

We can help with Resales



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Resales

Selling a New Build Homebuy (shared ownership) home is known as a resale or assignment, as you are selling your home to someone else.

Under the terms of your lease if you own less than 100% of your home you must advise Family Mosaic in writing of your intention to sell your property. The Resident Sales team will then assist you through the process to sell your home.

Under the terms of your lease a valuation must be carried out by an independent RICS qualified valuer with the valuation accompanied with at least three comparable property values within the locality of your home. This is to determine the current open market value of your property and will be the price the property will be marketed at. As the leaseholder, you are required to meet the valuation costs and any other legal fees incurred in connection with selling your home. Under the terms of your lease, Family Mosaic will market your home for 8 weeks from assignment (from the time we have approval and all documents to commence marketing) to find a suitable buyer at a fee normally based on 1.5% of the equity value you own in your home plus VAT.

If in the unlikely event that we have been unsuccessful in finding a buyer for your home in the 8 weeks, you will have the opportunity to instruct an Estate Agent to market your property paying their fee for the services they provide or alternatively you may continue marketing your home through Family Mosaic.

Resale properties were originally sold under New Build Homebuy (shared ownership) which is an affordable home scheme and therefore any potential purchaser must meet the affordable home requirements for a resale home. The sale price is based on the valuation report and is not negotiable.





What are the costs involved?

As with all property sales you will have expenses to pay therefore before deciding to sell your home it is worth investigating the full costs involved and consider carefully when to market your property.

Some of the expenses you will have to pay are:

Family Mosaic will charge a fee of 1.5% of the value of your share plus VAT, £350 non-refundable is payable at instruction and the remainder will be deducted at completion. This fee contributes towards providing a resale service, which includes marketing and selling your shared ownership home.

However, if we are unable to find a suitable purchaser for your home, then you will only pay the £350 initial fee for marketing.

The valuation fee – required by Family Mosaic in accordance with your lease and the Homes & Community Agency guidelines. The valuation must be undertaken by an Independent RICS qualified valuer to determine the current open market value of your home. Their fees vary but range from £175 - £325 plus VAT*. We have a panel of valuers and we will advise you of the panel valuer in your area you may wish to use but you may select another valuer not on our lists providing they are RICS qualified and we instruct them and receive a satisfactory valuation report. The valuation fee is usually paid direct to the valuer, many charge additional fees if your payment is not honoured by the bank. The valuation is only valid for 3 months and if a buyer is not found within this period a new valuation report will be required and an additional charge. The new valuation will also determine the price and may have changed from the original valuation in a changing market.

Legal expenses – Selling your home will involve changes to your existing lease which will require the professional services of a solicitor. The solicitor will have disbursements and professional fees for acting

for you. You are also required to pay Family Mosaic's legal expenses (usually between £450 - £550).

An Energy Performance Certificate (EPC) – selling a home in England and Wales requires an Energy Performance Certificate – There are many companies providing this service now. An EPC will normally cost in the region of £50-£100. We can recommend an EPC provider or you can visit the domestic EPC register at www.epcregister.com for other providers.

Assignment fees – Some properties, particularly those with a headlease may require the sale registering with the superior landlord. This is known as a Notice of Assignment. The fee is approximately £105 + VAT.

Pre-sale Solicitors enquiries – Your buyer's Solicitor may raise detailed enquiries about your property. These take a considerable time for our Leasehold Team. A fee of £125 + VAT is payable.

Mortgage fees – You may have to pay penalty charges to your existing lender if you sell your home before the end of the product end date. You must investigate this with your lender or financial advisor prior to applying to staircase.

Rent and Service Charge arrears – If you have any arrears these must be cleared before completion of the sale. This could include underpayments on past service charges.

Estate Agent Fee – If after the initial 8 week marketing period we have been unsuccessful in finding a suitable buyer you may choose to instruct an estate agent to market your property for you. In this case you will be responsible for the fees the estate agent charges for their services.

NOTE: This is only a guide to costs, depending on your property there may be additional costs.

*correct at time of going to print – subject to change



Are there any restrictions on selling?

