

Selling / assigning your shared ownership lease

What is assignment?

Assignment is the term given when you sell your shared ownership lease. When you sell your shared ownership lease, the purchaser is agreeing to take on the terms and conditions within the lease. This transfer of responsibilities from one party to another is the 'assignment'.

You can only sell your share of the lease. For example, if you own a 50% share, then you can only sell 50%.

How does the process work?

In order to sell your shared ownership lease you need to formally notify Orbit by completing and returning the attached form the administration fee, payable to Orbit, as applicable, and as set out in our 'administration charges' leaflet.

Which valuer can I use?

You are responsible for obtaining your own valuation; the report submitted to Orbit must be an open market valuation report. Before instructing your chosen valuer, you must ensure they are Royal Institute of Chartered Surveyors (RICS) qualified and current members; failure to do so may mean that Orbit is unable to agree to your chosen valuer. You can locate a valuer and check they are qualified through the RICS website at ricsfirms.com.

We recommend you obtain several quotes and query if the valuer will charge you for extensions should they be required.

Please note that an estate agent's valuation is not acceptable. Under the terms of the lease the valuation must be carried out by a RICS qualified surveyor. Whichever valuer you choose, you are responsible for their fee.

How long is the valuation valid for?

If completion has not occurred within three to six months, you may wish to obtain confirmation

from your valuer regarding any changes in the open market as your property may have increased in value, however this is not a requirement for Orbit. Your valuer may charge for this. **It is also important to note that if a new valuation is obtained and the figure differs from the original valuation, the amount you may sell your share for will alter accordingly**

What happens if I am not happy with the valuation figure?

If you dispute the value provided by your RICS valuer, you are able to challenge this by providing written reason for your concerns directly with your chosen valuer. You should provide evidence of the sale prices of at least three similar properties in your area. You may then request your valuer reconsiders their opinion. If you are still not satisfied with the outcome you may instruct another RICS qualified valuer to revalue the property at your expense. Orbit will not be involved in this process and should only be forwarded the report once you are happy to proceed.

Are my improvements taken into account?

Yes. When the valuer attends the property you should outline the improvements that you have made to the property (e.g. fitted double glazing, fitted a new kitchen or extended the property.) The valuer will then provide two valuations in their report, one taking into account the improvements and one assuming the work had not been carried out. Your share will benefit from the equity increase provided by the improvements. Please note that in order for improvements to be considered, Orbit's prior consent must have been obtained. Please refer to our 'improvements' leaflet for more information.

How much can I sell my share for?

The value of your share is calculated from the RICS open market valuation. Once Orbit receives the valuation, we aim to confirm to you the maximum sale price of your share within five working days.

Do I need an Energy Performance Certificate (EPC)?

Yes. Before Orbit will attempt to nominate a purchaser you must have provided an EPC. You should forward the EPC when you have received our formal confirmation of the share price. Legislation requires a prospective purchaser to be provided with an EPC during the sale process.

How do I find a buyer?

To assist with your sale, Orbit can advertise your property on Share to Buy and any contact through the website will be passed to you to arrange viewings. Our experience with Share to Buy has produced positive results with regards to our shared ownership resales, however we cannot guarantee a buyer will be found in this way, therefore we recommend that you also look to advertise your property on the open market, with your local paper or use social media websites.

Please note; Share to Buy charge Housing Associations for using their services and therefore Orbit have made the decision to charge a further £50.00 on top of the £100.00 administration fee if customers wish for their properties to be advertised on the Share to Buy website. If you do not wish to market your property via Share to Buy, the additional £50.00 is not payable and therefore customers will be required to market their properties with an Estate Agent.

It is your share that you are selling, and Orbit is not party to the sale, although our consent is required. Remember though, that your purchaser must be eligible for shared ownership, and they will be able to access an online eligibility checker on the Government Website: <https://www.gov.uk/shared-ownership-scheme/who-can-apply>

Please note that the sale price must not be more than the market value as assessed by the valuer, although you may sell for less than the valuation.

I have found a buyer, what happens next?

Once you have decided who you are going to sell your share to, you should provide Orbit with the purchaser's name and contact details. We will then issue paperwork to the buyer outlining what they need to do in order to obtain our consent. They will be assessed to ensure they are eligible for shared ownership and will need to provide evidence of identity and affordability to an Independent Financial Advisor and they will be required to provide a copy of their mortgage offer once available. Upon receipt and satisfaction of our required documentation, we will issue formal consents to the sale to all parties.

Is there anything else I will have to pay for?

You will be responsible for our administration fees, the valuation fee, your solicitor's fees plus any costs due to your mortgage lender and possible estate agent fees.

Do I need to do anything at completion?

Once you have completed the sale you should cancel your Direct Debit. The purchaser's solicitors will forward the Notice of Transfer to Orbit to confirm the assignment has taken place.

Who do I contact if I have any more queries regarding assignment?

If you have any further queries, please contact your Home Ownership Officer on 0800 678 1221 or Homeownership.Services@orbit.org.uk

Alternatively, you may visit our website at www.orbit.org.uk

Intention to assign

Please complete this form if you wish to start the assignment process and return to:

Orbit Living
PO Box 6406
Coventry
CV3 9NB

or

Homeownership.Services@orbit.org.uk

Your name(s):

Your address:

Post code:

I currently own % and wish to sell this share in the above property. I have arranged for payment of the £100.00/£150.00 administration fee payable by BACS or card payment and enclose a RICS open market valuation.

The open market valuation will value the property as 100% leasehold or freehold with vacant possession and will assume the shared ownership lease had not been granted. Improvements and/or failure to keep the property in good repair are to be disregarded.

The service charge (if applicable) has been considered at current levels.

Improvements carried out to my property:
(please list any improvements and tick the relevant statement)

- No improvements have been made that significantly affect the property value
- Improvements have been made of which Orbit has previously been advised and I hold consent for
- Improvements need retrospective consent (An additional fee will be payable and the improvement process will be followed)

Please sign below (If the property is in joint names, both leaseholders must sign):

Signed: _____

Dated: _____

Signed: _____

Dated: _____

How to get in touch

For further information
please email us at:
info@orbit.org.uk

Or call:
0800 678 1221

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