

Convent Way
**RENEIGHBOURING
HESTON**

yes

**THE
LEASEHOLDER
OFFER**

This is the second draft of the Leaseholder Offer. We are keen to hear your views and answer any questions on the offer, so please do get in touch in whichever way is suitable for you

Dear Leaseholder,

The first draft of the Leaseholder offer was published for consultation on 9 December 2020. The offer provided an overview of your rights, entitlements and compensation in relation to the sale of your current property to the council; your options for buying a new home if you are a resident leaseholder; and how the council will support you throughout the regeneration process. Many of you have given us your feedback in writing, discussed your comments and queries over the phone or email and attended the Zoom workshops. Thank you very much for your all feedback and comments.

We have collated and reviewed all your feedback and made suitable amendments to this **second draft of the Leaseholder offer. The consultation on this document will run from 15 March to 30 April 2021.** Like before, you can get in touch over the phone, email and attend Zoom workshop to give us your feedback or seek clarifications. We

are hopeful that in line with plans to lift the lockdown we will be able to host in person events in April. We will send you information on when this happens.

We will be holding Zoom Workshops on:

Tuesday 23 March 2021 at 6 p.m.

Thursday 1 April 2021 at 1 p.m.

Wednesday 7 April 2021 at 6 p.m.

Thursday 22 April 2021 at 6 p.m.

You will find a summary of the frequently asked questions raised on the first draft. It provides clarification on the key queries, notes the amendments made to the Offer in response to the feedback and provides an explanation for what suggestions have not been included.

From page 9' you will find the revised **Resident Leaseholder offer** and the **Non-resident Leaseholder offer** on page 13. Please read this document carefully and get in touch with your comments and feedback.

Phone:
020 8583 5858 or 020 8583 4726

Email:
conventwayregen@hounslow.gov.uk

In person:
Drop in or make an appointment and see a member of the Regeneration Team at Covent Way Community Centre .

SUMMARY OF FEEDBACK RECEIVED



1. When will my home be purchased? Clarification

Currently we are working closely with the residents to develop the design proposals, the Leaseholder offer and the Tenant offer in the lead up to the ballot later in July. If at the ballot, the residents vote in support of regeneration, the council will then progress to the next stage and start developing the designs further and submit a planning application. This process can take up to 18 months.

Once the planning submission has been granted, the council will then make a full assessment of how to fund, deliver and phase the regeneration works. It is at this point the council will be in a position to confirm the timescales for when your home will be purchased for the purposes of regeneration.

Meantime, should you wish to sell your home to the council you can do so under the “buy-back” scheme. There is limited funding for this scheme, if you are interested, please contact the

Home Ownership team on Home.Ownership@hounslow.gov.uk or 020 8583 3721. Please note, you would not qualify for the statutory home loss or basic loss payments at this stage.



2. When can I buy a new home on the new estate? Clarification

The council is committed to a “one move” offer. This means that there will be a new home built and ready on the estate for resident leaseholders to move straight in to from their existing home. In most instances, leaseholders will be able to sell their home to the council and buy a new home at the same time.

If this is not possible and the council need to purchase your existing home in advance of the



new home being ready for you to buy, both parties (council and the leaseholders) will agree the market value of the new home at the point of sale of the existing home. This will protect both parties from any fluctuations in property prices.



3. What if I disagree with the council's valuation of my property? Clarification and Amendment to the offer (see page 9)

Before accepting the council's valuation of your home, you can get your own valuation completed by an independent chartered surveyor, who must be a member of the Royal Institution of Chartered Surveyors (RICS). If you decide to do so, the council will pay a reasonable amount to cover the costs and this should be agreed with the council beforehand. More information about appointing a surveyor can be found on the RICS website. www.rics.org.

It is hoped that the council's surveyor and your surveyor will reach an agreement on the valuation of your home. If the two surveyors do not reach an agreement, the next step with your agreement, the council may make an application to the RICS to appoint an independent expert of both parties choosing, to carry out an impartial determination of value.

The council will pay the amount determined by that independent expert even though technically the outcome of the expert determination is not legally binding on either party.



