



Persona Homes

by Home Group

HUNTLEY PLACE

READING, BERKSHIRE

**Shared Ownership
FAQs**

Buying an apartment

1. How old do you have to be to live at Huntley Place?

At least one of the people who's buying the apartment should be age 55 or over, and all other occupiers should be age 50 or above. You'll also need to show that you can live independently at Huntley Place.

2. I have a health condition, can I still live at Huntley Place?

Yes, absolutely – as long as you're able to live independently, you can live at Huntley Place.

Please note as part of our standard sales process, one of our colleagues will chat through your day to day living needs and the help you might need.

3. Should I get legal advice?

We would recommend seeking legal advice from a solicitor or conveyancing firm who has experience of retirement leases. We find this helps the process run smoothly.

4. What happens when I want to sell my property (leaseholders only)?

You will be required to instruct an external estate agent in order to sell your property and arrange access requirements with the agent and Home Group.

5. Can I sub-let my apartment?

No, the terms of your lease mean you're not allowed to sub-let the apartment.

6. What is the length of a Shared Ownership lease?

125 years



Financial information

1. What does the service charge cover?

The service charge covers the day to day costs of Huntley Place's services, as well as repairs and maintenance of the building which includes the external and internal communal areas. You can find full details of the service charge in your lease or tenancy agreement.

The below list is not exhaustive, but gives an overview of the services Huntley Place provides:

- Utilities (communal areas only)
- Cleaning (communal areas only)
- Window cleaning (the external windows panes and windows within the internal communal areas)
- Landscaping
- Responsive repairs
- Warden call
- Maintenance and servicing of the fire detection system, communal boilers, lifts, CCTV etc.
- Telephone lines & IT equipment
- Office costs
- Maintenance of heating system inside all apartments
- On-site colleague salaries and associated costs

The service charge does not include a cost for future major expenditure i.e. replacing the roof, windows, lift etc. or decorating the internal communal areas.

The service charge doesn't include your utilities as Home Group will be using a billing and metering company to invoice you for these costs. The amount charged will be based on your actual usage.

2. How frequent is the service charge payable?

If you purchased your property outright or are a shared owner, the service charge at Huntley Place is payable quarterly in advance. The payment dates are 1st January, 1st April, 1st July and 1st October.

At the end of the service charge year i.e. 31st March, the estimated costs are compared to the actual costs. If the estimated costs are less than the actual costs, Home Group will credit your account. If the actual costs are greater than the estimated costs, Home Group will issue home owner(s) with an invoice requesting the difference to be paid.

3. Do Home Group profit from the service charge?

No, the money collected by Home Group is held on trust and ring-fenced to the scheme. This applies to all the money collected via the deferred building fund.

Home Group does receive a management fee for administering the service charge.

4. What does the management fee cover?

The management provided by Home Group falls into three key areas:

General management:

- Deal with enquires from leaseholders promptly
- Keep up to date records on each tenancy

Building management:

- Undertake regular inspections of the property/site to check its condition
- Arrange for minor repairs to be carried out
- Procure, manage and review contracts i.e. cleaning and landscaping
- In accordance with statutory legislation, arrange periodic Health and Safety and Fire Risk Assessments, if applicable

Financial management:

- Collect ground rent, rent and service charge from leaseholders
- Receiving, hold and accounting for leaseholders monies, in accordance with the relevant legislation
- Prepare service charge budgets and reconcile the year end accounts
- Administer service charge and building funds
- Use service charge monies received to carry out general maintenance and the payment of service contracts, in accordance with legislation
- Arrange and administer building insurance including dealing with building insurance claims



There are a number of other duties which fall outside the scope of day to day management, where a fee will be applicable.

5. How is the management fee calculated?

For an outright sale or shared ownership, we have adopted the fee calculated by the Regulator of Social Housing – LSE Management Fee Limited. For 2018/19, the management fee is £477.

For a rented customer, the management fee is calculated as a % of the service charge.

6. How is the cost of future major expenditure funded?

For an outright sale or shared owner, the lease provides for a homeowner to pay a deferred building fund. A deferred building fund is classed as an event fee.

A rented customer makes an annual contribution to the Fixed Asset Replacement Cost (FARC) (formerly known as depreciation).

7. What is an event fee?

When certain events happen i.e. a resale, a fee is payable to Home Group (the landlord). Event fees are also known as exit fees, transfer fees, deferred building fund, contingency fees and selling service fees. The type of event fees payable and the amount are detailed in the lease.

