



Hyde Guides

Here to Help You
Realise Your Dreams



Your Guide To:

Staircasing
(Buying more shares in your
Shared Ownership home)



Hyde New Homes
Making a lasting difference



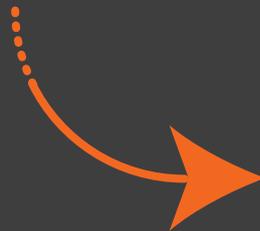
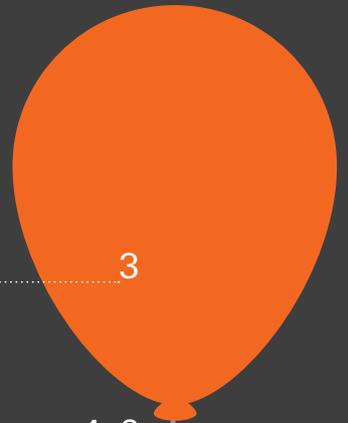
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Contents

An Introduction to Staircasing.....	3
Who is eligible?	
What are the costs of Staircasing?	
A Step-by-Step Guide to Staircasing.....	4-6
About Hyde New Homes.....	7
Contact Us	



An Introduction to Staircasing

Buying more shares in your home is called 'Staircasing' and most leases allow you to do this to a point where you own your home outright. The price you pay for the additional shares is based on the market value of your home. You may staircase in separate stages, or in one stage to 100%. The minimum share you can buy is 10% of the unsold equity.

You are under no obligation to buy more shares. The more equity you own, the lower your rent will be. If you get to the point where you own 100% of the shares in your home, you will own it outright and no longer pay any rent. If your home is a house and you own it outright, you will be given the freehold and no longer pay any service charge. If your home is an apartment, you will continue to pay the service charge and remain a leaseholder.



Who is eligible?

Most Shared Owners may staircase. In a few cases your lease may limit the share of your home you may buy. This usually applies to homes in rural locations; you can find details in your lease.

You must ensure that your rent and service charge are paid up to date. Hyde can't consent to Staircasing if you are in arrears.

What are the costs of Staircasing?

- Valuation fee
- Your solicitor's fee
- Mortgage arrangement fee
- Leasehold enquiry fee
- Stamp Duty (if applicable)

Step-by-Step Guide to Staircasing



Step 1



Contact Hyde

Contact the Resale & Staircasing Team at resales@hydenewhomes.co.uk or on 0345 606 1221. They will send you an information pack and the details of qualified RICS Surveyors and solicitors.

Step 2



Valuation

When staircasing you will buy more shares in your home based on the current market value and you will therefore need to have your property valued by an independent surveyor.

In order to determine the value of your home you will need to instruct an independent RICS (Royal Institute of Chartered Surveyors) / FRICS (Fellow of Royal Institute of Chartered Surveyors) from a panel that will be provided to you. These experienced panel of valuers will provide you with an independent open market valuation of your home at a competitive rate. Please note that you are responsible for the valuation fee.

Once the valuer has been instructed, according to the terms of your lease, their decision is binding for all parties for the duration of the validity of the valuation.

Any significant improvements you have made to your home should be listed and two values will be provided; one that takes the improvements into consideration, and one that does not. The valuation without improvements will determine the cost of additional shares.

Considered as improvements

New windows, new fitted kitchens or bathrooms, loft conversions and conservatories

Not considered as improvements

General maintenance, repairs and redecoration

...Step 2 continued

If the valuation report shows that the value of your home has gone down due to lack of maintenance or repair, Hyde will require a valuation that assumes your home is in good condition for its age on which to base the cost for additional shares.

For comparison, the surveyor will also research the local area and include in the report the details of at least three similar properties that have been sold or sold subject to contract within the last three months.

Valuations are valid for three months, therefore the Staircasing transaction should take place within this timeframe to avoid the value increasing, as this would affect the cost of additional shares.

Step 3**Form of Instruction**

Hyde will check the valuation and send you the Form of Instruction if approved. You will require financial advice to confirm the additional shares that you can afford. You should then return the Form of Instruction to Hyde with solicitors details and confirmation of the percentage of additional shares you wish to buy. Joint leaseholders will both be required to sign the Form of Instruction.

At this stage, you will be required to pay Hyde a £225 administration fee, of which £100 is refundable if you decide not to continue with the Staircasing transaction.

Step 4**Confirmation of New Share**

Once Hyde are in receipt of your Form of Instruction, you will be sent a formal offer letter confirming the share you are buying and the cost. If you are only part Staircasing, Hyde will inform you of the amount of reduced rent payable once you have completed.

Step 5**Instruct Your Solicitor and Arrange Your Mortgage**

You should instruct your solicitor to act on the Staircasing transaction and Hyde will instruct theirs. At this stage, you will need to arrange your mortgage.

Once you have your mortgage offer, contact your solicitor to complete the Staircasing transaction. Hyde's solicitor will send your solicitor a completion statement to confirm the increased share and the completion date. Hyde will also check that you don't have any outstanding rent or service charges. Outstanding amounts will be collected on completion by Hyde's solicitors.

You are advised to stress to your solicitor and lender that the transaction must take place within three months, before the valuation expires so that you don't incur additional costs.

Step 6



Complete the Staircasing Transaction

Congratulations! You now own either 100% of your home or a larger share. If you now own your home outright, your solicitor will register your transaction with the Land Registry.

Hyde will adjust your account to show the increased share that you own. If you now own 100% of your home you won't pay rent any longer. You may still have to pay a monthly service charge and ground rent. If your home is a leasehold apartment or a house with an estate charge. Hyde will send you a completion letter confirming all future payments.

If your home is a house and you now own 100%, you will be required to arrange your own buildings insurance to start on the day you complete. If you have Staircased in an apartment, the buildings' insurance will still be included in your service charge.

Once you have Staircased to 100% ownership, you are free to sell your property on the open market. Please note that some leases restrict you from selling your home for three months following final Staircasing.



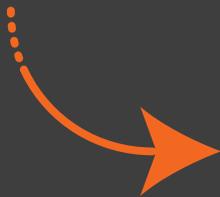


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Hyde New Homes

Hyde New Homes is part of the award-winning Hyde Group, one of England's leading developers of homes for all needs and incomes. Having delivered in excess of 50,000 homes, Hyde provides housing for Outright Sale, Shared Ownership or rent in prime locations, both in urban and rural settings. Last year, Hyde assisted over 400 customers to realise their dreams of owning their own home.



Contact Us

If you have any further questions about Staircasing, please contact:

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E: resales@hydenewhomes.co.uk



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