

# A Guide to the Right to Acquire



## Right to Acquire

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As a resident of CCHA, you may have the Right to Acquire your home. Through this scheme you can get a discount against the market value of your home. This guide outlines how the Right to Acquire scheme works. It is only a guide and does not set out your legal rights in full. Should you have any queries about your rights you should seek independent legal advice. We will uphold your legal rights to purchase your home.

### What we will do:

If you have the Right to Acquire and wish to purchase your home, we will give you:

- Detailed information about the scheme and application form within 10 working days of your request.
- A decision on your request within four to eight weeks of receipt of all the information that we need from you.
- A valuation of your home within 12 weeks of your application date for freehold properties and 16 weeks for leasehold properties.

### You can help us by:

- Giving us all the information, we need within the time that we ask
- Treating your home, surroundings and our staff with respect
- Informing us of any changes in your circumstances that that we can provide you with the best possible service
- Giving us feedback on the service you receive.

### Am I eligible for the Right to Acquire?

The Right to Acquire is a scheme giving residents of Registered Social Landlords (RSL) such as CCHA, the right to buy the home they rent. Not only do you have to meet the criteria set by the Homes and Communities Agency (HCA) but so does your home. A qualifying property is an RSL property rented under a secure or assured tenancy. Assured shorthold tenancies do not qualify. There are some further criteria, some of which are given below.

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- You must have spent a total of three years as a public sector tenant, if your tenancy started after 18 January 2005.
- You must live in a house or a flat which is self-contained and has its own access. It must be your only or main home.
- The property must either have been built or bought by a Housing Association (CCHA) after 31 March 1997 and funded through a social housing grant.

### **You will not be eligible to claim the Right to Acquire if:**

- You are an undischarged bankrupt or have a bankruptcy petition pending against you.
- You are required to give up possession of your home as a result of a court order
- You have made an arrangement with your creditors, the terms of which remain to be fulfilled.

**Please contact CCHA who will confirm whether you are entitled to claim the Right to Acquire**

## The cost of purchasing your home

It is important to think about the costs and responsibilities of buying your home as it can cost a lot more than renting. Some of the extra costs to consider are:

- Mortgage fees
- Stamp duty
- Legal and survey fees
- Land registry fee.

## The cost of home ownership

You will need to carefully consider if you can afford to run your home. On-going costs to take into account include:

- Mortgage repayments that may work out higher than your current rental payments.
- Insurance (buildings and contents)
- Insurance for accident, sickness and unemployment
- Service charges (if you are buying your property as a leaseholder)

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- Repairs & maintenance (major repairs will be your responsibility, for example boiler replacement, roofing repairs, plumbing work)
- Other costs such as council tax, utilities and other bills.

**It is important to remember that your home may be repossessed if you do not keep up repayments on your mortgage. You may risk being made homeless.**

## Frequently asked questions

### **How much will it cost to purchase my home?**

Your home will be valued by an independent valuer at the most up to date price of similar properties on the open market at the time of your application. You are then entitled to a discount which at the time of writing this guide is £16,000 for properties within the London Boroughs of Croydon and Sutton (this amount is subject to change). The discount will be deducted from the property valuation and you will pay the balance.

### **Will my repairs still be done when I have applied to buy my home?**

Once you have applied for the Right to Acquire, only essential repairs will be carried out to your property. These will include keeping your home wind and weather tight and keeping services in a safe condition.

### **How long will it take for me to purchase my home?**

We aim to deal with your enquiry quickly and within set time limits. The actual time taken to complete the sale will vary depending on the type of property you have. It will help if you can give us all the relevant information and allow us to access your property.

### **Can I buy with someone else?**

Yes, if you are a joint tenant you will normally be buying with the other tenant. You may also include up to three members of your family. They must live with you and have been at your address for 12 months before you made your claim.

### **What happens if I want to sell the property?**

You may sell your property whenever you wish, in the same way as other homeowners. However, if you applied to purchase your property after 18 January 2005 and sell within five years, you must repay some or all the discount you received.

**Important note:** should you decide to sell the property at any time within the first 10 years, you will be required to offer the property to CCHA. This is known as the right of first refusal. If CCHA do not wish to purchase the property you are then free to sell it on the open market.

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## Step by step guide to Right to Acquire

### Step 1 – Applying for the Right to Acquire

- Contact us for guidance on whether you qualify and request a Right to Acquire claim form (Form RTA1). You will need to complete and return it to us.
- It is an important document and you should keep a copy for yourself.

### Step 2 – Do you qualify?

- We will respond, telling you if you have the Right to Acquire.
- We have up to eight weeks to respond
- If you do not have the Right to Acquire, we will explain why.

### Step 3 – Offer notice

- If you do have the Right to Acquire you will be sent an offer notice by us (Form RTA3)
- The offer notice tells you the price you must pay and the detailed terms and conditions of the sale.
- This will be sent to you within 12 weeks.

### Step 4 – Buying your property

If you want to go ahead with the purchase, you must:

- Tell us within 12 weeks of the offer if you wish to proceed with the purchase
- Appoint a legal representative to act on your behalf. Tell us who is representing you.
- If you require a survey, arrange for this to be carried out at your own expense.
- Arrange a mortgage with an approved lender.
- Once all details have been received, the sale will proceed via solicitors and your legal representative.

### Step 5- Completion of purchase

- Once we have checked your details, the purchase can proceed
- Your solicitor will deal with the legal requirement necessary for the purchase and should keep you informed.
- You must complete the purchase within certain time limits.

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### **Further advice**

For information on mortgages and insurance you should seek your own independent financial advice.

Homes & Communities Agency (HCA) website: [www.gov.uk/right-to-acquire-buying-housing-association-home/overview](http://www.gov.uk/right-to-acquire-buying-housing-association-home/overview)