



## Horizon Housing Association



Everything you need to  
know about shared  
ownership

Horizon Housing Association is a registered social landlord with 795 properties for rent over 11 local authority areas in the central belt. We also have a small number of shared ownership properties. This information guide is designed for these properties.

## Who is your Housing Officer?

Alexa Thomson	Mid Gogarloch Syke, Golfdrum Street
Christina Johnston	Myreside Gate Henderson Street Archway Campbell Street/Sandbank Street McTaggart Avenue
Michelle Higgins	Winton Crescent



## About this information guide

By issuing this guide we aim to give you general guidance and hopefully answer any questions you may have about shared ownership and about how to increase or sell your share. If you have any questions regarding shared ownership or any other issues, please contact your housing officer (by emailing [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org) or call 0330 303 0089). Your housing officer will be happy to provide advice and assistance

- if you need clarification on your occupancy and service charge payments
- if you are experiencing difficulties in making payments
- if you are unclear about your rights and obligations in relation to your occupancy agreement
- if you want to buy an additional share or want to sell your share

We hope you will find it useful, but it is not meant as a legal document. The actual terms and conditions in relation to your occupancy of your home are set out in your Exclusive Occupancy Agreement (EOA). Your solicitor should have explained the legal commitment you made when you became a shared owner and if you have any concerns about your EOA or your obligations set out in your deeds of conditions then you should contact your solicitor.

A blue rectangular graphic with the text "RIGHTS and RESPONSIBILITIES" in white. "RIGHTS" is in a large, bold, sans-serif font, "and" is in a smaller font size, and "RESPONSIBILITIES" is in a large, bold, sans-serif font, all stacked vertically.

## What is shared ownership?

There are important differences between sharing owners and tenants. As a sharing owner you buy a share of the property – 25%,50% or 75% and the Association owns the remainder. Your rights and responsibilities are more similar to outright owners than our tenants who rent their homes. It is important to note that sharing owners are not tenants of Horizon, no matter what percentage we own.

## About your Exclusive Occupancy agreement (EOA)

When you bought your home, it was a condition of the sale that you entered into an occupancy agreement with us. This is a legal document. The EOA contains full details about your rights and responsibilities. We have tried to explain these in this guide and our housing officers are happy to provide additional guidance, but it is your responsibility to ensure that you understand the EOA and your deeds of conditions, and to seek legal advice where appropriate.

The Occupancy Agreements ends after 20 years unless you end it earlier, for instance by selling your share or by buying the additional shares so that you own the property outright. At the end of 20 years you have various options, including selling your share or entering into another EOA. We will contact you to discuss this.



## Your Housing Costs

Aside from any mortgage or loan you may have to pay, you also need to pay an occupancy charge to Horizon.

Your occupancy charge is based on the amount of the property that Horizon owns and allows you to have exclusive occupancy of the whole property although you only own a part of it.

Your occupancy payment is reviewed annually, and you will be given at least 4 weeks' notice of any proposed change.

Horizon will arrange buildings insurance and we will add the cost of this to your occupancy charge.

Horizon acts as factor in our developments where we have shared or outright owners. Where there are communal facilities such as landscaped areas, stair cleaning, communal power costs (i.e for stair lighting) we will add a service charge to your occupancy charge. If you are obliged to pay into a cyclical maintenance fund we will also add this to your monthly charge. Please see our leaflet on factoring for more details.

The Occupancy Payment, buildings insurance and any service charges or cyclical maintenance payments are due, in advance on the 1<sup>st</sup> of each month.

We will give you a breakdown of the various elements contained within your charge on an annual basis, but we are always happy to provide this information if you email [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org) or call us on 0330 303 0089.

## Ways to pay

The easiest way to pay your monthly charges is by direct debit. Contact us and we will arrange it or, if you prefer, discuss alternative ways to pay.



## What happens if you don't pay?

Failure to pay your occupancy is a serious matter and could lead to you losing your home. Please let us know if you are experiencing problems in paying, or your circumstances change please contact – we will try and help.

If you fall behind on payments, and do not contact us to come to an arrangement, then we may ask our solicitors to take legal action against you.

A co-operation agreement obliges the Association to act together if you fall behind either with the mortgage payments or with the occupancy agreement. For example if a sharing owner keeps up to date with mortgage payments but allows arrears of the Occupancy Agreement to build up, we would inform the lender and they would have to join us in taking action to force a sale or repossess the property.