4. What is included in the valuation of my property? Clarification and Amendment to the offer (see page 9)

The surveyor will have regards to the following matters in assessing the market value of your property:

- The internal condition.
- Any internal improvements such as new bathrooms and kitchens.

- The location of the property and amenities within the area such as transport links, shops and services.
- The housing market in the immediate area, including recent completed sales prices of similar ex-local authority properties in areas nearby of a similar age and condition.
- Anything else that in the reasonable opinion of the valuer has a material impact on the value of the property such as the length of lease remaining on the property etc.

Please note that valuations will not be based on website estimates or estate agent's asking prices, but instead on actual completed sales recorded at the Land Registry and the professional assessment of the independent surveyor. The valuation will be valid for three-months from the date of the valuation letter, although this period can be extended with the agreement of both parties.



5. What if am unable to transfer my existing mortgage or raise a new one, can I still purchase a home on a Shared Equity basis? Clarification

As a resident leaseholder you will have the option of buying a newly-built home with the same number of bedrooms as your current home on a shared equity basis and will not need to pay the full market value.

If you are unable to raise a mortgage or only able to raise some borrowing, but at a level that is less than the mortgage for the existing home and are able to buy at least 50% of the new home, you will still be able to buy a new home on a shared equity basis. So long as you put in all of the funds from the

sale of your home including any statutory home loss payment to which you may be entitled as well as any mortgage you are able to secure.

The council will carry out full financial assessment where leaseholders are unable to raise a mortgage to the same level as their existing home.



6. Will the council pay the costs associated with transferring my existing mortgage or raising a new one? Clarification and Amendment to the offer (see page 12)

In addition to statutory home loss and disturbance payments, the council will pay all reasonable legal and surveyor's costs linked to the sale of your current home and the purchase of your new home.

These costs include, for example:

- Legal (conveyancing) fees arising from the sale of your home to the council and the purchase of a new home
- Stamp Duty of the new home
- Surveyor's fees arising from the purchase of your new home
- Survey fee and reasonable costs in connection with the redemption or transfer of an existing mortgage or raising a new one.

Convent Way RENEIGHBOURING HESTON



RETHINK
RESHAPE
REBUILD



7. Will I have to repay the Right to Buy discount when selling to the council for regeneration? Clarification and Amendment to the offer (see page 12)

If you exercised your Right to Buy within five years of when the council buys back the home for the **purposes of regeneration**, you will not be required to repay any of the Discount received. Repayment of the Right-to-Buy Discount is exempted in these circumstances.



8. Will I be liable for the costs of regeneration in the same way I am liable for the cost of capital works carried out on the estate? Clarification

As the regeneration will be carried out in phases over a 10 – 15 year period, at any one point there will be parts of the estate being regenerated and other parts will be waiting to be regenerated. Leaseholders will not be liable for the costs of regeneration.

However, the leaseholders in the phases which are not yet being regenerated will continue to be liable for a share of the cost of any repairs or works carried out to their existing home in accordance with their lease.

Once the leaseholder purchase the newly-built home they will be liable to pay service charges including a share of the costs of any repairs carried out at the building in accordance with their new lease agreement.



9. What if I want to buy a bigger property than the one I currently own? What if I want to downsize and buy a smaller property than the one I currently own? Clarification and Amendment to the offer (see page 11)

Resident leaseholders can request to buy a larger home than the one they currently own. The council will consider the request based on availability of larger homes and their need for a larger home.

If the council can offer you a larger home for sale, and you cannot afford the full market value, it will be offered at the same equity share as a home with the same number of bedrooms as your current home. You can buy a greater share up to the full market value at the time of purchase or over time and in stages if you wish.

For example: You currently own a two bedroom home and are able to purchase a new two bedroom home at 60% share by investing all of the funds from the sale of your home, including the home loss payment as well as any mortgage you are able

to secure. You wish to buy and the council is able to offer you a three bedroom home, then you will be required to buy at least 60% share of the three bedroom home.

You can request to buy a smaller home than the one you currently own. The council will consider your request based on availability of smaller homes.

If the council can offer you a smaller home for sale, it will be offered at the same equity share as the home with same number of bedrooms as your current home. You can buy a greater share up to the full market value at the time of purchase or over time and in stages if you wish.

