

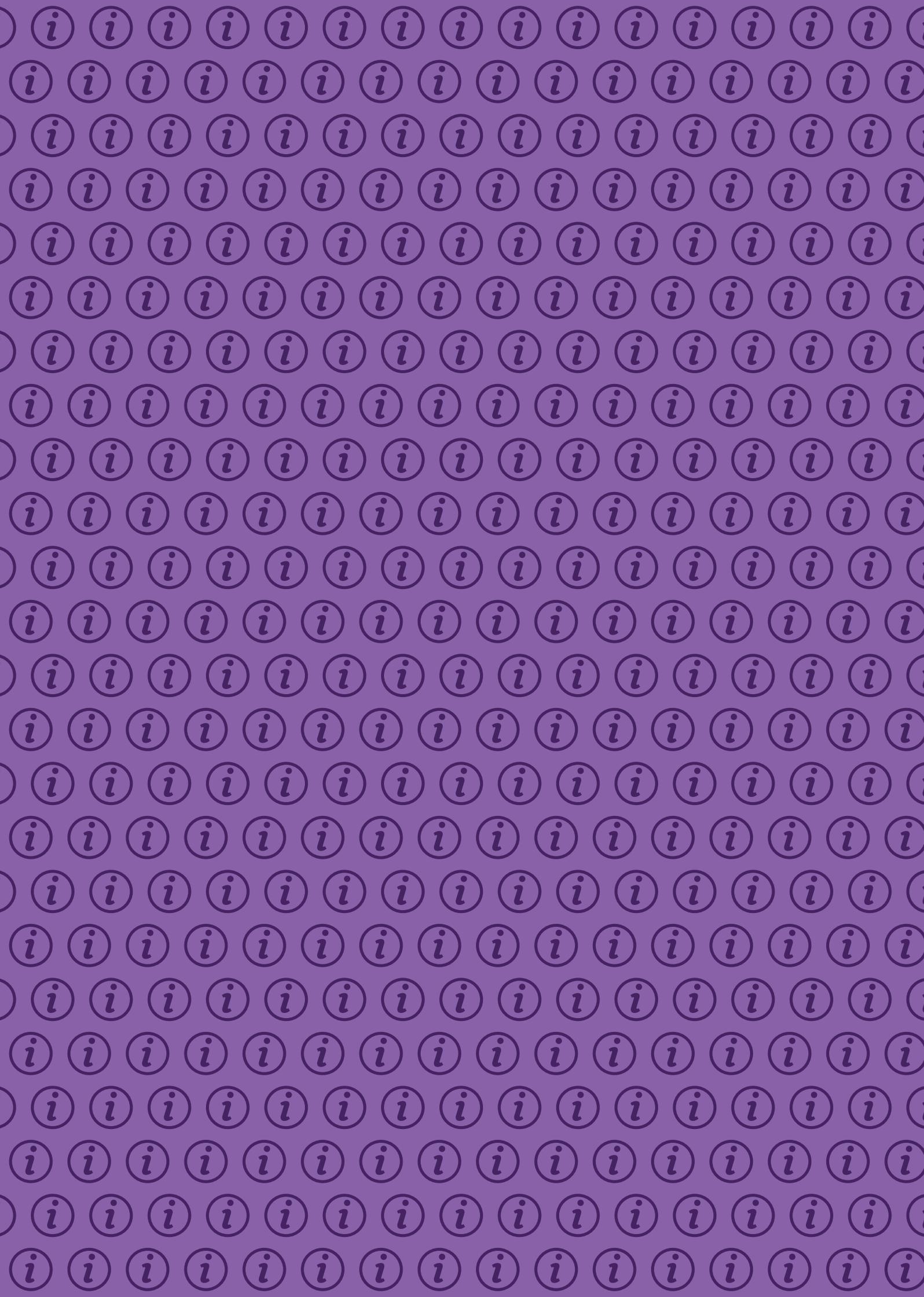


*We can explain*



# THE SHARED OWNERSHIP PROCESS





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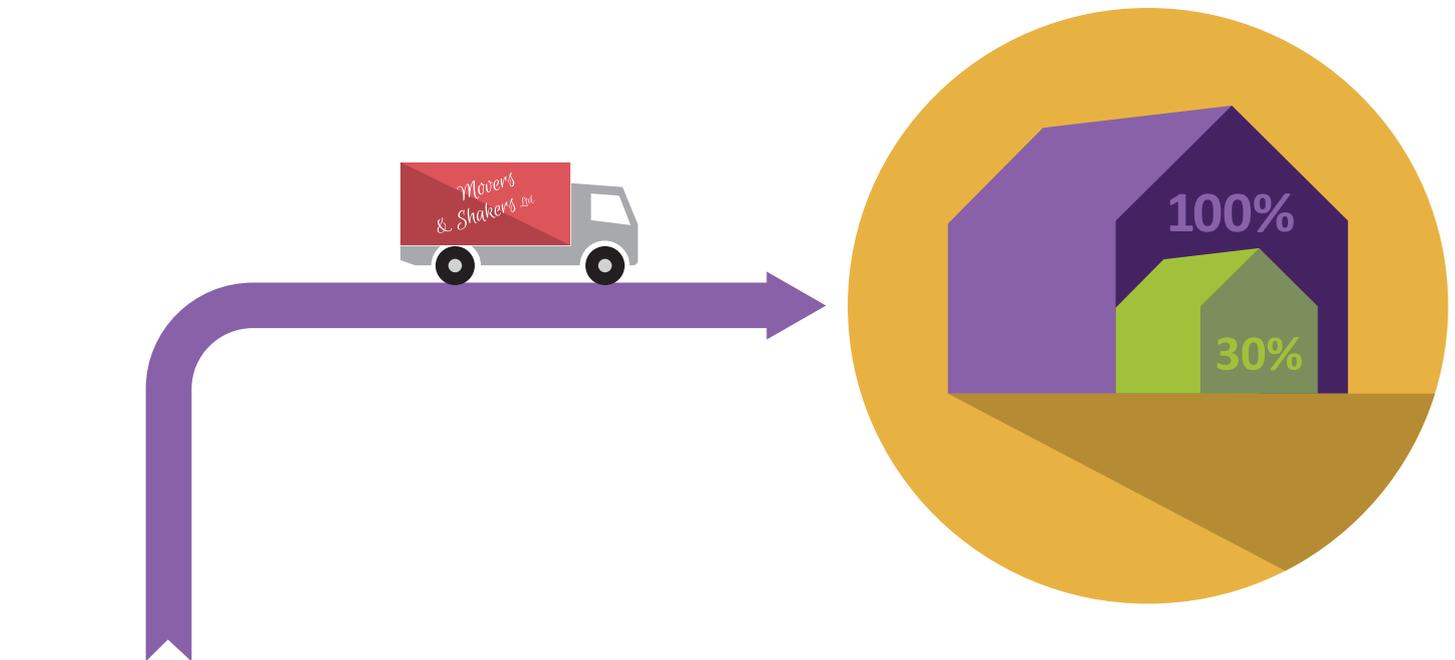
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## What is Shared Ownership?

