

Leasehold Resales Policy (Right to Buy and Right to Acquire)

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1.0 Introduction

- 1.1 This policy outlines the approach taken by Metropolitan Housing Partnership (MHP) when a Right to Buy (RTB) or Right to Acquire (RTA) owner wishes to sell their property.
- 1.2 This policy does not cover shared ownership properties.

2.0 Legislative/ regulatory context

- 2.1 Legislative context
- 1985 Landlord and Tenant Act
 - The Housing Act 1985
 - 2004 Housing Act

3.0 Scope

- 3.1 This policy applies to all landlords within Metropolitan Housing Partnership.

3.2 Granta Housing Society is a member of the Metropolitan Housing Partnership (MHP). As a member of the partnership Granta Housing Society adheres, where possible and practicable, to the same policies. When MHP is referred to in this policy this also includes Granta Housing Society, unless specifically stated otherwise.

3.3 This policy should be read in conjunction with other relevant policies and procedures.

4.0 Conditions for sale

4.1 Former tenants who have purchased their home under RTB or PRTB or RTA are free to sell their home at any time.

4.2 However if the former tenant applied to purchase their property through a home ownership scheme on or after 18th April 2005 and they wish to sell within 5 years, the leaseholder/freeholder will have to repay all or part of the discount.

4.3 If the former tenant applied to purchase their home on or after January 18th 2005 and they wish to sell within 10 years of the date of completion (the date on the lease) then MHP has the first right of refusal to buy back the property.

5.0 The Lease

5.1 The individual lease will outline if MHP:

- has to right to 'buy back' the property
- any time frames
- the discount repayment conditions

6.0 Nomination period

6.1 Where the buy back option applies MHP has 8 weeks to make a decision as to whether the option will be exercised, **however this does vary and leaseholders should check their individual leases.**

7.0 Selling the property

7.1 The owner will market their property for sale and the first contact will usually be made by the vendor or the vendor's solicitors requesting **information.**

8.0 For Sale boards

- 8.1 Leaseholders must:
- Check to see if their lease permits them to put up a 'for sale' board
 - Contact their local Council (the planning department) to find out if sale boards are permitted in their area

9.0 Resales and Assignment information

- 9.1 On receipt of a firm offer the vendor's solicitors may request information on the resale and assignment.
- 9.2 The information available about the property includes:
- The statement of account for service charges
 - The name and address of the current landlord
 - The most recent requests for payment made by or on behalf of the landlord relating to ground rent, building insurance for the 12 month period preceding the date the property was put on the market for sale.
 - The schedule showing last three years service charges
 - A summary of works and proposed works affecting the property and expected recharges.
 - A Deed of Covenant for resale
- 9.3 Granta currently charges a fee for this information at an hourly rate, that is reviewed annually. It is estimated that it will take two hours to provide.
- 9.4 Granta can **only** give this information to the vendor or the vendor's solicitors. It is the responsibility of the vendor or the vendor's agent to pass this information to any prospective purchaser.

10.0 Fees

- 10.1 Fees vary depending on the business and the terms of the lease.

11.0 Responding to solicitors enquiries

- 11.1 The Resales and Assignment information provides the detail required to resell a property.
- 11.2 If, in the course of a sale the purchaser's solicitors submits additional enquiries an additional administration fee will be payable, depending on the complexity of the enquiry. This will be charged at an hourly rate that is reviewed annually.

12.0 Blank

13.0 Completion

- 13.1 Once the completion date is known MHP will calculate what monies are owed (if any), for example, management and maintenance charges, major repairs or ground rent.
- 13.2 Where applicable MHP will also calculate the discount repayable which is to be paid upon completion of the sale.
- 13.3 Completion cannot take place unless all debts are paid.
- 13.4 The vendor's solicitors will inform MHP when completion has taken place and will send a copy of the Notice of Assignment/Transfer with any applicable fee.
- 13.5 MHP will not grant transfer on any resale unless all arrears are cleared.

14.0 Equality and diversity

- 14.1 In the implementation of this policy, MHP will adhere to the Equality and Diversity Policy, and as such will not discriminate against any resident on grounds of their race, ethnic origin, gender, sexuality, marital status, disability, age, religion or class. (Please refer to the [Equality and Diversity Policy](#))

15.0 Complaints and appeals

- 15.1 If any person believes that they have not been treated in accordance with this policy, they may complain through the complaints procedure. (Please refer to the [Complaints Policy](#).)

16.0 Monitoring and evaluation/ Quality Assurance

- 16.1 This policy will be monitored on a quarterly basis.

17.0 Author

- 17.1 This policy and procedure was drawn up by: Leasehold specialists in MHP and Policy & Performance and edited for GHS by Mair Walker.
- 17.2 Comments, queries and feedback and help
We always welcome comments and feedback. Please contact the Policy Manager (Housing), Policy & Performance.

18.0 Date for review

- 18.1 This policy was approved by the Housing Operations Group (HOG) on 6th June 2008 and by the GHS Housing Operations Director for the Society in July 2008.
- 18.2 The policy and procedure will be reviewed 3 years after commencement, unless there is a significant change in legislation in which case it may be reviewed earlier.