

A Quick Guide to the 1% Staircasing Transaction



Garden City Homes

Under the new shared ownership model lease, shared owners are eligible to purchase additional shares in 1% transactions per year for up to 15 years without any legal, valuation or admin fees.

Once a year, Garden City Homes will send you an indication of what an additional 1% share would be, based on the UK House Price Index.

Should you wish to proceed with the purchase, you can submit the below 'Intention to Purchase form' to Garden City Homes, we will then provide you an actual offer for the 1% share alongside the revised rental figure and details on how to complete the purchase.

If the timing isn't right for you to buy an additional 1%, you can contact us for an updated 1% valuation at any point in the year.

If you would like to purchase an additional 1% then you will need to fill out the 'Intention to Purchase an Additional 1%' form (down below) and submit it to:

enquiries@gardencityhomes.org.uk

How it works:

1. Once an 'Intention to Purchase Form' has been filled in submitted to the above email, Garden City Homes will review your request and let you know if you are eligible to proceed.
2. If you are eligible, we will send you an actual offer for the 1% purchase alongside a revised rental figure. We will send this offer to you alongside the payment details to complete the purchase. You can accept this valuation or instruct your own valuation (you'll need to pay for a RICS valuation if you want to challenge our valuation).
3. Payment for the cost of the 1% purchase will be paid via bank transfer.
4. Once we have received confirmation from our accounts team that the payment has been made, we will provide you with a memorandum of the 1% staircasing purchase.

FAQs:

Q. How long does the valuation/offer last?

A. The valuation is only valid for 3 months. If you have not completed the transaction after the 3 months you can request an updated valuation at any time.

Q. When can I purchase the 1% share?

A. When you have owned the property for more than a year, you can purchase 1% each year at any time during the first 15 years from completion, unless you staircase up to 100%.

Q. If I do not purchase 1% this year, can I roll it over to next year and purchase it then?

A. You can only purchase 1% a year, you will not be able to 'roll over' any unused 1% staircasing options from year to year. For example, if you decide not to complete a 1% purchase in year 3 you cannot buy 2% in year 4.

Q. Do I have to pay stamp duty?

A. Stamp duty will be payable if your staircasing transaction take the shares you own to 80% or more.

Q. Will Land Registry be updated of the 1% purchase?

There will be no changes to what is registered with the Land Registry. Once our accounts team have confirmed receipt of the 1% purchase, we will provide you with a Memorandum of Staircasing which will show your updated share percentage, which you must keep for your records.

Should you have any queries regarding this please get in touch with Garden City Homes on:

0300 777 7177 | enquiries@gardencityhomes.org.uk

INTENTION TO PURCHASE ADDITIONAL 1% SHARE

Garden City Homes part of WCHG

8 Poundswick Lane

Wythenshawe

Manchester

M22 9TA

LEASEHOLDER DETAILS

NAME(S):

ADDRESS:

EMAIL(S):

TELEPHONE(S):

Please confirm your decision below:

*I/we, the applicant(s) named above **wish to proceed with the purchase** of the additional 1% share .*

SIGNED

PRINT NAME

DATE

please note the above will need to have your actual signature, we cannot accept electronic or typed signatures.

PLEASE RETURN TO: ENQUIRIES@GARDENCITYHOMES.ORG.UK