For example: You currently own a two bedroom home and are able to purchase a new two bedroom home at 60% share by investing all of the funds from the sale of your home, including the home loss payment as well as any mortgage you are able to secure. You wish to buy and the council is able to offer you a one bedroom home, then you will only be required to buy 60% share of the one bedroom home and do not need to invest the full funds from the sale of your home and the home loss payment.

Convent Way RENEIGHBOURING HESTON



10. Home loss payment should be higher than 10%. Clarification

The statutory Home loss payment of 10% for resident leaseholders has been set within the Land Compensation Act 1973. The council believes this to be a fair level of payment and will not be increasing the percentage amount.



11. Resident leaseholders should only be required to purchase 50% of the new property as opposed to investing the full proceeds including the home loss payment from the council. Clarification

The Leaseholder offer is based on the principle that no party, council or the leaseholder should be financially disadvantaged, and no party should be financially better or worse off. Requiring leaseholders to invest the full proceeds of the sale of their existing home including home loss payment is considered to be fair to both the council and the leaseholder.



12. Non – resident leaseholders should be able to purchase a new property on the estate. Clarification and Amendment to the offer (see page 14)

You will have the option of buying a new home at market value on the new estate before the home becomes available for purchase on the open market.

RESIDENT LEASEHOLDER OFFER



If you are a resident leaseholder, you will receive the full market value of your home plus 10% home loss payment.

If you have lived in your home for 12 months or more at the time you have to move, you will be considered a resident leaseholder. If you choose to sell your property to the council you will receive the full market value of your home at the time it is sold to the council. You will also receive the statutory home loss payment of 10% of the full market value.

The home loss payment will be capped at a maximum level, currently this is £65,000. This amount is decided annually by the government. Joint owners will receive one payment.



The valuation of your home will be carried out by a qualified independent surveyor.

The valuation of your home will be carried out by an independent qualified surveyor who will take into account:

- The internal condition
- Any internal improvements to the home such as new bathrooms and kitchens
- The location of the home and amenities within the area such as transport links, shops and services.
- The housing market in the immediate area, including recent completed sales prices of similar ex-local authority properties in areas nearby of a similar age and condition.

yes FULL MARKET VALUE PLUS 10%

- Anything else that in the reasonable opinion of the valuer has a material impact on the value of the home such as the length of lease remaining on the home etc.

The valuation will reflect the value of the home before the impact of any regeneration or proposed regeneration is taken into account.



The council will appoint an independent chartered surveyor to survey your property and determine the market value.

If you disagree with the council's valuation of your home, you can get your own valuation. If you decide to obtain your own valuation, the council will pay a reasonable amount to cover these costs and these should be agreed with the council before they are incurred. The surveyor you choose must be a member of the Royal Institute of Chartered Surveyors (RICS). More information about appointing a surveyor can be found on the RICS website. www.rics.org.

In most instance it is hoped that the council's surveyor and your surveyor will reach an agreement on the valuation of your home. If however the two surveyors do not reach an agreement, then with your agreement the council may make an application to the RICS for an independent expert of both parties choosing, to carry out a determination of value.

The council will then pay the amount determined by the expert determination although the outcome of the expert determination is not legally binding.

Convent Way RESIDENT LEASEHOLDER OFFER



If you are a resident leaseholder, you can choose to buy a new home on the estate or in a council development in the local area or elsewhere in the borough.

Buy a home at full market value

As a resident leaseholder, you will have the option of buying a new home at market value on the new estate before the home becomes available for purchase on the open market.

Buy a home on Shared Equity basis

As a resident leaseholder you will have the option of buying a newly built home with the same number of bedrooms as your current home on a shared equity basis and will not need to pay the full market value.

The home can be on the regenerated Convent Way estate or in another council development in the local area or elsewhere in the borough.

The money you put into the new home will need to be all of the funds from the sale of your home, including the home loss payment from the council as well as any mortgage you are able to secure. You must be able to buy at least 50% of the new property.

The council will put in the rest of the money to buy the home, which will be the council's share. You will not pay rent on the council's share.

You will be responsible for 100% service charges and all internal maintenance and upkeep of the home.

