquiries come through the solicitors and are dealt with formally.

Our advice for a smooth resale

From our experience this is the best advice we can give you to make the whole process run smoothly.

- Appoint an estate agent who is familiar with shared ownership resales
 - An agent familiar with shared ownership will know about the eligibility requirements for buyers and will understand any local restrictions
 - This means buyers presented to us are more likely to be approved and Sage Homes cannot take responsibility for any delays caused by us having to reject buyers that are not eligible.
- Actively discuss with your agent the suitability of your buyers and if they are in a good position to proceed. Some buyers have complex funding arrangements to finance their purchase and in those cases it can take us a lot longer than our normal timescales to verify their source of funds. Sage Homes cannot take responsibility for any delays caused by us being presented with buyers who have complex funding arrangements
- Don't commit to an onward purchase until your buyer is approved. The process of approving a buyer can sometimes take longer than our advertised timescales, especially if they have complex funding arrangements for their purchase. This can impact on any property purchase you have committed.



London Office

5th Floor
Orion House
5 Upper St Martin's Lane
London, WC2H 9EA

Northampton Office

2nd Floor
Lancaster House
Nunn Mills Road
Northampton, NN1 5PA