

Summary of costs

When you buy a home through shared ownership, you enter into a shared ownership lease. The lease is a legal agreement between you (the 'leaseholder') and the landlord. It sets out the rights and responsibilities of both parties.

Before committing to buy a shared ownership property, you should ensure you take independent legal and financial advice.

This summary of costs document is to help you decide if shared ownership is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

It does not form part of the lease. You should carefully consider the information and the accompanying lease, and discuss any issues with your solicitor before signing the lease.

Failure to pay your rent or service charge or your mortgage could mean your house is at risk of repossession.

Examples and figures provided in this summary of costs document are correct at the time of issue but will change over time in accordance with changes in house prices and the terms of the shared ownership lease.

The monthly payments to the landlord will be reviewed annually. The figures in this document will only apply to the first year of the lease.

Purchase costs

Full market value	£ <input type="text"/>
Share purchase price	<p><i>Enter the share price and percentage share offered based on the financial assessment.</i></p> <p>£ <input type="text"/> (<input type="text"/>% share)</p> <p>The share purchase price and percentage are based on the amount you can afford.</p>
Deposit	£ <input type="text"/>
Reservation fee	£ <input type="text"/>
Your solicitors' fees	<p>Solicitors' fees can vary. You can expect to pay fees including:</p> <ul style="list-style-type: none"> • legal services fee • search costs • banking charges • Land Registry fee • document pack fee • management agent consent fee - subject to development and terms of the management company <p>You'll need to ask your solicitor what the fees cover and the cost for your purchase.</p>
Stamp Duty Land Tax (SDLT)	<p>You may have to pay Stamp Duty Land Tax (SDLT) depending on your circumstances and the home's market value. Discuss this with your solicitor. There is more guidance on the GOV.UK website:</p> <ul style="list-style-type: none"> • Stamp Duty Land Tax: shared ownership property • Calculate Stamp Duty Land Tax (SDLT)

Your monthly payments to the landlord

Rent	<p><i>Enter the percentage share and the monthly rent based on the financial assessment.</i></p> <p>If you buy a <input type="text"/>% share, the rent will be £<input type="text"/> a month.</p> <p>The percentage share and rent amount is based on the amount you can afford.</p>
Service charge	<p><i>If there is a service charge, enter the amount. If this does not apply, enter "There is no service charge to pay." Delete as applicable.</i></p> <p>£<input type="text"/> a month / There is no service charge to pay.</p> <p><i>Specify what the service charge covers. Make explicit reference as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share. If there is no service charge, delete the following statement.</i></p> <p>The service charge is for <input type="text"/>.</p> <p><i>Specify whether your organisation has or has not signed the GLA's Service Charges Charter</i></p>
Estate charge	<p><i>If there is an estate charge, enter the amount. If this does not apply, enter "There is no estate charge to pay." instead. Delete as applicable.</i></p> <p>£<input type="text"/> a month / There is no estate charge to pay.</p> <p><i>Specify what the estate charge covers. Make explicit reference as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share. If there is no estate charge, delete the following statement.</i></p> <p>The estate charge is for <input type="text"/>.</p>
Buildings insurance	<p>£<input type="text"/> a month</p>

<p>Management fee</p>	<p><i>If there is a management fee, enter the amount and who it's payable to. If this does not apply, enter "There is no management fee to pay." Delete as applicable.</i></p> <p>£ <input type="text"/> a month / There is no management fee to pay.</p> <p>The management fee is payable to <input type="text"/>.</p> <p><i>Specify what the management fee covers. Make explicit reference as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share. If there is no management fee, delete the following sentence.</i></p> <p>The management fee is for <input type="text"/>.</p>
<p>Reserve (sinking) fund payment</p>	<p><i>If there is a reserve fund payment, enter the amount. If this does not apply, enter "There is no reserve fund payment." Delete as applicable.</i></p> <p>£ <input type="text"/> a month / There is no reserve fund payment.</p> <p><i>If there is no reserve fund payment, delete the following sentences.</i></p> <p><i>Make explicit reference as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share.</i></p> <p>The reserve fund is for <input type="text"/>.</p> <p>For more information, see section 5.7, 'Repairs reserve fund', in the 'Key information about shared ownership' document.</p>
<p>Total monthly payment to the landlord</p>	<p>Your total monthly payment for the rent and other charges described above will be:</p> <p>£ <input type="text"/> a month</p> <p>You'll need to budget for your other costs of owning a home, which are not included in the monthly payment to the landlord. For example, mortgage repayment, contents insurance, Council Tax, gas and electricity, and water.</p>

Rent review

Rent review period	<p><i>Enter the date when the rent will be reviewed.</i></p> <p>Your rent will be reviewed every year on _____.</p>
Rent increase	<p><i>State your additional percentage increase on top of the increase (maximum 0.5%). Delete as appropriate to indicate the applicable indexation method.</i></p> <p>The maximum amount your rent can go up by is the same as the percentage increase in the Retail Prices Index (RPI)/Consumer Price Index(CPI) for the previous 12 months plus ____%.</p>

Future costs if you buy more shares

Home valuation	<p>If you choose to buy shares of 10% or more, you'll need to pay in full for a valuation by a surveyor who is registered with the Royal Institution of Chartered Surveyors (RICS). The estimated current cost is £_____.</p> <p><i>State who needs to arrange the valuation.</i></p> <p>You/the landlord will need to arrange the valuation.</p> <p>You can find a registered surveyor on the RICS website.</p> <p>For more information, see section 6, 'Buying more shares', in the 'Key information about shared ownership' document.</p>
Share purchase admin fees	<p><i>Enter your admin fee for staircasing transactions of 10% or more. If you do not charge a fee, state this. For example:</i></p> <p>Buy shares of 10% or more - £_____</p>
Your solicitors' fees	<p>Where you require legal advice when buying more shares, you are responsible for paying your own legal fees in full. Your mortgage lender will require you to instruct a solicitor if you are borrowing money to fund any purchase of additional shares. The landlord is responsible for paying their own legal fees related to share purchase transactions.</p>

Future costs if you sell your home

Landlord's current selling fee	£ ____ / % of value of home
Estate agent's fee	You'll need to pay their fee, which is negotiable. <ul style="list-style-type: none"> • <i>make explicit reference as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share.</i>
Your solicitors' fees	You are responsible for seeking legal advice when you sell your home. You will need to pay your legal fees in full.
Home valuation	The landlord arranges the valuation by a surveyor who is registered with the Royal Institution of Chartered Surveyors (RICS). You are responsible for paying the cost in full.

Other potential costs from the landlord

Tell the homebuyer all other potential costs now and in the future - for example, permission fees and lease extension fees. It should be clear as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share. You can:

- *link to a full list of fees on your website*
- *send a separate document to the homebuyer*
- *enter the fees in the table below; it should be clear as to whether fees are wholly the responsibility of the homebuyer, or proportionate to the equity share.*

	£ ____
	£ ____
	£ ____
	£ ____
	£ ____

Your own payments

You could use this section to help you plan your budget. Depending on the home, you might have other costs to consider.

Mortgage repayment	£_____ a month
Contents insurance	£_____ a month
Council Tax	£_____ a month
Gas and electricity	£_____
Water	£_____
Annual boiler service	£_____ a year
Other payments (e.g. car payments, regular travel costs, mobile phone, broadband)	