



VIVID

Staircasing Guide

How do I staircase?

You need to do four things:

- Speak to a financial advisor to check if buying more of your home is right for you.
- Arrange for a valuation of your property.
- Select and instruct a solicitor.
- Complete the form on the back page of this leaflet and send it together with a copy of your valuation report to: sales@vividhomes.co.uk

“On EVERY occasion the team have been informative, understanding and patient. I cannot thank them enough, as a family we are moving through a very tricky time and the support and service we have received has helped in many ways. I am aware people will often take time to complain – so I want to send the message of how great your team has been and to thank you.”

Alison, Hampshire

Costs

You'll cover your legal costs for the staircasing, and we'll cover ours. However, there are a few other costs you might need to budget for, so we wanted to let you know about them now.

Management pack

If there's an external management company at your development, they might need to send your solicitor a management pack. Your solicitor will need to get this directly from them. As they're separate from us, they'll be able to confirm their costs directly.

Lease changes

Sometimes a lease needs to be amended before the staircasing can go ahead. This can be for a few different reasons, and your solicitor will explain why it may be needed. Any amendments to the lease will incur costs from both your solicitor and ours, of which you'll be responsible for both. But don't worry, our solicitors always make sure their fees are reasonable.

Lender's fees

Depending on your lender, and how you're funding your staircasing, there may be fees to pay to them. Please speak to your Independent Financial Adviser (IFA) or your lender directly and they will be able to give you the best guidance on any fees.

Stamp Duty Land Tax (SDLT)

Your solicitor will be able to guide you on whether any SDLT is due when you buy more shares. They'll explain what applies in your situation and the costs involved.

For ease Vivid do not charge an admin fee



Independent Financial Advisors (IFA)

You should speak to an IFA to discuss your options

Shared Ownership mortgages have some extra requirements that are different to open-market mortgages, so it's important you use an IFA who has experience in Shared Ownership.

If you're increasing your mortgage to buy more shares, you or your IFA need to speak to your lender to organise the additional funds you require. Please note that, under the terms of the Shared Ownership scheme, your mortgage offer will need to be approved by our solicitor.

We are signposting you to our panel advisors that do not charge you a fee for advice. They know we expect our customers to be treated as a priority and we expect them to go the extra mile. Even though they have been signposted by VIVID, they are in no way part of VIVID, our partners or any affiliated groups. Please note that VIVID is not a credit broker. If you choose to use another financial advisor that is absolutely fine too, just let us know who you decide to use.

Chartwell Funding

01454 540500

vivid@chartwellfunding.co.uk

Maxim Financial Solutions Ltd

01753 833275

info@maim-mortgages.co.uk

Charters

03454 500 200

vivid@chartersfinancialservices.co.uk



Arrange for a valuation of your property

You'll need to arrange and pay for your property to be valued.

The valuation must be carried out by a RICS (Royal Institute of Chartered Surveyors) qualified surveyor.

Please note that we're unable to accept 'mortgage' valuations provided by a lender for the purpose of calculating the staircasing premium as this creates a conflict of interest.

Your valuation will be valid for three months, so you must complete the transaction in this time or the valuation will need to be updated.

This can normally be done at a reduced fee, as the surveyor won't have to visit your home again. However, if the value has increased, the share you're buying will cost more.

You can choose any surveyor you want to value your home as long as they are RICS qualified. To make things easier, we've listed some surveyors that are RICS qualified who'd be happy to quote and carry out the valuation for you. You'll need to contact them directly to arrange and pay for the valuation.

PORTSMOUTH AREA:
Chandler Hawkins

SOUTHAMPTON AREA:
Now Survey
02380 224189

ALL AREAS:
Frazers Surveyors
01483 730909

Bartley West Surveyors
02380 861123

Imperium Chartered
Surveyors
01329 846996



Select and instruct a solicitor

When you increase the share you own in your home, you'll need to instruct a solicitor to act on your behalf.

Shared Ownership transactions have some extra requirements during the conveyancing process which differ from open market sales, so we strongly recommend you use a solicitor that has experience in dealing with Shared Ownership.

Here are some suggestions of experienced firms, feel free to contact them to see if they suit you, or you can instruct another firm if you wish to.

Mortgage approval and certificates

If you are interim staircasing and getting a mortgage, our solicitors will need to approve this. But don't worry, this is a standard procedure and should not cause any delays. There will be a fee for this, but our solicitors will ensure this is reasonable.

In addition, your solicitors might require a certificate for the Land Registry. If our solicitors can provide this, they will do at a reasonable fee. If a third party needs to provide this, your solicitor will speak to them during the transaction to understand the cost. Don't worry, your solicitor will be responsible for dealing with the Land Registry on your behalf.

Phillips Law Solicitors

01256 460830

trish.coutts@phillips-law.co.uk

Abels Solicitors

02380 220317

enquiries@abels-solicitors.co.uk

Dutton Gregory Solicitors

01962 624415

contact@duttongregory.co.uk

New Riverside Legal

02039 242290

newenquiries@newriversidelegal.com



Frequently asked questions (FAQ's)

What are the costs involved?

When you buy more shares in your home, you can expect to pay:

- Valuation fees
- Legal fees
- Mortgage arrangement fees or charges by your existing mortgage lender
- Stamp duty (if applicable)

Remember, you must continue to pay your rent and service charge whilst staircasing or you'll be in breach of your lease and the transaction may be terminated.

Do I benefit from any improvements that I have made to the property?

If your improvements have added value to your home (and not all home improvements do) they won't be included in your valuation. This means you won't have to pay more for your additional share if the value of your home has increased due to work you've done.

What happens if I staircase to 100%?

Once you buy 100% of your home, you'll no longer have to pay any rent. If your property is a flat, you'll remain a leaseholder and may still have to pay service charges, ground rent and management fees to us. In most cases, if your property is a house, the freehold will be transferred to you on completion, and your solicitor will be able to confirm this to you during the transaction. Once this has happened, we will no longer charge you for buildings insurance and you'll need to arrange your own cover. You may still have to pay a service charge if you live on an estate and have to contribute to communal costs, again this information will be confirmed by your solicitor during the transaction.

Is there any reason why I wouldn't be able to staircase?

Some homes have a restriction on staircasing and there can be a limit on the maximum shares you can own. Details of any restrictions can be found in your lease. If you're unsure if this applies to your property, please ask us to check for you. You won't be able to buy extra shares if you're behind with your rent or service charge payments.



Staircasing application form

I wish to buy more shares in my home.

Name(s):

Property address:

Telephone number:

Email:

Percentage share currently owned:

 %

Current market value (£100%):

I/we will be purchasing a further

 % share

Value of share to be purchased:

 £

The solicitors acting on my behalf are:

Name:

Firm:

Address:

Telephone number:

Email:

I understand that this transaction must be completed on or before the valuation expiry date, after which a revaluation will be required before the staircasing can proceed

I/we confirm that we have instructed our solicitor

I/we confirm that we have read and understood the information in this guide

Signed 1:

Date:

Signed 2:

Date:

Please complete and email this form with a copy of your valuation report to: sales@vividhomes.co.uk