You will be able to buy the council's share over time and in stages if you wish.

yes YOU CAN CHOOSE TO BUY A NEW HOME ON THE ESTATE

If you decide to sell your new home at some point in the future, you will be able to keep the increase in the value (if any) of your share of the property. Similarly, the council will keep the increase in the value (if any) of their share of the property.

Any deductions from the agreed sale value (i.e. for service charge arrears or other personal debts secured against the property) will need to be repaid.

Buy a home on Shared Ownership basis

If you cannot afford to buy a minimum of 50% of the new property but can afford to buy a minimum of 25% of the new property, then you can buy the property on a Shared Ownership basis.

Shared Ownership means that you will own part of your home and pay rent on the rest.

The money you put into the new property will be all the funds from the sale of your home, including the home loss payment as well as any mortgage you are able to secure. You must be able to buy at least 25% of the new property.

The council will put in the rest of the money to buy the home, which will be the council's share. You will pay rent on the council's share.

You will be able to buy the council's share over time and in stages if you wish.

If you decide to sell your new home at some point in the future, you will be able to keep the increase in the value (if any) of your share of the property. Similarly, the council will keep the increase in the value (if any) of their share of the property.

yes WE WILL HELP PAY YOUR MOVING COSTS



You can request to buy a larger home than the one you currently own.

The council will consider your request based on availability of larger homes and your need for a larger home. If the council can offer you a larger home for sale, it will be offered at the same equity share as a home with the same number of bedrooms as your current home. You can buy a greater share up to the full market value at the time of purchase or over time and in stages if you wish.

For example: You currently own a two bedroom home and were able to purchase a new two bedroom home at 60% share by investing all of the funds from the sale of your home, including the home loss payment as well as any mortgage you are able to secure. You wish to buy and the council is able to offer you a three bedroom home, then you will be required to buy at least 60% share of the three bedroom home.



You can request to buy a smaller home than the one you currently own.

The council will consider your request based on availability of smaller homes.

If the council can offer you a smaller home for sale, it will be offered at the same equity share as the home with same number of bedrooms as your current home. You can buy a greater share up to the full market value at the time of purchase or over time and in stages if you wish.

For example: You currently own a two bedroom home and were able to purchase a new two bedroom home at 60% share by investing all of the funds from the sale of your home, including the home loss payment as well as any mortgage you are able to secure. You wish to buy and the council is able to offer you a one bedroom home, then you will only be required to buy 60% share of the one bedroom home and do not need to invest the full funds from the sale of your home and the home loss payment.



The Council will pay your reasonable moving costs.

You will receive a moving home payment otherwise referred to as disturbance payment to help with the reasonable costs of moving. This is only available to resident leaseholders. The moving home payment covers things like:

- Disconnecting and reconnecting appliances
- Redirecting mail
- Reconnecting telephone, TV and broadband
- Removal costs
- Packing/unpacking costs

Convent Way RESIDENT LEASEHOLDER OFFER



The council will pay your reasonable legal fees and other costs linked to the sale of your current home and the purchase of your new home.

The council will pay all reasonable legal and surveyor's costs linked to the sale of your current home and the purchase of your new home.

These costs include, for example:

- Legal (conveyancing) fees arising from the sale of your home to the council and the purchase of a new home.
- Stamp Duty of the new home.
- Surveyor's fees arising from the purchase of your new home.
- Survey fee and reasonable costs in connection with the redemption or transfer of an existing mortgage or raising a new one.



Repayment of the Right to Buy discount when selling to the council for regeneration.

If you exercised your Right to Buy within five years of when the council buys back the home for the purposes of regeneration. You will not be required to repay any of the discount received when you

yes

**WE HELP PAY
YOUR LEGAL
COSTS**

purchased the home from the council. Repayment of the Right-to-Buy discount is exempt in these circumstances.



You will be given the help and support you need with moving.

We recognise that some resident leaseholders will have very little experience of purchasing a home outside the Right to Buy process. The council will work with you and provide support and assistance as you go through the process of buying a new home.



Your individual circumstances will be considered.

We know that the offer cannot cover every eventuality and needs to be able to reflect the personal circumstances of affected leaseholders. The principles in this document set out the general approach, however where cases fall outside the offer for those who are vulnerable or who are facing genuine financial difficulty the council will consider individual circumstances, on a case by case basis based on the principles set out in this document.