Shared Ownership makes it possible to buy a property that otherwise would not have been affordable.

- ◆ It is a government-backed scheme for people who are unable to afford to buy a home at full market value (household income limits apply).
- ◆ It is a part buy/part rent scheme. You buy a share in the property and pay rent on the share you don't own.
- ◆ It is a low-cost home ownership product launched by the government in April 2006 under the HomeBuy brand.



## Why buy through Shared Ownership?

The Shared Ownership product helps many first time buyers get a foot on the housing ladder.

Buying a home in the current market is very difficult for many people. Shared Ownership makes it possible to buy a property which otherwise would not have been affordable. You can usually buy an initial share of 30% to 75% of the value of a property, and you'll need to take out a mortgage to pay for your share of the home's purchase price. You will then pay a subsidised rent on the share you don't buy, and there will also be a monthly service charge payable.

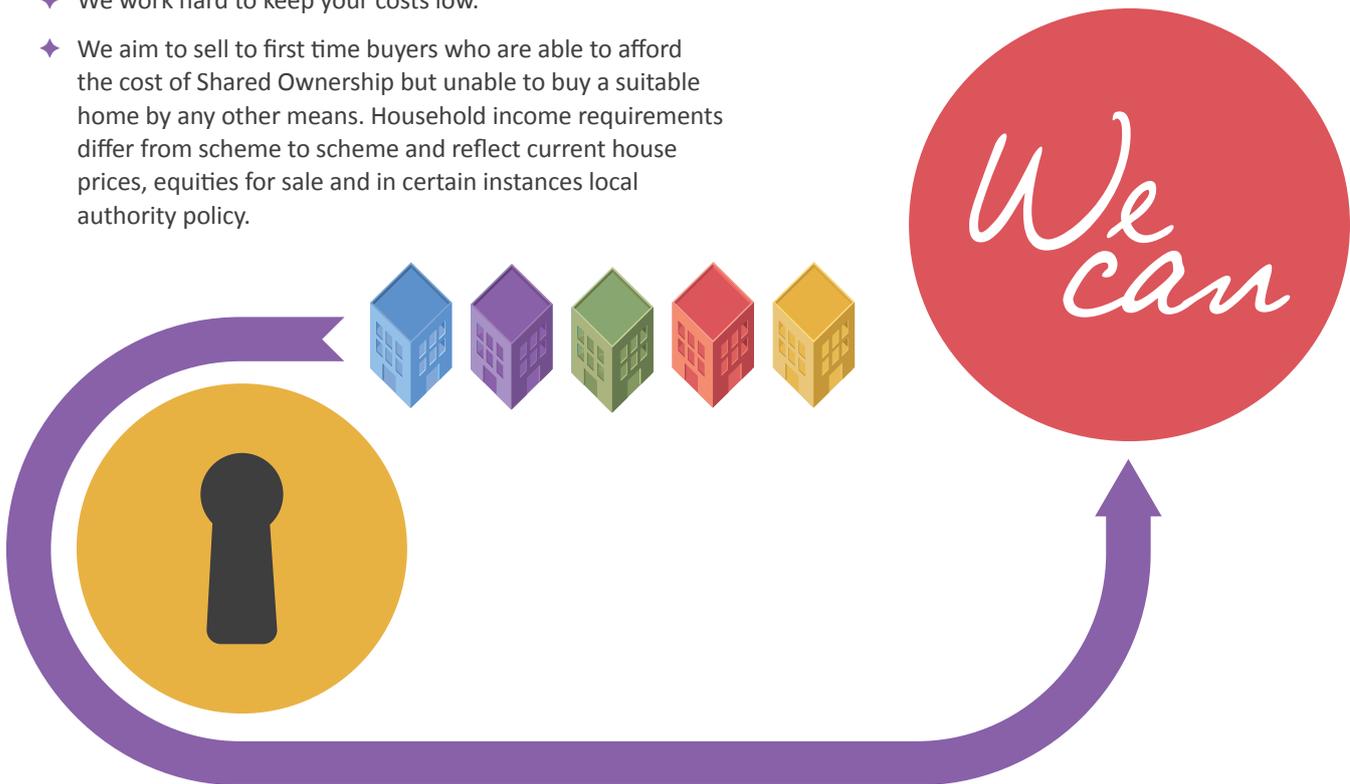


## Why buy with Family Mosaic?

- ◆ We help hundreds of people buy a home of their own each year, so we have lots of experience.
- ◆ We offer an excellent service before, during and after your purchase.
- ◆ We work with many national house builders and local contractors, building high quality homes in popular areas. All of our newly built homes come with a National House Building Council (NHBC) warranty or equivalent.
- ◆ We charge subsidised rents, so our homes are more affordable for you.
- ◆ We work hard to keep your costs low.
- ◆ We aim to sell to first time buyers who are able to afford the cost of Shared Ownership but unable to buy a suitable home by any other means. Household income requirements differ from scheme to scheme and reflect current house prices, equities for sale and in certain instances local authority policy.

### If you buy through Shared Ownership:

- ◆ You will own part of the value of your home, rather than paying rent with no return.
- ◆ Your monthly mortgage and rent can work out cheaper than buying outright, and often not much more than renting.
- ◆ You can buy more shares (Staircasing) or sell your share and move if you want to in the future.
- ◆ You only buy what you and we feel you can comfortably afford.



## Who are Family Mosaic?

- ◆ Family Mosaic is a housing provider.
- ◆ We are one of the leading providers of affordable home ownership in London and Essex.
- ◆ We are a not-for-profit organisation.
- ◆ We work with local councils and are partly funded by the Homes and Communities Agency (the Government agency that funds and regulates housing associations).

## When I buy through Shared Ownership, what am I buying?

Shared Ownership is a part buy/part rent scheme. It is part funded by the government and aims to help first time buyers. It is designed as a stepping stone to completely owning your own home, allowing you to buy further shares in your property (which is called Staircasing) when you can afford to.

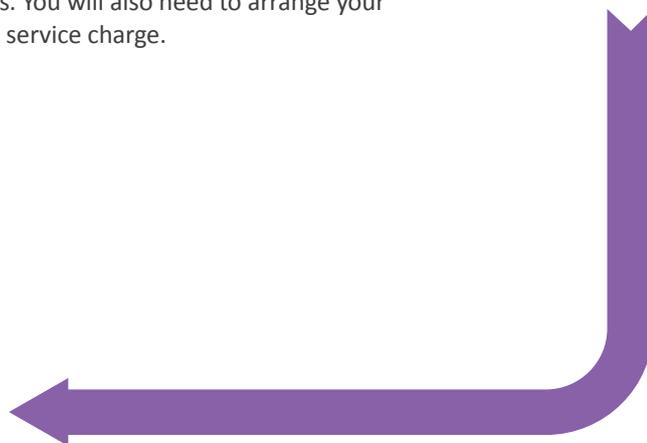
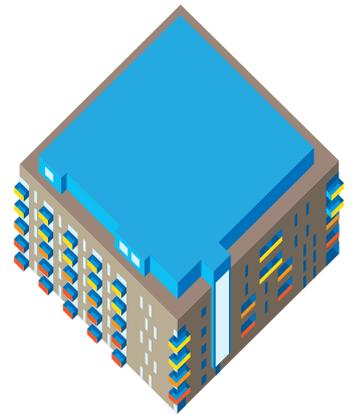
Buying through Shared Ownership makes you an owner-occupier, not a part tenant. You start off buying a share in your new home on a 125 year lease. Your lease is a legal document that proves you own part of your home.