8. What is the deferred building fund?

This is the amount collected from an outright sale or shared owner on the date they sell their property. The money collected is held on trust by Home Group, and ring-fenced. The money is used to finance future major expenditure i.e. replace the roof, windows, lifts, decoration of the internal communal areas etc.

The deferred building fund is an alternative to charging a sinking fund (an annual contribution to the future major expenditure). It helps subsidise operating costs that would otherwise result in high service charges.



9. How is the deferred building fund calculated?

The amount collected is based on a % of the property's sale price. The % increases for every year (or part of a year) a person has lived at the property. Home Group has considered the long-term cost to maintain Huntley Place, and has decided that 0.5% of the sale price of the property for every year a homeowner has lived there is suitable/

The % is capped at 10% of the sale price. Once a homeowner has been in occupation for 20 plus years, they won't pay a figure which is more than 10% of the sale price.

If for any reason there are insufficient funds in the Deferred Building Fund, Home Group will absorb the costs to undertake long-term maintenance works until there are sufficient funds to be reimbursed.

An example of how the deferred building fund is calculated:

Example 1

Property purchased for £200,000 and occupied for 5 years

If the property has not gained value –
 $(£200,000 \times 0.5\% = £1000) \times 5 = £5000$

If the property has gained value –
 $(£250,000 \times 0.5\% = £1250) \times 5 = £6250$

Example 2

Property Purchased for £200,000 and occupied for 25 years

If the property has not gained value –
 $(£200,000 \times 0.5\% = £1000) \times 25 = £25,000$,
but capped at £20,000

If the property has gained value –
 $(£250,000 \times 0.5\% = £1250) \times 25 = £31,250$,
but capped at £25,000

10. Is ground rent payable?

No.



Living in your apartment

1. Is there parking?

Yes, parking is available at Huntley Place on a first come first served basis. We also have stores for mobility scooters and bicycles.

2. Am I allowed pets?

Customers living in apartments are allowed to keep caged domestic pets only - cats or dogs are not allowed.

Please be aware that if you would like to keep a pet, you must get permission from a Home Group manager before doing so.

3. Can visitors stay?

Yes, customers can hire a guest suite for visitors at Huntley Place, which is £25 a night. The booking terms and conditions of the guest suite are within the information given to you at handover. Please be aware, the guest suite is only available on an ad-hoc, short term basis, or for relatives visiting in an emergency situation.

4. Who is responsible for the redecoration of my apartment?

We have allotted costs for the redecoration of external and communal areas of Huntley Place, but redecoration inside the apartment would be your responsibility.

5. Can I make alterations to my property?

Structural alterations aren't allowed, however, you may be able to make non-structural alterations to your apartment providing Home Group have given prior written consent. As part of the application, you'll need to provide plans of the proposed alterations, and details of the person who will be carrying out the works. Additional information will be required from the contractors (risk assessment, method statement and insurance etc.). The alterations will be documented by a licence to alter and there will be a fee to grant permission/prepare the documentation. Depending on the scale and nature of the works, we may request our maintenance team to inspect the works upon completion – again, there will be a fee associated with this.



Customer support

1. How do I access the care?

There is a third party care provider onsite who will be happy to speak to you about any care requirements you might have. After confirming you wish to purchase an apartment at Huntley Place, you'll meet with colleagues from Home Group and the care provider, who will assess if you have any care needs and an arrangement will be made between yourselves and the care provider (as detailed on page 1).

Once you move into your apartment, you can visit the care provider in their office on site or call them to arrange a meeting to discuss your care requirements.

Please note, you can use any care provider of your choice and aren't limited to the care provider based at Huntley Place.

2. What happens if someone is unable to look after themselves anymore?

We understand the ageing process and the challenges this can bring to our customers. With this in mind, Huntley Place has been designed

to support you through the ageing process by promoting independent living, with the added support of domiciliary care onsite 24 hours a day, seven days a week. Our aim is to make sure that you can live in your property as long as possible with the care and support that you need.

As a responsible landlord we aim to make sure all our customers are safe and have the best opportunity to remain independent. In instances where someone does need more assistance, Home Group and the care provider will work with the customer and their family in order to support their transition into a more suitable place to live.

3. What emergency support is available?

Trained care providers are on site 24 hours a day, seven days a week and will attend in the event of an emergency. An emergency is when there is an immediate risk to life, health or property. There is also an emergency system built within each apartment that will be answered by a colleague on site.