NON - RESIDENT LEASEHOLDER OFFER



If you are a non-resident leaseholder, you will receive the full market value of your home plus 7.5% basic loss payment.

If you have lived in your home for less than 12 months at the time you have to move, you will be considered a non-resident leaseholder. If you choose to sell your property to the council, you will receive the full market value of your home at the time it is sold to the council. You will also receive the statutory basic loss payment of 7.5% of the full market value. Joint owners will receive one payment. You will be responsible for making the arrangements for any tenants you may have in your property and ensure your property is vacated by the time you sell your home to the council.

The basic loss payment will be capped at a maximum level, currently this is £65,000. This amount is decided annually by the government. Joint owners will receive one payment.

The council will appoint an independent chartered surveyor to survey your property and determine the market value. If you disagree with the council's

yes

**FULL MARKET
PLUS 7.5%**

valuation of your property, you can get your own valuation. If you decide to obtain your own valuation, the council will pay a reasonable amount to cover these costs and these should be agreed with the council before they are incurred. The surveyor you choose must be a member of the Royal Institution of Chartered Surveyors (RICS). More information about appointing a surveyor can be found on the RICS website. www.rics.org.

In most instance it is hoped that the council's surveyor and your surveyor will reach an agreement on the valuation of your property. However the two surveyors do not reach an agreement, then with your agreement the council may make an application to the RICS for an independent expert of both parties choosing, to carry out a determination of value.

The council will then pay the amount determined by the expert determination although the outcome of the expert determination is not legally binding.

Convent Way NON - RESIDENT REBUILD LEASEHOLDER OFFER

yes

YOU CAN CHOOSE TO BUY A NEW HOME ON THE ESTATE



The valuation of your property will be carried out by a qualified independent surveyor.

The valuation of your property will be carried out by an independent qualified surveyor who will take into account

- The internal condition
- Any internal improvements to the property such as new bathrooms and kitchens
- The location of the property and amenities within the area such as transport links, shops and services.
- The housing market in the immediate area, including recent completed sales prices of similar ex-local authority properties in areas nearby of a similar age and condition.
- Anything else that in the reasonable opinion of the valuer has a material impact on the value of the property such as the length of lease remaining on the property etc.

The valuation will reflect the value of the property before the impact of any regeneration or proposed regeneration is taken into account.



If you are a non-resident leaseholder, you can choose to buy a new property on the estate.

If you are a non-resident leaseholder, you will have the option of buying a new property at market value on the new estate before the property becomes available for purchase in the open market.

yes

WE WILL PAY YOUR LEGAL COSTS



The council will pay your reasonable legal fees and other costs linked to the sale of your current property and the purchase of your new home.

The council will pay all reasonable legal and surveyor's costs linked to the sale of your current home and the purchase of your new property.

These costs include, for example:

- Legal (conveyancing) fees arising from the sale of your property to the council and the purchase of a new property.
- Stamp Duty of the new property.
- Surveyor's fees arising from the purchase of your new home.
- Survey fee and reasonable costs in connection with the redemption or transfer of an existing mortgage or raising a new one.



Repayment of the Right to Buy discount when selling to the council for regeneration.

If you exercised your Right to Buy within five years of when the council buys back the property for the purposes of regeneration. You will not be required to repay any of the discount received when you purchased the property from the council. Repayment of the Right-to-Buy discount is exempt in these circumstances.

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Completing the form:

Return it in the FREEPOST envelope provided or drop off at the post box at Convent Way Community Centre.

Email:

conventwayregen@hounslow.gov.uk

Phone:

020 8583 5858 or 020 8583 4726

Complete online:

haveyoursay.hounslow.gov.uk/housing/offer2

In person:

From 16 April you can make an appointment and see a member of the Regeneration Team at the Community Centre.

What happens next:

We will review all the residents' feedback and make changes to the Leaseholder Offer if needed. A report on all feedback received will be published on our website and we will say what changes we have made resulting from consulting with residents. Where we have not taken on residents' comments, we will explain why. For further information, please visit the website at conventway.commonplace.is/