Since you will own a lease you will be a "Leaseholder" and we will be what is known as the "Landlord". You will have the same rights and responsibilities as a full owner-occupier.

If you decide to buy the remaining share of your home, you will then own your home outright. Your solicitor will arrange for the freehold to be transferred to you like any other house owner. If you own an apartment, you'll remain a Leaseholder like any other apartment owner. This is because your home is in a block of apartments and your lease sets out responsibilities for use and maintenance of all shared areas.

If you become a full owner of an apartment you will still be responsible for the ground rent and service charge, which includes the buildings insurance.

If you become a full owner of a house you may still be required to pay an estate charge if you are living in a development with shared maintenance areas. You will also need to arrange your own buildings insurance, as this will not be covered by the service charge.



### Your lease sets out certain conditions such as:

- ◆ How often your rent and service charge is reviewed.
- ◆ Your rights and responsibilities as an owner-occupier.
- ◆ Family Mosaic's rights and responsibilities.
- ◆ The procedure for buying more shares in your home and also for selling your home.

This property must be your main residential home and you must not own another property. You must live in the property. The lease has a subletting clause preventing you from subletting.

## Register with us

Your first step in the journey is registering with us, which involves completing a full application form that can be found on our website in our members' area. Within this we collect all the information we need to ensure you and anyone you are buying a property with qualify for Shared Ownership. This ensures that we meet audit requirements for the government's Shared Ownership scheme and makes sure that together we find the right property for you.

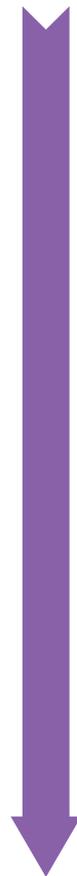
### And make sure...

If you are not already registered on the Electoral Roll make sure you sign up as soon as possible since not registering, being registered at an old address, or adding the wrong details can mean you are refused credit when applying for a mortgage.

## Am I eligible?

Eligibility will vary depending on which development you are looking to buy at, the property size and whether there are any criteria imposed by the local authority. But there are some general, over-arching criteria that you must meet for every scheme:

- ◆ Your total household income needs to be under £66,000 per annum for one and two bedroom homes or £80,000 per annum for family sized homes (three or more bedrooms). A lower income threshold (£60,000) is applicable for developments outside London boroughs.
- ◆ You must either be a first time buyer or:
  - Be a newly forming household; for example, starting again after a relationship break up.
  - Be relocating for work purposes to an area where property prices do not allow you to buy a home suitable for your family size.
- ◆ You must not currently own a home anywhere in the world, unless a court order forces you to remain on the deed of a property where your children reside.
- ◆ You must be unable to afford to buy a property suitable for your family size on the open market.
- ◆ The Shared Ownership home you're looking to buy must be your principle or only home and you may not sublet all or part of it.
- ◆ You must be financially able to buy the minimum share available and pass a financial assessment and secure a mortgage.
- ◆ You should also be a British or EU/EEA citizen, or you have indefinite leave to remain. Customers without indefinite leave to remain who are interested in buying a home must be able to demonstrate that they are able to raise a mortgage with an acceptable lender.
- ◆ It should be noted that you need to be 18 years old or over to apply for a mortgage, and have savings for the legal and financial arrangements and the mortgage deposit.



### SIGN UP TO THE ELECTORAL ROLL

#### *Are you registered?*

Signing up to the Electoral Roll helps mortgage lenders identify who you are and not being on it, or having the incorrect details, could lead to your mortgage application being declined.

Make sure you check (and register if need be) as early as possible, since registration and updates take around 28 days. You can find out if you are registered via your local council.

## The financial assessment

The final check we need to make is to ensure that you can afford a Shared Ownership property, you're not over stretching yourself financially and that you are able to qualify for a mortgage. To do this, we ask that you arrange a meeting with a Mortgage Advisor who will carry out a financial assessment.

Depending on the scheme and the amount of interest we receive or expect, the timing for your financial assessment can vary. Normally and ideally, we will ask you to complete one before you view any homes you are interested in. This is so we can ensure that you are able to afford it without over stretching yourself and doing the assessment early on in the process will save time later.

However, the financial assessment may take place at the actual viewing or occasionally even later in the process, after you have reserved a property. You will need to have undertaken this and we must have the report before we can allocate and offer you a property.



### The Mortgage Advisor will:

- ◆ Check the information on your application form is correct and decide if you can afford to buy.
- ◆ Agree the percentage share that you can purchase based on income, savings and outstanding credit commitments you declare (please note: this is based on government guidelines and not necessarily what a lender would be willing to lend).
- ◆ Give you information about choosing a solicitor and information about choosing the right mortgage for you.



### INTERIOR DESIGN TIPS FROM THE PROS

#### *Putting up shelves*

Start by making a mark on the wall where the bottom of the shelf will be and draw a horizontal line from this point using a spirit level.

Mark the ends of the shelf on this line and add vertical lines where you want the brackets to go, usually 100mm to 150mm in from either end of the shelf.

Hold a bracket against the wall with a piece of wood on top of it where the shelf would be. Line it up with the vertical and horizontal marks on the wall and mark the screw holes with a pencil.

Use a hammer drill and masonry bit to drill holes that suit the wall plugs or fittings you're using then insert the plugs and screw the brackets to the wall.

## So that we can help you to buy your new home as quickly as possible, you must provide the following to the Mortgage Advisor:

- ◆ Your latest three months payslips (please bring three months' worth of payslips even if you are paid weekly) or if you are self employed, your audited accounts for at least the last two years from a certified or chartered accountant or at least the last two years tax assessments from HMRC.
- ◆ Your passport.
- ◆ Latest three months bank statements (for all applicants).
- ◆ A photocopy of your marriage certificate, if applicable.
- ◆ Details of previous surnames, if applicable.
- ◆ Evidence of any benefits you receive i.e. child benefit.
- ◆ Evidence of your rent payment history, if applicable.
- ◆ Proof of residency for all addresses you have lived at for the past three years. This can be in the form of utility bills or council tax documentation or bank statements.
- ◆ If you have any credit cards, hire purchase or personal loans then please bring along the original agreements and the latest statements.
- ◆ Proof of savings.
- ◆ A signed letter from a family member confirming any gifted deposit.
- ◆ A cheque book in case it is needed to pay for a mortgage valuation or arrangement fee.
- ◆ A copy of your credit reference report; available through Experian, Equifax or a similar credit reference agency.

