



**A STEP-BY-STEP GUIDE TO:
STAIRCASING**

An Introduction to Staircasing

Buying more shares in your home is called '**Staircasing**' and most leases allow you to do this so that you can own 100% of your home. The price you pay for the additional shares is based on the current market value of your home. You may staircase in three 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 shares you own, the lower your rent will be. If you get to the point where you own 100% of your home, you will no longer pay rent. If your home is a house and you own it outright, you will be given the freehold title. **Please note some houses are liable to continue to pay a monthly estate charge. If your home is an apartment, you will continue to pay the service charge and remain a leaseholder.**

Guide to Staircasing

Step 1: Contact Homes for Lambeth (HfL)

Contact the Team at info@additionhomes.co.uk and advise that you would like to staircase. They will send you an information pack and the details of a panel of qualified RICS Surveyors and solicitors.

Step 2: Valuation

To enable HfL to provide you with the purchase price for the shares you wish to purchase, your property must be valued by an independent Surveyor qualified through the **Royal Institute of Chartered Surveyors (RICS)** from the panel list.

The **Surveyor** is fully independent from HfL and we have no influence over the valuation figure placed on your property. Please note that under the terms of your lease the Surveyor's valuation is final and binding for both the Leaseholder and HfL.

For the avoidance of doubt, HfL will not accept a valuation from a Surveyor other than one chosen from the panel.

As soon as we receive a copy of the RICS valuation report, we will calculate the purchase price of the share you wish to buy and write to you with full details of the next stage.

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.

Not considered as improvements: General maintenance, new boilers, repairs and redecoration.

Guide to Staircasing

If the valuation report shows that the value of your home has gone down due to lack of maintenance or repair, HfL 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 will affect the cost of additional shares.

Step 3: Form of Instruction

HfL will check the valuation and if approved, will send you the **Form of Instruction**. You will require financial advice to confirm the additional shares that you can afford. You should then return the Form of Instruction to HfL with your solicitor's 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 HfL 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 HfL is 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 buying a partial share, HfL will inform you of the amount of reduced rent payable once you have completed.

Guide to Staircasing

Step 5: Instruct your solicitor and arrange your mortgage

You should instruct your solicitor to act on the Staircasing transaction and HfL 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. HfL's solicitor will send your solicitor a completion statement. HfL will also check that you do not have any outstanding rent or service charges. 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 do not 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.

HfL will adjust your account to show the increased share that you own. If you now own 100% of your home, you will no longer pay rent. You may still have to pay a monthly service charge or an estate charge and ground rent. HfL 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 building's insurance to start on the day you complete. If you have Staircased in an apartment, the building's 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.

Homes for Lambeth

The Homes for Lambeth vision is **to build more and better homes for the people of Lambeth**. It also works towards achieving the strategic objectives as set out in the HfL Business Plan:

- Build new sustainable homes for local people.
- Deliver high quality community places and a great landlord service.
- Generate surpluses for reinvestment in new homes.
- Build the Homes for Lambeth infrastructure and a high performing team.

Contact us

If you have any further questions about Shared Ownership, please contact:

Addition Homes

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[AdditionHomes.co.uk](https://www.additionhomes.co.uk)
[HomesforLambeth.co.uk](https://www.homesforlambeth.co.uk)