There are a number of restrictions associated with selling your home and we recommend your refer initially to your lease. The main restrictions are that:

- All leaseholders assigned to the lease must sign and agree to selling the property.
- The valuation must be carried out by an independent RICS qualified valuer with the valuation accompanied with at least three comparable property values.
- The leaseholder is required to meet the valuation and legal costs and any other costs incurred in connection with selling your home.
- The leaseholder is responsible for ordering and paying for an Energy Performance Certificate (EPC) (This is a Government requirement for all properties marketed in England and Wales and must be available before marketing can commence).
- The leaseholder is required to allow Family Mosaic 8 weeks to market your property from assignment at a fee of 1.5% plus VAT.
- The potential purchaser of your property must meet the requirements of the lease and meet the Resale requirements of Housing Options. The purchaser must also meet the selection criteria of Family Mosaic.
- You must repay any arrears on rent, service charges and any additional costs incurred whilst living in the property.

How do I sell?

Having received this brochure, you have made the first step towards selling your property.

Appoint a solicitor

Before instructing Family Mosaic to proceed it is best to select your solicitor, so that you are ready to act promptly when you receive the valuation report which is only valid for 3 months. We recommend using the solicitor who originally dealt with your purchase as they are most likely to have a lot of your details regarding your property available. If this is not possible we can assist you by providing you with a list of client recommended solicitors.

You require a solicitor to deal with the legal work associated with your mortgage and home.

Remember that you pay for your solicitor's time, so the more often you write to or phone your solicitor, the higher the charge is likely to be.

We always recommend you select a solicitor who offers:

- A fixed fee for their services
- You obtain a quotation before instructing your solicitor

Choose a solicitor with knowledge and experience of Shared Ownership leases.

“Nothing was ever too much trouble. You made selling our home much less stressful thank you”

Mr H – Lambeth

Arrange for an Energy Performance Certificate

The Government introduced the Home Information Pack from 14 December 2007, this was required for ALL properties being sold in England and Wales however this was subsequently withdrawn and now only an Energy Performance Certificate (EPC) is required for marketing of your property to commence.

There are many companies offering this service, to find a suitable provider visit the domestic EPC register at www.epcregister.com.

Instruct us to sell your home

Within the pack you will have received from us with this brochure would be a letter requiring certain information and documents to be obtained. Once you have these, contact the Resident Sales team to arrange an appointment for a home visit. A member of the team, usually the manager will visit your home and complete the paperwork required to sell your home. Whilst at the property they will take measurements of your rooms and a property description. They will also be taking photographs for use in the marketing material so please ensure your home is presentable as these pictures will be the first impression potential purchaser will have of your home. It is advisable that this appointment is undertaken in daylight as this is when the best pictures will be obtained. Whilst at the property they will give you help and advice on how to safely show people your home and give you some useful hints and tips to get the most from viewings. By visiting the property a member of the team knows more about your home and your requirements and will be able to give more information and knowledge to the rest of the team when potential buyers call us.

Instruct us to value your home

Having obtained this information you now need to know how much your property is worth in the current open market. We will instruct the valuer of your choice, provided they are a qualified independent valuer, who must be registered with the Royal Institute of Chartered Surveyors (RICS).

To ensure this is dealt with promptly we will instruct the valuer within 2 working days of your home visit. The valuer will contact you to arrange an appointment to view – please be as flexible as possible to ensure the valuer can deal with our instruction in an effective and timely manner.

After viewing your home, the valuer will research your area and produce two copies of their valuation report with comparables of similar properties in your area which have been sold or are being marketed. This report will be sent to the Resident Sales Team who will check the details and write to you with confirmation of your properties current open market value along with a copy of your valuation report. This is your formal offer. Please note the valuers report is only valid for 3 months and therefore you must act quickly to complete and return all paperwork to the Resident Sales Team to allow us to start marketing your home to ensure a buyer is found before the valuation report expires. If a buyer hasn't been found by this date you will incur additional costs for a new valuation and your solicitor may charge additional charges as we will make you a new offer based on the current valuation. This valuation could be lower or higher than the original valuation dependent upon the housing market at the time.



We market your home

When we have received confirmation that you wish to sell your property and have received all the necessary documents including the EPC, we will commence marketing your home. Firstly we will produce a Family Mosaic brochure of your home. The brochure will be sent to you for approval. At Family Mosaic we focus all our energies on getting as many interested buyers to view your property as possible. We will mail, text message and or email your property details to people registered with the local zone agent looking for property in your area. We will also add your property details to our website and if possible to the local Zone Agents website if they allow this with the aim of getting as many people as possible round to view your home. As the person who bought the property and who has lived there for some time there is no one better than yourself to show people your home, so we ask people to contact you to view your home and arrange a suitable appointment. To get the best results from the viewings, you need to follow a few simple but effective tips which you will find later in this brochure and which will have been discussed with you during your home visit. All potential purchasers will have been vetted by us to ensure they have an eligible connection to be considered to buy your home.