*All of the above will be required by a mortgage provider and will be thoroughly assessed by the lender's underwriters.*

If you are going to live in your home with anyone other than your children, you must all complete the financial assessment and provide this information.

If you do not complete the assessment you could lose your reservation fee and the home you want may be offered to someone else. If you do not provide the information listed, the assessment will not be able to go ahead.

### When it comes to arranging a mortgage

The Mortgage Advisor is able to look at the majority of the mortgage market and will be able to help you arrange a mortgage – if you want them to. They will help you fill in the mortgage application form, submit the application and handle the processing of the application for you – saving you valuable time and ensuring the right type of mortgage is obtained. If you want to arrange your own mortgage, you should talk to banks and building societies and make sure that you advise them that you are buying a Shared Ownership property and the share you are buying. You will need to make mortgage decisions fairly quickly as lenders take at least 21 days to issue a mortgage offer and by this stage in the process you will be expected to have a mortgage granted within four to five weeks.

The maximum share you can buy will be confirmed by the Mortgage Advisor during the financial assessment. This is the maximum share we will allow as we must follow the HCA affordability assessment guidelines and we cannot be guided by what a lender may lend. You must also act quickly to arrange your mortgage as you are required to exchange contracts within four weeks of the contracts being issued by our solicitors (approximately six weeks from your reservation).



## See what's available

Once the eligibility process is underway, you can start finding the right home for you. On our website you can search all of the Shared Ownership properties we have available under three categories: those that are coming soon, new build schemes and resale properties.

You can search based on a number of criteria, including the borough you're looking in, number of bedrooms and price range. When you see a property you like, you can register your interest to receive updates and viewing invites (if you are eligible) and you can add the property to your 'wish list' so that you can come back and view it later.



## Select a solicitor

Everyone who buys a home needs a solicitor to do the necessary legal work.

### Your solicitor will:

- ◆ Make sure you have everything necessary to help you buy your home quickly.
- ◆ Check the lease and speak to your mortgage lender and our solicitors.
- ◆ Carry out what are known as "searches", checking that we actually own the home we're selling you and making sure there are no planned developments (such as new roads) that will effect your home.
- ◆ Check that all the paperwork and your mortgage are in place in time for you to move into your new home.

You should make sure you get a quotation of the likely costs before you appoint a solicitor, and we recommend doing this early on in the process. Overall, it should cost you between £600 and £1,250 which will include their fee, the land registry fee, search fees and expenses excluding stamp duty (known as disbursements). A deposit is commonly taken at instruction with the remainder payable at completion.

Remember that you pay for your solicitor's time, so the more often you write to or phone your solicitor, the higher the charge is likely to be.

To help you decide which solicitor to use, with your offer letter we send you a panel of solicitors who are experienced in Shared Ownership purchases. The solicitors on our panel offer fixed fees which will help you to budget. The panel of solicitors are not compulsory, although they do have a lot of experience of the Shared Ownership conveyance process, are on the majority of mortgage providers' panels and more importantly come recommended by previous buyers.

**100% of our buyers reported being satisfied or very satisfied with the service provided by the solicitors on our panel.**

*July 2013 – New build sales resident satisfaction survey*

If you do not use a solicitor from our panel, you should make sure that your solicitor has experience of Shared Ownership schemes – otherwise they may be learning at your expense! We recommend you always obtain a quotation before instructing, and when calling for a quote, see how they answer your call and how quickly they respond to your enquiry – this is a good indication of the service you may receive.

## Reserving your future home

Once you have paid your reservation fee and completed the reservation form, we will arrange to do a number of checks to ensure you qualify for Shared Ownership and for a property on the development of your choice. If you haven't already done so, you will be required to complete a full application for a Shared Ownership property with Family Mosaic. Reserving the home you wish to buy does require you to act quickly and is no guarantee that the property will be offered to you. For schemes in some locations demand is very high, in which case a selection process may need to take place.

## Confirmation of offer

Once you have paid your reservation fee and all the checks have been made, we will assess your reservation in line with the Family Mosaic selection and allocation policy, which is governed by the local authority and government guidelines for the scheme you are interested in.

Allocations are made according to these strict policies and procedures, as we are regulated and audited by the government's Homes and Communities Agency.

We will contact you to make an offer of a home or let you know if we are unable to do so. If we do make you an offer, we will send out an offer letter confirming the details of the property and an 'Acceptance of offer' form. We ask you to complete this and return it to us within seven days to confirm that you wish to proceed.

The reservation fee you paid will be deducted from the share of the property you buy at completion. If you made a reservation and we are unable to offer you a home, you will be refunded the reservation fee. However, please note you will lose your reservation fee if:

- ◆ After we make you an offer you decide not to go ahead, for whatever reason, including if you change your mind
- ◆ Or we withdraw our offer of a home because you have given false or misleading information to Family Mosaic, the Mortgage Advisor or the Mortgage Provider. This includes information given on application forms.



### INTERIOR DESIGN TIPS FROM THE PROS

#### *Working with your space*

It's a misconception that rooms look smaller when they have furniture in them – it really just isn't the case. Furniture creates scale and proportion and defines different functional areas, particularly in open plan properties. Consider also the finish of the furniture. In a small or dark room, high gloss, mirrored or acrylic finishes work well as they reflect the light and make the space appear larger.

## After accepting the offer

Your 'Acceptance of offer' form needs to be returned to us seven calendar days after we issued it, otherwise we will remarket the property or offer it to another purchaser. On receipt of this form, we will issue a Memorandum of Sale (MoS) to all parties involved. The MoS summarises the details of your proposed purchase and is an important document as it sets out the terms of the sale. The conveyance process allows Family Mosaic staff to speak with our purchasers but the solicitors can only speak with their respective clients, and one another. Therefore you can't communicate with our solicitor and we can't communicate with your solicitor. The MoS will give you a date by which we will expect you to "exchange contracts" (this makes your intention to buy a home through Family Mosaic a legally binding agreement). You usually exchange contracts four weeks from the MoS being issued.

You must, if you haven't done so already, apply for your mortgage which can take at least 21 days to be issued. During this time your mortgage lender will be preparing your mortgage offer and your solicitor will be preparing the legal paperwork.

Early on, a valuer will inspect your new home on behalf of your mortgage lender to ensure they are happy the property is sufficient security to the lender for the loan you are applying for. This should take place within a couple of weeks after applying for your mortgage. Your lender will also be assessing your application and verifying the details you have provided.

If you have not received your mortgage offer within three weeks of your mortgage application you must let your Mortgage Advisor know so that they can chase it up for you and your solicitor. Our sales team will be in regular contact with you throughout the buying process to guide and support you and ensure everything is going smoothly.

Once you receive your mortgage offer you should contact your solicitor straight away to arrange an appointment to sign your contract and to arrange for a copy of your mortgage offer to be sent to Family Mosaic's solicitors for approval. Your solicitor will ask you to leave a deposit of £1,000.