**We do not want this to happen- and neither does any lender- so if you fall into difficulties, please contact us immediately – if it isn't left too late the problem can usually be sorted out.**

If you are on a low income or receiving other in receipt of welfare benefits, you may be entitled to help with your occupancy payments and possibly with your mortgage interest payments. We can help with this.

Horizon's Tenancy Sustainment Team provides a free, confidential service for sharing owners, offering advice and support. They can help to ensure that you are getting any welfare benefits you may be entitled to and where appropriate, can make referrals for debt and money advice. You can find out more on our website <https://www.horizonhousing.org/tenants/help-and-advice/>. If you would like to speak to the Tenancy Sustainment Team you can self-refer by calling 0330 303 0089 or ask your housing officer to make a referral on your behalf.

## Repairs and maintenance



- **Repairs and maintenance of your home**

As a sharing owner, you are fully responsible for internal repairs and external repairs of your own property, even though you only own a share of it. The Association will not carry out repairs in your home. However, when we are carrying out major improvements within your development, we may ask sharing owners if they wish to be included – in these cases payment must be made on completion.

You are responsible for making sure that your home is kept in good repair. We have the right of access to your home – after giving you at least 3 days' notice, to check the condition of the property. If we are concerned that the property is in serious disrepair then we can serve a notice requiring you to carry out essential repairs, and if you fail to do these, we can carry out the repairs and recharge you.

- **Repairs and maintenance of common areas**

You are also responsible for your share of any communal repairs and maintenance in your block (if you live in a flat) or in the development.

The share you are responsible for is set out in the deeds of conditions for your property and your solicitor should have explained this to you when you bought your property.

You will find more about your responsibilities in relation to common repairs and maintenance in our leaflet about factoring or on our website.

If you need to report a communal repair, please call **0330 303 0089** during office hours.

## **Buildings insurance**

Horizon is part of the Link Group, which tenders every 3 years for a common block buildings insurance for all the properties we own or factor. Neither Link nor Horizon get any commission from the insurers for building insurance.

As a sharing owner you cannot opt out of this block buildings insurance since this forms part of their Occupancy Agreement.

We will write to you annually giving details of the insurance premium as well as a summary of cover.

**This buildings insurance does not cover your contents i.e. personal items, furniture, floor coverings etc. You should ensure that you also have adequate contents insurance.**

If you wish to make a claim under this policy please contact us by emailing [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org) or call us on 0330 303 0089.



## Buying further shares

As a sharing owner you can buy further shares in your home in 25% blocks. You are not limited to buying 25% at time – you buy multiples of 25% or you can buy your property outright. However, you can only buy an additional share or purchase outright if at least 12 months have passed since you last bought a share or bought the property. In addition, you will not be allowed to buy additional shares if you owe us any money – either from occupancy charges, service charges or your share of repairs or maintenance.

If you decide to buy an additional share (this is sometimes called a tranche) please let us know in writing. We will then ask an independent valuer to undertake a market valuation of your home. Please note that the cost of this valuation will be charged to you even though you may decide not to go ahead with buying a further share.

Once we receive the valuation, we will send you the report and you can decide whether you want to go ahead. If you decide that you do want to go ahead you should confirm this in writing. We will then instruct our solicitor to proceed with the sale of the share. You will be responsible for your own legal costs as well as the Association's.

Once the sale is concluded we will adjust your occupancy payment to reflect the reduction of our share in the property.

If you purchase 100% of the property you will still be liable, as all owners are, to pay your share of the upkeep of common areas and where appropriate common repairs, as set out in your deeds of conditions.



## Moving Home & selling your share

Moving house when you are a sharing owner means selling your share. This is a legal process and you have certain obligations in relation to this which are set out in your occupancy agreement. Whilst we will do our best to make things happen as quickly as possible, this will take time and you should bear this in mind when you are planning to move.

**You must let us know, in writing, if you wish to sell- you cannot conclude a sale without our permission.**

The first thing you need to do is get a home report. A solicitor or estate agent will arrange this for you, although you can commission one yourself by contacting a qualified surveyor.

- **Selling your share to Horizon**

Once you have the home report you should send it to us and tell us formally that you wish to sell the property. Your Occupancy Agreement states that the Association must be given the opportunity to buy your share at the market value. You cannot put your home on the market before this.

Your occupancy agreement gives Horizon 6 weeks to make a decision on whether we will buy your share, but we make every effort to give you the decision well before this.

If we decide not to buy your share, we will let you know in writing and you are free to sell your share on the open market.

- **Selling your share to another sharing owner**

You are responsible for marketing and selling the share on the open market and for any associated costs. We will, if you wish add details of your property on to our website, at no charge.