Financial Assessment Interview

When you originally purchased your New Build Homebuy (shared ownership) home you most probably had a financial assessment interview with one of our independent financial advisors, therefore the same happens to all potential purchasers so that we know they can afford to buy your home and obtain a suitable mortgage without causing you delays.

All potential purchasers must attend this interview otherwise we may not offer them the opportunity to buy.

The potential buyers will be requested to supply the following documents:

- payslips for the last 3 months. (Please supply 3 months' worth even if you are paid weekly)
- or
- If self-employed, audited accounts for the last two years from a certified accountant or last 2 years tax assessments from the Inland Revenue.
- Latest P60
- passport
- Last 3 months bank statements

These documents and the financial assessment interview notes will assist us in selecting the buyer for your home. In most case it is hoped the buyers will then use the financial advisor to arrange their mortgage however it is up to the buyer if they do or do not use our financial advisor.

We make an offer

We select using our selection and allocation policy a suitable buyer from all purchasers who have expressed an interest in buying your home, using the same criteria as we did when you bought your home from us.

The successful purchaser is then issued with an offer letter, which includes a reservation form in which they have 7 days in which to confirm to us that they wish to buy your home and provide us with details of their solicitor. They are also required to pay a non refundable reservation fee of gardens and management fees. If however you become a 100% owner of an apartment you will still be covered under our block

buildings insurance policy and you will continue to contribute to the service charge and pay the annual ground rent.

£250 which gives more commitment to buy your home. On receipt of this we will issue instructions to all parties of the sale details so that the sale can progress. At this stage your solicitor will be handling the legal work required to assign the lease to the new buyer. The new buyer's solicitor will be doing the same and ensuring the mortgage is in place ready for exchanging contract which is the time the sale becomes legally binding. We aim to do this within 4 weeks of the contracts being issued but this can be longer dependant upon how quickly the solicitors handle the transaction.

If at any stage before contracts are exchanged the buyer decides not to proceed with buying your home, we will then approach the other purchasers who were interested in your home and hope to quickly secure a new buyer.

Finally – completion day arrives.

Congratulations - You have now sold your property.

Please remember that you are selling direct to your buyer. It is therefore extremely important that you pass on keys and fobs, car park pass information and also to read the meters and advise your suppliers of the new owner to prevent any unnecessary utility bills or worse still entries against your credit file for missed payments.

We will adjust your account to show the new owner of the property and arrange to set up a new account for the buyer of your home.

We ask you to remember to cancel your rent and service charge direct debit with your bank.

We wish you well with your future plans.

How can I make sure that the sale progresses as quickly as possible?

It is advisable that you allow Family Mosaic to pass your contact details on to your buyers so that you can discuss possible moving dates. It is also important to liaise with your solicitors on a regular basis so that they can progress the sale with your buyer's solicitors.

Once a buyer has been found and we have instructed the solicitors, we do not have any direct involvement with the sale, however we are happy to assist if required.

When should I look for another home?

You should begin to look for another home to buy, as soon as you decide to sell. However, to avoid putting yourself under any pressure, you should not make an offer on another home until a buyer has agreed to buy your shared ownership home.

When you agree to buy a home, it is in your best interests to make everyone involved is aware of the timescales outlined in this leaflet. Remember that you and your buyer could decide not to proceed at any time up to exchange of contracts.

What if the buyer we find does not proceed?

Both buyer and seller have the right to pull out of the sale before contracts of sale are exchanged. If this happens we will find another priority buyer.

If it is over the 8 weeks, we would allow you to go to an Estate Agent if you wish, or we will continue to look for a buyer for your home – the choice is yours.



What if the valuation expires?

The valuation is valid for 3 months. If your buyer decides not to proceed or if a suitable buyer has not been found a new valuation will need to be carried out at a cost to yourself. This new valuation may change the marketing value of your home and this will be the new marketing price of your home. You will need a valid valuation to complete the sale.

What if I have made improvements to my home?

When you sell your home the valuer will value the property in its current condition including all home improvements. You will sell the share you own which will be a percentage of the full market value including home improvements you have made. Not all home improvements will increase the value of your home, but may make it easier to sell. Items such as a conservatory or high range kitchen may increase the value of your home. If you have done any major home improvements you will have needed permission from our Housing Management and Asset Management departments. If you have done this let us know and provide copies of the estimates/receipts for the work to the surveyor who will advise us if the works have increased the value of your home or not.