Once you have paid your deposit and signed your contract, then "exchange of contracts" can take place. Exchange of contracts means that your solicitor and our solicitor actually swap the signed contracts. You are then legally bound to buy your home and we are legally bound to sell it – so neither of us can change our minds! We'll give you a date on which you can move into your home as soon as it is ready. This date is called the "completion date" and will normally be 10 working days after your home is ready to move into. If your home is still under construction we will let you know when it is ready and then arrange a completion date. Your solicitor will exchange contracts on notice. The notice being the 10 days, so you are obliged to complete with 10 days of Family Mosaic receiving the keys to your completed home.



### CREDIT EFFECT

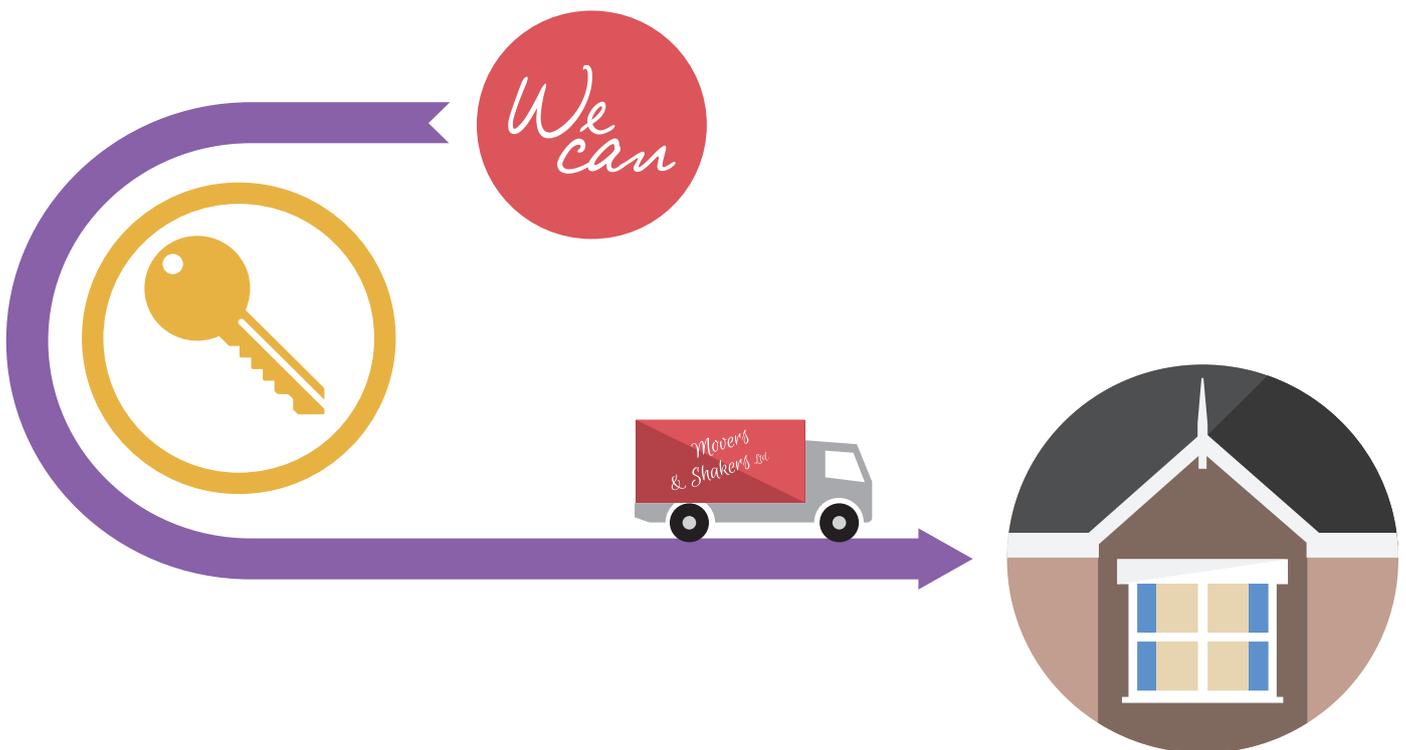
*Be careful with your credit rating...*

After a mortgage offer has been issued by your lender on the property you're looking to buy, they may re-score your application before releasing the mortgage funds.

It is worth bearing this in mind and it is advisable to not excessively use your credit card or apply for loans to buy furniture etc as this may effect your credit score and could, in some circumstances, result in your mortgage being withdrawn.

## Finally, the completion date arrives...

On the completion date, your mortgage lender will give your solicitor the money to buy your home. Your solicitor will then pass that money, along with any savings you are providing, on to our solicitors. The money will include the value of the share you are buying, plus the rent and service charge to the end of the month plus one month's payment. Once the money is received in our solicitor's account your purchase has completed and you are now the Leaseholder of your home. We can then give you the keys to your new home.



Your keys will normally be ready to collect from 1pm onwards depending on when our solicitors confirm the purchase has completed, and our New Homes Team will make arrangements to meet you at your home to collect the keys, read the meters and familiarise you with your home and the development.

### On completion day you will also receive:

- ◆ More information about being a home owner.
- ◆ All the instructions for your central heating and appliances.
- ◆ NHBC handbook or equivalent.
- ◆ New Homes manual (specific to your development).

We will pass on your meter readings to the utility suppliers and advise the local authority of your completion date. You must ensure that you also contact these providers to update your personal details.



## The big question – how much will it cost?

When you get a mortgage, the lenders will require you to contribute towards the share in the property you wish to buy. Traditionally this is 10% of the share, however at times this can be higher or lower and can also be reflected in the interest rate given. You will need to discuss this with your Mortgage Advisor.

Excluding your mortgage deposit, you must have at least an average of £3,500 to £4,500 of savings to cover the costs of buying (depending on the value of your home).

### These costs are made up of the following:

#### Reservation fee

This is the £500 you pay to reserve your home. This will be deducted from the share you buy at completion. You pay this to the Sales Team at reservation.

#### Mortgage Advisor fee

There is normally a fee for the professional service and advice they provide to source a mortgage and progress this. Payable direct to the Mortgage Advisor, the fee usually starts from £350.

#### Mortgage valuation fee

Your mortgage lender will arrange a valuation of your home, to check that it is worth the security of a mortgage. The cost varies from lender to lender but usually starts from £375. This is payable with the application.

#### Mortgage arrangement fee

Some mortgage products have an arrangement fee, more typically with fixed rate mortgages, these are usually known as “arrangement” or “application” fees. These vary from lender to lender but usually start from £500.



## Solicitors' fees

Solicitors will charge a fee for their professional services, which usually starts from £500. A deposit is commonly taken at instruction with the remainder payable at completion.

## Legal disbursements

Your solicitor will have to undertake a number of transactions as a precaution to ensure all the legal work is in order. Known as disbursements, these all incur fees and include the Land Registry fees, Local Searches, Bankruptcy and Chancel searches and a number of other searches, though it excludes stamp duty. These will usually start at around £200. You pay most of these at completion.

