

REMORTGAGING & EXTRA BORROWING



Garden City Homes

I bought my property through Right to Buy/Acquire and I'm still within the discount repayment period, can I change mortgage provider?

As long as there is no extra borrowing, you would only need our consent to change your mortgage provider. There is a £100 admin fee for dealing with this and providing our consent [LINK TO CHARGES & FEES.](#)

If you bought an apartment through one of these schemes, depending on the terms of your lease, you may still need our consent after the five-year discount repayment period has expired. The solicitor dealing with the mortgage will let you know if our permission is required and as above, there will be a £100 admin fee for dealing with the matter.

I own a shared ownership property, can I change mortgage provider?

If you wish to change your provider you will need our consent. We will require a copy of your new mortgage offer and a copy of your current mortgage redemption. There is a £100 admin fee for dealing with this and providing our consent.

I bought my property through Right to Buy/Acquire and I'm still within the discount repayment period, can I borrow extra money on my mortgage?

You are only able to borrow extra money for home improvements, not for repayment of debts or to finance the purchase of a car for example. There is a process for dealing with this and a £100 admin fee for dealing with this and providing our consent.

I own a shared ownership property, can I borrow extra money on my mortgage

You are not able to borrow extra funds if you have a shared ownership lease for either an apartment or a house.

Extra Borrowing

Your Step by Step Guide

1

Confirm to us what works are required

2

Provide a copy of your new mortgage offer

3

Provide a copy of your current mortgage redemption

4

Provide quotations for all work required on letterhead paper from your contractors

5

Confirmation of current value of property

6

Please note extra borrowing is based on a maximum of 5% of the current property value

ADMIN FEES & CHARGES



Garden City Homes

What is an Admin Fee?

An admin fee is payable to us for services we provide which are outside the terms of your lease agreement. They are usually for services which are requested as part of a process, for example, a property re-sale or approval of a mortgage and is usually not a regular service provided to all leaseholders.

Why do I have to pay it?

We charge a management fee as part of your lease agreement, but this doesn't cover the cost of providing these extra services. The admin fee is charged to ensure we are able to cover the extra costs incurred.

We have undertaken a benchmarking process with other Housing Associations. This means we have looked at what other organisations charge and the services they charge for to make sure we are charging fairly for these extra services.

When do I pay it?

The fee will become payable when you instruct us for the service, For example, if you enquire about a re-mortgage, the enquiry will not trigger the fee, but when your solicitor or mortgage advisor instructs us in the matter, the fee will become payable.

How do I pay it?

If you have a solicitor acting for you, they will usually pay it on your behalf and claim it back as part of their costs. If not, you can pay direct to our bank account. We will give you the bank details and a reference number and ask you to let us know when the payment has been made so we can confirm receipt. When receipt has been confirmed, we will be able to provide the service or documentation you have requested.

SERVICES PROVIDED OUTSIDE OF THE MANAGEMENT FEE

EFFECTIVE FROM 1ST APRIL 2019

SERVICES	COST	NOTE
Additional Copies of Service Charge Estimate, Accounts or correspondence	£30	For each item
Copy of supporting documents	£30 plus £1 per item	Per invoice/item
Copy of Lease	£50	
Management Questionnaire	£100	
Re-mortgage approval	£100	
Approval of Further Advance	£100	
Transfer of Names	£75	
Copy of full Buildings Insurance Policy	£50	
Lease Extension	£120	Plus legal fees
Deed of Covenant	£50	
Permission/Consent letter	£30	Plus £30 if inspection visit required
Licence to Alter	£60	
Sub-letting approval and registration	£80	
Stair-casing	£200	
Breach of lease	£40	
Notice of Assignment	£50	
Nomination Fee	As specified in lease or 1.75% of full market value	
Shared Ownership Resales	£200	
Freehold Acquisition	£120	Plus legal fees
Administration of Major Works	10%	
Notice Before Action	£80	
County Court Costs	Actual Costs	The amount charged by the Court will differ dependent on the level of debt
Valuation Fee	Actual Fee	The amount charged by the Valuer
Form 1 (for Freehold Acquisition)	£50	
Right of First Refusal Certificate	£50	
RX1 & RX3 forms (completed)	£50 each	
Deed of Postponement and approval for extra borrowing (first five years after RTB/A completion)	£100	

ADMINISTRATION CHARGES – SUMMARY OF TENANTS' RIGHTS AND OBLIGATIONS

This summary, which briefly sets out your rights and obligations in relation to administration charges, must by law accompany a demand for administration charges. Unless a summary is sent to you with a demand, you may withhold the administration charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.

An administration charge is an amount which may be payable by you as part of or in addition to the rent directly or indirectly

- for or in connection with the grant of an approval under your lease, or an application for such approval;
- for or in connection with the provision of information or documents;
- in respect of your failure to make any payment due under your lease; or
- in connection with a breach of a covenant or condition of your lease.

If you are liable to pay an administration charge, it is payable only to the extent that the amount is reasonable.

Any provision contained in a grant of a lease under the right to buy under the Housing Act 1985, which claims to allow the landlord to charge a sum for consent or approval, is void.

You have the right to ask the First-tier Tribunal whether an administration charge is payable. You may make a request before or after you have paid the administration charge. If the tribunal determines the charge is payable, the tribunal may also determine

- who should pay the administration charge and who it should be paid to;
- the amount;
- the date it should be paid by; and
- how it should be paid.

However, you do not have this right where

- a matter has been agreed to or admitted by you;
- a matter has been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the administration charge arose; or
- a matter has been decided by a court.

You have the right to apply to the First-tier Tribunal for an order varying the lease on the grounds that any administration charge specified in the lease, or any formula specified in the lease for calculating an administration charge is unreasonable.

Where you seek a determination or order from the First-tier Tribunal, you will have to pay an application fee and, where the matter proceeds to an oral hearing, a hearing fee, unless you qualify for fee remission or exemption. Making such an application may incur additional costs, such as professional fees, which you may have to pay.

The First-tier Tribunal and the Upper Tribunal (in determining an appeal against a decision of the First-tier Tribunal) have the power to award costs in accordance with Section 29 of the Tribunal, Courts and Enforcement Act 2007.

Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, a tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.