Can I sell on the open market?

As previously mentioned, if we have been unsuccessful in finding a suitable purchaser for your property within the nomination period specified in your lease, you may sell your property on the open market via an Estate Agent to a qualifying Affordable Homes purchaser.

If you own less than 100% of your property, any potential purchaser will have to complete a Housing Options application form and be approved by Housing Options and Family Mosaic. Potential purchaser must meet the criteria set down by the Government and administered by the Housing Options Zone Agents to qualify to buy a New Build Homebuy (shared ownership) home. If after the 8 week marketing period you nominate an Estate Agent the same rules apply and you will be responsible for paying any estate agents fees.

If you own your home outright 100%, you may sell on the open market and sell the property to anyone who wishes to buy your home. You must however inform Family Mosaic of the new purchaser so that service charges collections can be updated to prevent you any issues regarding collection of fees.

Top tips to help sell your home

At Family Mosaic we focus all our energies on getting as many interested buyers to view your property as possible. However, to get a suitable sale quickly for your property there are a number of things to bear in mind in order to make viewings successful and to get the best possible purchase price and speedy sale.

1. First & Foremost

When showing people around your home be yourself, friendly and warm to create a welcoming atmosphere. Before the viewing think about the best way to present your home, maybe practice on a friend how you would show a potential buyer round your home. Always greet your prospective buyer with a smile and invite them into your home. Calmly guide those viewing round your home, allowing the prospective buyer to enter the room first so they see the full size of the rooms and point out a few key points about your home that impressed you when you bought your home ie. the bathroom was fully tiled, the property had Gas Central Heating. Always end the viewing with the most impressive room, normally the main reception room as this creates a lasting impression.

2. Inform & Persuade

If you are carrying out your own viewings, nobody likes being sold to, so when discussing your home be informative about the positive aspects of the property, how you have improved the property, etc but never oversell and never inform buyers of items which are incorrect as this may result in the sale falling through later – Remember on average 1 in 3 sales can fail to complete.

3. Spick & Span

First impressions count with the majority of buying decisions decided on within the first 10 seconds of entering a property. Always make sure that the property is kept tidy and is well cleaned. Store away any toys, magazines and personal possessions to create a more spacious environment.

De-personalise your living space in order to allow your prospective buyers a chance to view the property in a less personal light.

Carry out any repairs that you have been putting off and ensure that the house is spotless. Failure to address smaller items may lead your buyer to think that the property has been neglected and they may leave uninterested.

4. Bright & Breezy

A new lick of paint, re-grouting tiles, new carpet, vinyl flooring or tiling will help to smarten up property. Finally ensure your home has fresh flowers, and that there are no unpleasant or strong smells – if so buy some air fresheners.

5. Personal safety

We all think of our home as a safe place and it usually is however when selling your home you are inviting strangers into your home. You personally don't know who is coming through your door so always try to have someone with you when arranging viewings. If it isn't possible to have someone with you try and ensure people know when you have a viewing, always carry your mobile phone with you and only arrange viewings in day light. When showing a potential buyer round your home, never go into a room first, always allow the potential buyers to enter the rooms first and remain near the doorway. Never let people into your home without a prior appointment.

6. Pets

Whilst pets are a loving member of your family, many buyers are put off by the unwanted attentions of a dog or cat (or other pet).

Wherever possible arrange for someone else to look after your pet when you have a viewing and ensure that your home is free of any pet smells.

7. Outside space

Gardens and balconies can be a real selling feature. Always ensure that your garden or balcony is kept neat, maintained and clear of debris. If you have plant pots, make sure they are filled with live plants preferably in flower. Pick up any rubbish around your property and ensure the bin store and cycle store are tidy and the doors shut.

8. Making appointments

Try to have an open day for your property, booking all appointments on the same day, that way potential buyers see that the property has a lot of interest.

9. Contact & Further Viewings.

You must always be as helpful as possible to potential buyers, however many problems are experienced when telephone numbers are swapped. Some potential buyers may need a second viewing to decide.

Your home is at risk if you fail to keep up payments on any mortgage, rent or other loan secured on it. Please make sure you can afford the repayments before you take out a mortgage.

**For further information
please contact:**

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