## Stamp Duty Land Tax (SDLT)\*

This is a government tax on buying a home, collected via HMRC. You do not have to pay stamp duty on homes sold at less than £125,000 (full market value). For homes £125,001 and above, stamp duty is payable. Generally, if a property is valued at between £125,001 and £250,000 you pay 1%, and over £250,000 you pay 3%. There are higher levels of SDLT but generally these are outside the price range of most affordable homes. Also, if your rent based on the unpurchased share is more than £4,200 per year you will have to pay a small amount of duty on the rent as well, and this applies even if the value of the home is below £125,000. You have the option of paying stamp duty on either the share you are buying or the full value of the property. Please speak to your solicitor for exact amounts and the options you have available. The stamp duty is payable to your solicitor at completion.

## Removal costs

If you are going to use a removal company to move your furniture, make sure you get two or three quotes as costs can vary enormously. You can expect to pay at least £250. If you are going to move yourself, you may use a car club that offers vans, or hire a van from a rental firm. Rental firms usually require a holding deposit of at least £200. Also bear in mind parking charges near the development.

## Deposit

We will ask you for a deposit of £1,000 when you exchange contracts. Like the reservation fee, this will be deducted from the share you buy at completion. This is payable to your solicitor.

## Telephone connection charges

Although telephone points are always included in our homes, you'll have to pay a connection charge for the point to be connected to the phone company. The cost is likely to be around £150.

*\* Correct at time of print.*



## INTERIOR DESIGN TIPS FROM THE PROS

### *Blinds and curtains*

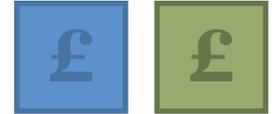
When measuring up for blinds or curtains in your new home, don't forget to check if there is a radiator under the window – if there is it's best to avoid full length curtains, as these block the heat coming into the room.

Don't forget to check what space is available either side of the windows too, avoid covering the windows with curtains as this will block light coming into the room.

# Monthly costs

## Your mortgage

Each month you will make a payment to your mortgage lender, usually by direct debit. The mortgage payment is between you and your mortgage lender, but as we own part of your home, we want to make sure our investment is protected, just as much as you do. It is very important to maintain your monthly mortgage payments.



## What happens if I am unable to pay my mortgage?

If you fall behind on your mortgage payments, or you think it could happen, ask for help from your mortgage lender. Many mortgage lenders will allow you to stretch your payments over a longer period while you both find a permanent solution. If you do not get help, or your financial problems continue and you get into debt, the mortgage lender can repossess your home to repay your mortgage.

If the money from selling your home doesn't cover the amount owed to the mortgage lender, you will be responsible for paying the difference. Losing your home in this way could also mean that you will have problems getting a mortgage in the future and could also affect any other credit you may wish to apply for.

The most important thing is to let us and your mortgage lender know as soon as possible. We will do everything we can to help you sort your financial problems out, including putting you in touch with independent qualified debt counsellors. If you are a shared owner we can also help you sell the property before it's too late.



## Your rent

You will pay your rent to us by direct debit. This makes payment simple and convenient for everyone as the payments are taken directly from your bank account. Your rent will go up on April 1st each year by a set amount as agreed in your lease. We will tell you the new rent amount by mid March each year.

## What happens if I am unable to pay my rent?

As the government doesn't give us all the money needed to build our affordable homes we, like you, have to borrow money from the banks. Your rent repays these loans so it's important that you pay your rent on time. If you miss a payment, our credit control team will contact you to discuss your financial situation. If you continue not to pay your rent, we will charge you interest and you may have to pay an administration cost. Failure to pay your rent is a breach of your lease and eventually we may have to take legal action and even go to court which could mean you lose your home.

If you have difficulties paying your rent and service charge, you should get in touch with our credit control team (Tel. 0300 123 3456). If you are in genuine financial difficulty, they will do everything they can to help you. They can often arrange a payment plan, put you in touch with your local benefit agency, speak with your mortgage lender and / or put you in touch with a free, independent qualified debt counsellor.

## Service charge – Do I pay one?

One of the key aspects of being a Leaseholder is that you will be required to pay a service charge. This is a sum of money collected monthly which covers your share of the cost of maintaining the communal area of the development and administer the contracts, buildings insurance and major work. Service charges usually only apply to apartments, though there can be service charges for houses if there are shared areas such as car parks or gardens and play areas. Shared owners will contribute to the service charge in the same way as an outright Leaseholder would.

You will pay your service charge to us by direct debit. Your service charge is reviewed on April 1st each year based on the expenditure of the previous year. Audited accounts for each financial year are prepared and issued in September. We may request a payment for any shortfall in the accounts from all Leaseholders. We will tell you the new service charge amount by mid March each year.

*You should refer to the lease with your solicitor as this confirms what the service charge details.*

### The service charge covers:

- ◆ Cost of repairing and replacing communal lighting.
- ◆ Cost of general repairs to communal areas.
- ◆ Cleaning communal areas (typically once a week).
- ◆ Maintenance and repair of communal door entry systems.
- ◆ Gardening and grounds maintenance.
- ◆ Lift maintenances, servicing and repair including the emergency telephone.
- ◆ Management charge and audit fees.
- ◆ Buildings insurance.
- ◆ Reserve fund for cyclical decorations and/or major works.



# Included in the service charge

## Reserve fund

This is money held in an interest gathering bank account and is put aside to contribute towards the cost of any cyclical decorations and / or major works to the block or estate. The aim of the fund is to fully cover the cost of major works, so that Leaseholders are not given large bills for their share of the cost of these works. Then the shortfall will be recharged to Leaseholders in accordance with the terms of the lease.

## Management charge

This covers the cost of running our leasehold management services. This includes the following:

- ◆ Administering and collecting rent and service charges.
- ◆ New build defect reporting.
- ◆ Property management – repairs, management of shared areas including cleaning and gardening contracts.
- ◆ Anti-social behaviour support.
- ◆ Property decoration programme – apartments only.

