

A guide to...

# Your Shared Ownership Lease



# A guide to your Shared Ownership Lease

# Welcome

**Your lease is an important document which forms the legal contract between you, as the shared owner and Hastoe, as your landlord.**

Your solicitor should have explained the lease and its contents to you before you bought your home, but we are happy to help if you have any questions.

Your lease is an important legal document so keep it in a safe place.

## What is a lease?

The lease gives you the right to use and live in your home and explains your rights of ownership. Hastoe own the freehold of the building and, in most cases, the land that the property is built on.

If you have bought your home from Hastoe as the first sale, the lease will probably be for a period of 125 years and will have your name on it. If you bought your home from another person, the lease will have been 'assigned' to you for the remainder of the original term. You will have a Notice of Assignment confirming that you have purchased the lease, giving details of the

remaining term. Please note the original owner's name will remain on the original lease.

If you need legal advice regarding your lease, you should seek this from an independent solicitor. As a general guide your lease sets out the following:

- The length of your lease, including the date it started.
- Your responsibilities as the owner/ leaseholder
- Hastoe's responsibilities as the landlord

## What other information does the lease contain?

The lease will also describe the property that you have bought and will contain plans showing details of any garden, shed or garage and your rights, if any, over communal areas. Leases differ depending on the year they were issued, but each will be split into sections, known as schedules. Each of the schedules refers to particular rights, responsibilities and/or obligations.





These are:

### **The Premises**

This schedule details the parts of the property you own, and are responsible for. For example walls, floors etc.

### **Mutual Covenants**

These are the obligations for you to adhere to. This ensures there is no improper use of the property, such as anti-social behaviour or illegal activity.

### **Easement Rights & Privileges**

Gives details of access rights, such as utilities and walkways. It explains our rights for access if required and also your rights to use communal areas etc.

### **Exceptions & Reservations**

This allows your landlord to access your property to ensure the appropriate use of the home, as detailed in the mutual covenant section.

### **Rent Review**

Each year, your rent will increase. This section will detail how the increase is calculated.

### **Staircasing**

If you have the right to buy further shares in your home, this section will contain the legal guidelines for doing this.

### **Defined Terms**

This is a list of legal terms, along with their meanings.

### **Assignment of whole to nomination purchaser**

This gives your landlord rights to nominate a purchaser if /when you choose to sell. There may also be a defined period of time for Hastoe to do this.

Please note not all the above will be in every lease as they are reviewed and changed. If you have any questions, please contact the Sales team.



### **How do I know what parts/ areas are mine?**

A plan will be attached to your lease which shows the boundaries for your home. These areas are usually highlighted using red lines. There may also be another plan showing any communal areas which you may contribute to the maintenance of.

You may find 'T' marks on the plans, these highlight which boundaries you are responsible for.

# A guide to your Shared Ownership Lease

## What am I responsible for?

As a shared owner, you are purchasing a self repairing lease. This means after the first year of the property being built, you are responsible for maintaining all parts of the property e.g. boiler, heating, windows etc. Please check your Home User Guide (provided when the property is first built) as some parts may be covered by extended manufacturer warranties.

The lease will state this in detail, but you are responsible for repairing or replacing:

- Floors and ceilings inside your home
- Internal walls
- Doors and door frames
- The glass in the windows
- Fixtures and fittings such as kitchen units, baths etc.
- Piping, drains, wiring that serves only your home
- Redecoration (including plastering etc.)
- Your garden, shed and fence panels
- Gas and other safety checks

## My property is restricted - what does this mean?

For some purchasers, the maximum share you are able to buy is capped at 80% or less. Please read 'What is Staircasing?' section on page 5.



## What do I pay my service charges for?

- Structural parts in any joint/communal areas
- Lights, lifts and electrical fittings in any joint/communal areas
- Communal drains, tanks, pipes, wiring etc.
- External decorations if in an apartment
- Estate management (e.g. Gardening of any communal areas)

## Can I make improvements/alterations to my home (new kitchen/bathroom etc.)?

Your home is yours to decorate as you wish. If you wish to make any structural alterations to the house (e.g. moving walls, building extensions) you must seek written permission from Hastoe before the works are started.

If you have written permission to carry out the work and you wish to staircase, we will deduct any increase in your property price caused by these improvements.

If you do not obtain permission to carry out these works and wish to staircase at a later date, any added value to the property will impact on the cost of the extra shares.

## Can I let out my property or rent out my spare room?

You are not allowed to move out of the property and rent it to someone else.

If you wish to rent out a spare room to someone, this is allowed as long as you are living in the property as well.

## Can I extend the length of my lease?

Yes. Once your lease has 80 years or less remaining, this can become problematic when remortgaging or selling. Therefore we recommend extending your lease before it gets below 80 years. Please note there are costs involved in this process.

If you would like to discuss extending your lease, please contact us on **0300 123 2250** and we will guide you through the process.

