

Buying a Shared Ownership resale property

A resale property is a Shared Ownership property that the current owner bought new from us or as a resale. Shared Ownership properties are designed as a stepping stone to completely owning your own home, allowing you to buy as much as you can afford when you can afford it. The property would have been partly funded by the government and aims to help first-time buyers.

Buying a resale property makes you an owner-occupier because you are buying at least the current owner's share on the existing lease. The great thing about choosing to buy a re-sale shared ownership property is that it gives you the opportunity to speak to the previous owner and to find out more about the area. You also have the chance to understand what bills they are paying and see how they have used the space for their furniture.

Steps to the buying process

- 1 Contact the current owner and arrange to view the property you are interested in.
- 2 If you like it, email resident.sales@newlon.org.uk to express your interest.
- 3 Complete the reservation form and application form we send to you and return to us as soon as possible.
- 4 We will refer you for an affordability interview with our independent financial advisors (IFA). You will need the following for the interview:
 - Last three months payslips
 - Last three months bank statements
 - Proof of credit commitments, such as loans
 - If they require further documents, make sure you send all documents for the attention of the financial advisor who is assessing your purchase.
- 5 Once the IFA have reviewed your documents and are satisfied that you can afford the property, they will inform us.
- 6 Up until this time the property you have shown an interest will still be on the market. If you do not want to miss out on your chosen property it is essential that you complete your affordability assessment as quickly as possible.

- 7 We will assess all reservations forms and IFA reports we have received and allocate to the most suitable applicant.
- 8 Once we have allocated the property, we will issue a letter of offer and you will have five working days to:
 - accept or decline the offer by returning the acceptance form.
 - decide whether you want the IFA to provide your mortgage or find your own.
 - appoint a solicitor to act on your behalf.
- 9 On receipt of the acceptance form, we will issue a Memorandum of Sale (MoS) and Instruct solicitors. The MoS summarises the details of your proposed purchase and this makes your intention to buy your home a legally binding agreement. It also allows the seller to finalise their move and we encourage constant communication between the seller and the buyer at this stage to facilitate a smooth completion.
- 10 Your mortgage company will arrange a valuation survey.
- 11 Your solicitors will arrange legal searches and liaise with the seller's solicitors to satisfy any queries.
- 12 The exchange and completion date will be determined by the seller and buyer and finalised by both sets of solicitors. The agreed date should be forwarded to Newlon's solicitors so we can check that there are no arrears or deficits on the sellers' rent account.
- 13 We will aim to complete the buying process in no longer than six to eight weeks. However, this timescale is largely dependent on you. We will of course assist to make the process as smooth as possible.
- 14 Finally, ensure that your solicitors do the following:

Send us the Notice of Transfer and Charge confirming you are the new owner of the property.

Provide you with a copy of the lease which is a legal document that proves you own part of your home and it sets out certain conditions such as:

- How often your rent and service charge is reviewed
- The conditions of the lease which must be adhered to
- The conditions regarding selling or buying further shares
- What you should expect from us and
- Your rights and responsibilities as owner-occupier

Need any further information?

Please contact our Residents' Sales Officer at Newlon Housing Trust, 4 Daneland Walk, Hale Village, London, N17 9FE, or email resident.sales@newlon.org.uk.