## Insurance

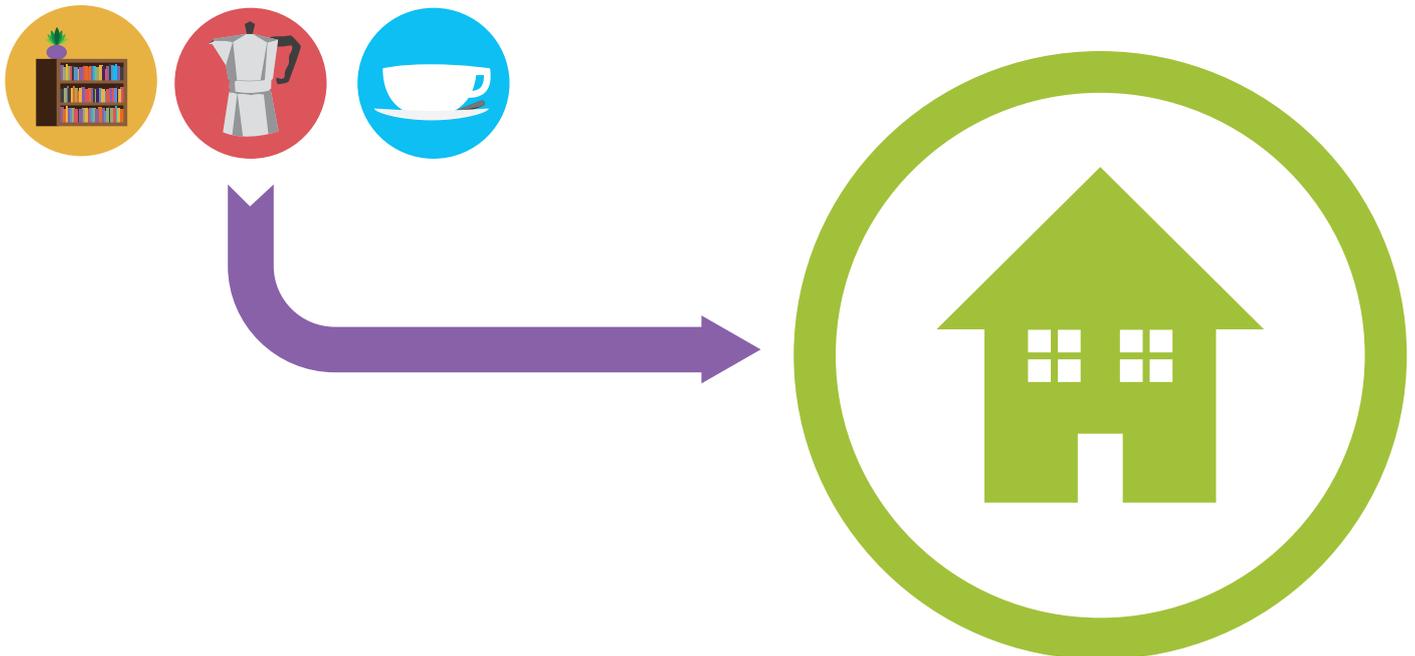
Because we own the freehold of your home, we need to make sure it is adequately insured. We have a block buildings insurance policy which covers all our properties. As we require insurance on so many properties the premium payable is reduced and we can pass these savings on to you.

Some of our properties are on developments where the builder (usually major national builders) built the properties but sold the affordable homes to Family Mosaic. In these cases sometimes the blocks are managed by the builder’s managing agent and the insurance may be with them. Please discuss with your solicitor.

### Please note:

*We do not insure the contents of your flat. You must arrange your own contents insurance cover.*

*For more details on our service charge please refer to the ‘We can explain our service charges’ brochure which is available to download on our website.*



## Once you've moved in...

### Repairs and maintenance – who does them?

If you own a house, you are responsible for all repairs and maintenance to the inside and outside of your home. If you own an apartment, you are responsible for maintaining the inside. We will take care of the day to day repairs, maintenance and decoration of the outside of the apartments within the block and on the estate (all shared areas). On some schemes, Family Mosaic don't own the block and in these cases an External Managing Agent is likely to be responsible for repairs, maintenance and redecoration. This is paid for through your service charge.

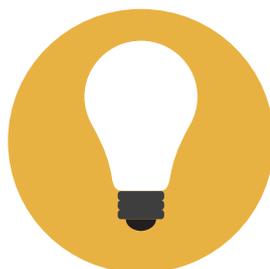
### What about repairs just after I move in?

With all new homes there are bound to be teething problems. Most of these will be minor, like cracking as the property dries out, or “sticking” doors. The builder will normally inspect the property, usually just before 12 months from the day the property was built, and arrange to put right any major repairs, though they will not repair damage caused through day to day use. Any more urgent repairs (as a result of defective workmanship / materials) should be reported to our After care Team by calling 0300 123 3456 – this only applies to newly constructed homes where you are the first occupier. Our New Homes Team are also on site regularly to ensure any communal issues are resolved.

Our After care Team will arrange with the builders to put the problem right. How quickly they do this will depend on how urgent the repair is. In some circumstances, a contractor i.e. a plumber or joiner is needed who has to be booked in to do the work and sometimes parts / replacements may be required which have to be ordered and delivered before fitting. Not everything can be done immediately. You will be responsible for any accidental damage by claiming through your contents insurance.

Your home is also covered by the National House Building Council's (NHBC) warranty or equivalent which covers your home for defects in the building workmanship for the first year after completion of the property and for structural problems for ten years (in some cases twelve years).

You will obtain a copy of the NHBC buildmark certificate, usually via your solicitor. The NHBC will have regularly inspected the property throughout the build and issue an NHBC certificate at completion of the property.



## Alterations and improvements

You don't need our permission for redecorating and simple repairs but you will do for anything more complicated. If in doubt contact our Customer Call Centre on 0300 123 3456.

In more modern properties communal heating systems may be in place, and therefore it is very important that we are consulted, especially if you are thinking of changing kitchens or bathrooms as there could be implications to the whole building. Our surveyors may need to visit your home to assess the planned work, which will incur a charge.

Make sure you keep all the benefit of any improvements that add value to your home by agreeing the work beforehand and savings receipts, plans and estimates so that the cost of the work can be taken into consideration if you decide to sell or buy more shares in your home. These documents can then be passed on to the valuer to establish how much value, if any, the improvements have added to your home. Not all improvements will increase the value of your home and there will be some depreciation as the years go by.

It is important to note when you sell your home that you will receive your share of the full market value which will take into consideration the home improvements. A buyer will only buy as seen and will not pay additional money on top of the current market value for work you may have done. So, if you own a 40% share you will receive 40% of the full market value at the time of the sale.

## Changing your lender or adding or removing a person from the lease

There are a lot of mortgage products available and we are aware that in the future our customers may want to change their mortgage lender to take advantage of a better interest rate, fix their payments or make alterations to their borrowing. This is known as remortgaging. As Family Mosaic have an interest in the property we have to approve the mortgage and agree to the changes so that they can be registered with the Land Registry. Likewise if you wish to add or remove a person from your lease, we need to assess to ensure you still meet the affordable homes criteria or, in the case of removing someone, that you can comfortably afford the share you own. Remortgaging does incur fees; with Family Mosaic, your lender and your solicitor.

For more information take a look at the 'We can help with remortgaging and further advances' brochure which is available to download on our website or contact the Resident Sales Team on 0300 123 3456.



## Increasing your share of the property

You've found your new home, bought it and moved in. At a later stage you then have the choice of buying a larger share in your home if you want to. This is called "Staircasing". We recommend you consult your lease and take advice from your legal representative.

The price you pay for any extra share is based on the market value of your home at the time you wish to buy, which could go up or down. The value will be set by an independent RICS qualified valuer. There will be some costs involved in Staircasing such as a valuation fee and solicitor's fees, although it shouldn't cost as much as buying your first share.