## I've lost my lease - can I get a copy?

If you require a copy of your lease, please contact us and we will arrange for a copy to be sent to you. Please note there will be an administration charge of £20 for this.





### Can I have pets?

Hastoe is happy for you to have pets on the basis they are not a nuisance to others.

In flats, no dogs or cats are allowed, unless the property has a private garden and own entrance.



### Can I install a satellite dish/Sky/cable?

Hastoe do not have any restrictions on installing any of the above. However, if you want to install a satellite dish (including any Sky dish) you will need to check by calling the planning office at your local Council to see if they have any restrictions on this.

In most of our apartments, a communal satellite dish will have been fitted as part of the initial build. Details of this can be found in your Home User Guide.

### What is Staircasing?

Staircasing is the term given to buying further shares of your home. Some properties, particularly those in rural areas, are limited to staircasing to a maximum of 80%. This information will have been provided to you when you bought the property and will also be listed in the lease.

You are able to staircase as soon as you first purchase the property. However, this is not usually advised, as you are likely to be in a fixed rate mortgage and high fees are often incurred from the lender, if you try to change this agreement during the fixed rate period.

The purchase will be calculated using the current market value of the home. If you would like further details of this, please contact our sales team on **0800 783 3097** who will be happy to guide you through the process.

For further details on selling your home, please refer to our Staircasing Guide.

### How do I sell my home?

Your lease states that Hastoe has a period of time in which to market your property and to find you a buyer. During this time, you are not permitted to instruct an estate agent.

If we do find a suitable buyer for your home, we charge an administration fee which is less than high street estate agents.

If Hastoe unable to find a suitable buyer within the time frame provided, we will inform you that we will continue marketing your home but you can instruct an estate agent to sell the property on your behalf. Any potential buyers recommended by the estate agent, must be approved by Hastoe.

For further details on selling your home, please refer to our Resales Guide.

# A guide to your Shared Ownership Lease

## Meanings of common words used in your lease:

**Assignment:** Where a property changes ownership and is placed in to a new name.

**Breach:** When one of the rules within the lease is broken.

**Communal area/s:** Places/areas available for use by all residents/ neighbours on an estate.

**Conveyance Plan:** A document detailing what you are purchasing

**Covenants:**  
Rules and responsibilities.

**Deed of variation:** Where a clause in the original lease is updated.

**Defects:** Any defective issues found in a new build house within the first 12 months following its completion.

**Easement:** The legal right of way over your land or someone else's.

**Forfeiture:** Where we (Hastoe) repossess your lease following a breach of the lease terms, e.g. non-payment of rent/service charges.

**Freeholder:** The person/company who owns the land your home is built on.

**Header lease:** Where the property is built on land that we (Hastoe) have leased ourselves.

**Land registry:** The government agency that holds records of land ownership.

**Lease:** A document outlining all agreements between a buyer and a seller.

**Lease extension:** Where you make the length of your lease longer.

**Lessee/Leaseholder:** The person who has purchased the lease (you).

**Lessor/Landlord:** The owner of the freehold (usually Hastoe).

**Mortgagee/Lender:**  
The person/bank lending the money to buy a home.

**Mortgage Protection Clause:**  
An agreement that the mortgage will be paid in full before anyone else received funds following a repossession or sale of the property.

**Mortgagor:** The person who has taken out the mortgage to buy a home (you).

**New build:** A brand new property that has just been built.

**Nominations agreement:**  
An agreement with us (Hastoe) and the Local Authority showing who gets priority for the homes and also outlining any local connection requirement.

**Notice of charge:** A document that notifies Land Registry of your ownership of a home and details any mortgage on the property.

**Notice of transfer:** A document that transfers the ownership of a home to someone else.

### **Perpetuity Clause:**

A requirement for the owner of a home (once they own 100%) to inform us (Hastoe) of their plans to sell their home if they have owned their home for less than 21 years.

**Repossession:** Where your mortgage lender takes your home from you due to arrears

**Resale:** The sale of a shared ownership property by its current owner to someone else

**Restricted staircasing:**  
A limit on the amount of the property you can buy.

**S106:** A contract between us (Hastoe) and the Local Authority stating what we can build and what it can be used for.

**Service charge:** A charge paid by the homeowner for services provided to the estate

**Staircasing:** The procedure of buying further shares of your home

**Term of years:** The length of the lease

**Terms of a lease:** Individual rights and obligations

**Title deeds:** A document which shows the owner of a piece of land. This is recorded by Land Registry.

**Undertaking:** Commitment by any party to do someone relating to the property.

# Notes

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Sustainable homes,  
sustainable communities

# Hastoe

 Group

For further details of how shared ownership works, eligibility criteria or properties available please contact [sales@hastoe.com](mailto:sales@hastoe.com) or call **0800 783 3097**.

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