Please make sure that your estate agent is aware that it is only a share of the property which is being marketed. Any advert should make clear that it is a shared ownership property and that any prospective purchaser must enter into an exclusive occupancy agreement with Horizon. In addition, the associated costs must be clear to prospective buyers i.e. the occupancy payment and the factoring costs.

Prospective buyers must meet the Scottish Government's criteria for low cost home ownership and be buying it as their only or principal home i.e. not bought to let out. If prospective purchasers do not meet these criteria, then Horizon is entitled to reject the proposed sale.

- **Selling the property outright with joint agreement**

If, after 3 months on the open market, there is no interest in buying your share, then you should contact us and we can discuss the option of selling the property outright on the open market with the proceeds being split in line with the ownership ratio i.e. if a property is sold for £100,000 and you own 75% of the property you would get £75,000. In cases where we are jointly marketing the property then we will pay half of the costs associated with the sale, and we would pay our own legal fees.

## Death of a sharing owner

If you die the occupancy agreement terminates immediately and the value of your share becomes part of your estate. We will agree with your executor how to proceed with the sale of your share. The occupancy charge and any other charges incurred from the date of your death until the sale should be met by the estate at the conclusion of the sale.

## Relationship breakdown

If you are a joint shared owner, and one of you has left or intends to leave, then you should let us know. If you have decided who is to remain in the property, you should consider legally separating your shared ownership agreement. You should contact both Horizon and your lender and both must agree to any changes. If all parties are in agreement, then your solicitor will be able to draw up a formal agreement. If there is a dispute, then unfortunately Horizon cannot get involved and you should seek legal advice.

## Subletting

You must get Horizon's written permission before subletting your home. This would normally only be granted for a period of up to a year on the condition that you can provide a copy from your lender that they give their consent. We would also expect to see a copy of the tenancy agreement and you also legally obliged to register as a landlord with the local authority.

## Alterations and improvements

If you want to carry out alterations or improvements to your home – such as putting up a fence or installing a shower, you need to ask for our permission in writing before starting the work. We will not withhold permission unnecessarily. It is your responsibility to fully consult your neighbours and ensure that any work is fully compliant with planning regulations. Please contact us if you need any advice.



## Feedback & Complaints

We want to make sure that you are happy with the service we provide. We want to hear from you if something goes wrong or you are dissatisfied, please tell us so that we can put things right- this will help us improve and develop our service. We will issue you with a copy of our complaints leaflet but you can also find out more on our website <https://www.horizonhousing.org/contact-us/our-services-your-views/>

## Keeping you informed

We will write to you every year, and more often if required, to tell you about any changes to our services and our charges.

We will issue you with statements of your account every six months but statements are available at any time on request by emailing the office on [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org) or calling the office on 0330 303 0089.

We will keep you up to date with what's happening in Horizon and about our service and our performance via newsletters, our website and social media channels.

## Have your say

We are committed to involve you to help us develop and improve the services we provide to owners and sharing owners.

We believe your knowledge and experience of the services we provide is the best way for us to learn and improve. It involves sharing information, respecting different views and perspectives, problem solving and working together.

## Why get involved?

We want to create a culture of mutual trust, respect and partnership so your involvement produces clear benefits for you and Horizon.

If you get involved, you can:

- influence the decisions we make about the services we provide
- have a say in the service standards we set and the targets for assessing how well we are doing
- play a part in monitoring our performance and suggesting where standards need to change to give better value for money

## How can you get involved?

- We will invite owners to our annual estate inspections and to our 'Tea in the car park' events and any other local event we organise.
- Sharing Owners are welcome to join with interested tenants in our Residents Improvement Group ( RIG) – find out more and how to get involved at <https://www.horizonhousing.org/tenants/get-involved/residents-improvement-group/>
- We are keen to establish an owner e-forum – to get your views on our service and to comments on estates service and policies that affect you - email us at [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org) or contact us on 0330 303 0089.

GET INVOLVED



### **Contact us**

For more information on our services

E-mail: [e-mail@horizonhousing.org](mailto:e-mail@horizonhousing.org)

Telephone: 0330 303 0089

Website: [www.horizonhousing.org](http://www.horizonhousing.org)

Visit or write to us:

Leving House, Fairbairn Place, Livingston, EH54 6TN

Opening hours: Monday, Tuesday, Thursday: 9.00am to 5.00pm

Wednesday: 10.00am to 5.00pm

Friday: 09.00am to 4.00pm