*For more information on buying more shares in your home take a look at our 'We can help with staircasing' brochure which is available to download on our website or contact the Resident Sales Team on 0300 123 3456.*

## Selling your home

You can sell your home at any time. If you own 100% of your property you can advertise on the open market via an Estate Agent.

If you own a share of your property, under the terms of your lease Family Mosaic has eight weeks to find a buyer for your home who meets the affordable homes criteria. We have a great deal of experience in helping people buy through Shared Ownership and although we will charge a fee for selling your property it is usually a lot less than an Estate Agent, who would normally charge a fee based on the full market value and not the share you own. After eight weeks, if we are unable to find a buyer, you can continue marketing with us or you can sell your home through an Estate Agent, paying their fees. The buyer must meet the affordable homes requirements.

Like staircasing, the price you sell your home for will be based on the market value at the time. This will be determined by an independent RICS qualified valuer. Like any home, the value of a Shared Ownership property can rise and fall according to the housing market.

You must feel comfortable with the risks of these ups and downs before you decide that Shared Ownership is for you. However, the advantages of Shared Ownership are that:

- ◆ You only buy as much as you and we feel you can comfortably afford

*and*

- ◆ You decide if and when you buy more of your home, or sell.

*For more information about selling a Shared Ownership property take a look at our 'We can help with resales' brochure which is available to download on our website or contact the Resident Sales Team on 0300 123 3456.*



## Summary of a successful Shared Ownership purchase

1. Complete an affordable home application form with Family Mosaic. Register on electoral roll.
2. Have a financial assessment interview with a mortgage advisor, take advice about mortgages from the mortgage advisor and get a credit check carried out to ensure you could secure a mortgage.
3. Invited to launch event or to view a suitable home.
4. Appoint a solicitor.
5. Like the property – complete a reservation form and pay £500 reservation fee.
6. Family Mosaic allocate homes based on our selection and allocation policy.
7. Offer made to you.
8. Confirm your wish to proceed with the offer within seven calendar days of the offer issued.
9. Family Mosaic will issue a Memorandum of Sale (MoS) summarising details of the purchase to all parties involved and setting a four-week deadline for contracts to be exchanged.





**10.** Apply for your mortgage if you haven't already done so. (If you are applying for your own mortgage without using one of the panel mortgage advisors, please send a copy of your mortgage application form to us within five working days of the issue of the MoS).

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**11.** Instruct your solicitor.

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**12.** The lender issues the mortgage offer (within 21 days) and your solicitor forwards a copy to Family Mosaic's solicitor for approval.

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**13.** Family Mosaic's solicitors approve or refer the mortgage offer for amendment to your solicitor.

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**14.** Sign contracts and pay £1,000 deposit. Exchange of contracts within five working days of receipt of the mortgage offer (within 28 days from issue of the MoS).

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**15.** View the home you are buying if it is ready and take measurements for furniture if required. If not available a viewing will be made available as soon as the property is close to being completed.

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**16.** Completion day. We will meet you at your new home and hand over the keys.

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# MOVE IN!



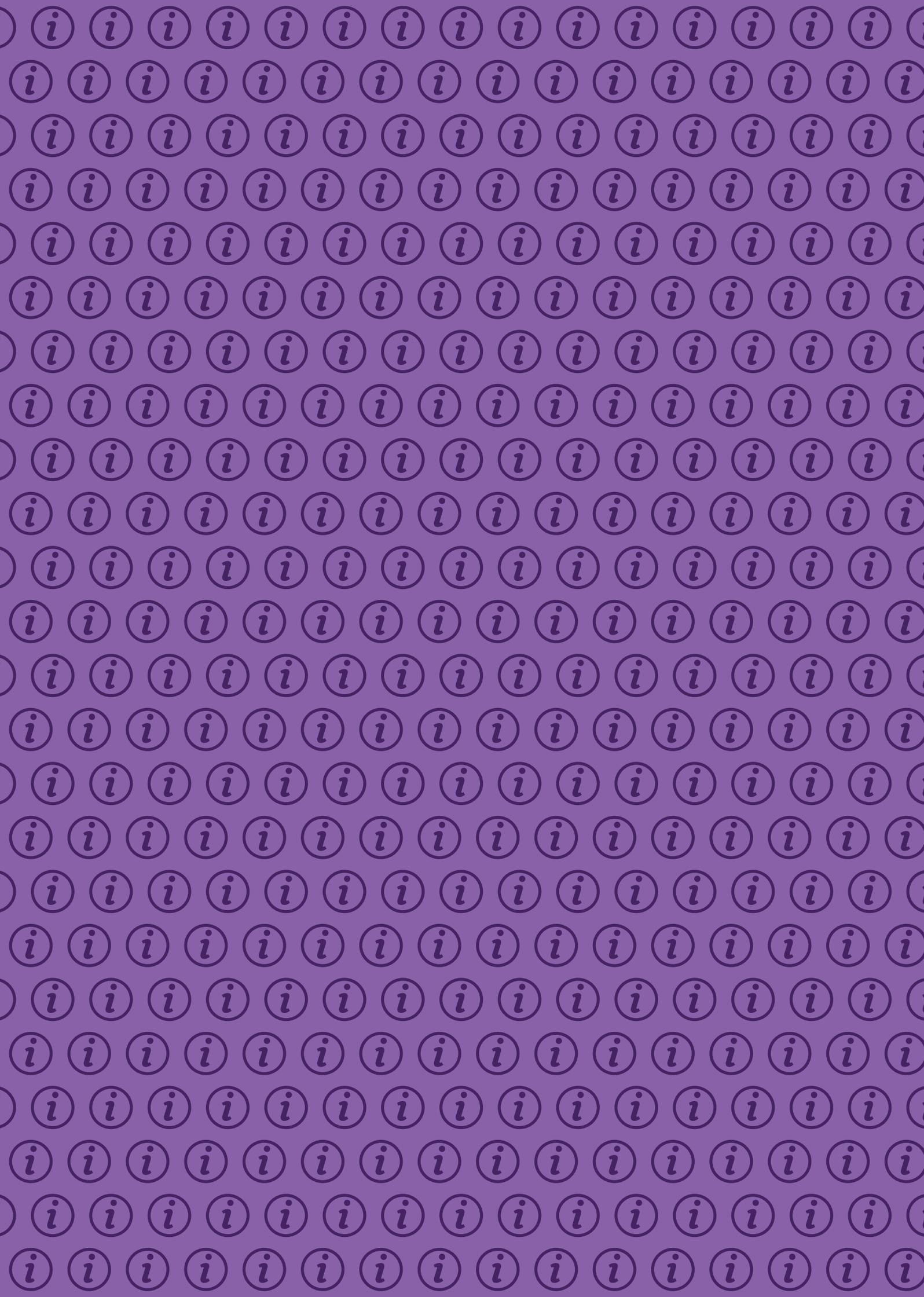


## For further information please contact:

New build sales  
020 7089 1315  
[sales@familymosaic.co.uk](mailto:sales@familymosaic.co.uk)

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