

**THE REGENERATION OF YOUR ESTATE  
INFORMATION FOR HOMEOWNERS**

**DRAFT**

**IF YOU ARE A RESIDENT HOMEOWNER,  
THE COUNCIL WANTS TO WORK WITH YOU  
TO HELP MAKE SURE THAT  
YOU WILL BE ABLE  
TO CONTINUE LIVING ON YOUR ESTATE**

**FORWARD BY THE CABINET MEMBER FOR HOUSING****The Need for More Homes**

There is an urgent need for new, genuinely affordable homes in Lambeth. There are 21,000 households on the housing register and prices for homes to rent and buy are rising beyond the reach of many local people. Furthermore, Lambeth's population is growing, putting even more pressure on housing.

**Estate Regeneration**

To help meet that growing housing need, the Council must make good use of its resources, looking at where it can provide additional homes and improve conditions for existing residents. In December 2014, the Council resolved to review its existing estates to identify those where:

1. the costs to bring the homes up to the Lambeth Housing Standard are prohibitive;
2. refurbishment works themselves will not address underlying problems faced by residents, such as poor design, poor access, crime and anti-social behaviour; and/or
3. there is potential to deliver additional homes.

**Your Estate and Your Home**

The Council has included your estate as an estate for consideration as part of its estates regeneration programme.

The Council is exploring with you and your community what opportunities exist to deliver additional homes across your estate. This could mean that your existing home will need to be replaced by new homes. These new homes will be built to a high quality in a well-planned neighbourhood for you to live in. Any existing homes that remain will be refurbished to the Lambeth Housing standard.

**Your Community**

From the Council's perspective, the primary purpose for initiating the estate regeneration programme is to deliver more affordable housing. The Council recognizes that this can be disruptive to existing residents. The Council has committed to try to make sure that existing resident homeowners will be able to continue living on their estate, regardless of how that estate is regenerated, and to seek to minimize disruption to residents through the regeneration process.

**Shaping the Future**

In seeking to ensure that you can continue to live on your estate, the Council has made a further commitment to engage with you and your community to enable you to influence how your estate is regenerated. Whilst recognizing that the regeneration could be disruptive, this is an opportunity for you to work with the masterplanning team to help shape the future of the place that you live.

Cllr Matthew Bennett  
Cabinet Member for Housing

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**Purpose of the booklet**

This booklet is for homeowners living on an estate within the Lambeth estate regeneration programme, who would be affected by regeneration of their estate.

The booklet is designed to provide the essential information to help homeowners appreciate the potential implications of the regeneration proposals and the corresponding commitments by the Council to mitigate the disruption and provide a replacement home.

We do understand that this is can be a stressful time and hope that by providing clear and accurate information within this booklet homeowners will fully understand the regeneration and rehousing process. It also sets out the help, support and guidance that will be made available.

**KEY GUARANTEES FROM THE COUNCIL FOR EXISTING HOMEOWNERS**

1. Any resident homeowner who wishes to continue to live on their estate will have the opportunity to do so.
2. Homeowners, whose homes are to be replaced, will receive homeloss payments plus disturbance costs reimbursement (homeloss payment is 10% for resident homeowners or 7.5% for non-resident homeowners).
3. The Council will pay relevant and reasonable legal and valuation costs, which enable homeowners to obtain their own independent advice.
4. **New Leasehold:** Resident homeowners will have the option to acquire the leasehold of a new home on their existing estate (100% equity share), if they can afford it.
5. **Shared Equity:** If resident homeowners are unable to afford the full value of a new home, then they will be able to acquire a lower equity share of a new home, where the value of the equity share would be the same as the value of their existing property plus homeloss payment. The equity share that a resident homeowner owns should normally not be less than 60% of the value of the new property. There would be no rent payable on the Council owned equity share. As a consequence of this offer, resident homeowners will not need to increase their level of borrowing (i.e. mortgage).
6. **Shared Ownership:** Resident homeowners will alternatively have access to shared ownership of a new home on the estate, according to the following criteria:
  - a. Minimum equity share to be 25% and maximum 75%
  - b. Rent payable on the Council retained equity of 2.75% per annum
7. **Retained Properties:** Resident homeowners may be able to swap to a retained home on their estate subject to availability and a similar offer to tenants:
  - a. Retained property to be owned 100% by homeowner (subject to any mortgage or other charge)
  - b. Retained home to meet the Lambeth Housing Standard with any major works funded by the difference in value between old and new home and investment of the homeloss payment to pay for improvements
8. **Leases:** No new homes will be offered as freehold. The terms of the lease for all new leasehold properties on the estate would be as follows:
  - a. The Council will have first refusal to purchase at market value any property put up for sale.
  - b. One automatic succession only would be allowed for a spouse, civil partner or family member nominated by the homeowner. Any other inheritance (or when the property is sold) will require the Council's equity share to be repaid and that the Council to have first refusal to purchase the property at market value.
  - c. Property not to be let without notifying the Council.
9. **Rental options:** For resident homeowners unable to fund any of the options above, they can choose a new home on their estate for intermediate or market rent (subject to financial assessment).
10. **Right-to-Buy (RTB) Discounts:** Where the homeowner is still within the RTB discount period, they will not have to pay back the discount if they sell their new home within the three year period.
11. Assistance will be given with the property transaction and moving home. A Homeowners' Advisor will provide assistance.
12. The Council will provide advice, information and support to homeowners seeking rehousing either elsewhere in Lambeth or outside of the Borough (within the UK).

**REGENERATION OF YOUR ESTATE**

The purpose of regenerating your estate is:

- to provide more affordable housing
- to improve the quality of those existing homes that are selected to remain
- to improve the quality of the estate as a whole

This is a council-led regeneration of the estate. The majority of the new homes will be homes for council rent.

The regeneration of your estate is NOT going to be a private development.

The Council is NOT selling the estate to private developers or a housing association.

There will be some private homes to enable existing homeowners the opportunity to remain on the estate. And a few private homes for sale may be required to help make the project financially viable. But, to re-iterate, the majority of the new homes will be homes for council rent.

If you live in parts of the estate to be regenerated, you will need to move home. You will be offered a newly built home on the estate. Some existing homes, that are to be refurbished, may become available for you to move to.

If you live in parts of the estate to be retained and refurbished, you will have the option to remain in your existing home or to move to a new home. It is likely, however, that the refurbishment works will require tenants and homeowners to move temporarily, even if you then return to your existing home.

The Council is committed:

- to minimise the level of disruption caused to residents by the regeneration process;
- to keep communities together, wherever possible and wherever those communities wish to stay together, and to work with communities to enable this to happen;
- to minimise the number of times that people need to move; and
- to ensure that any temporary relocations that might be required by the regeneration process take place within the estate and in any event within the local area immediately around the estate.

## **YOUR INVOLVEMENT**



### **Consultation and Engagement**

The Council is committed to involving you and your community in the regeneration of your estate. This includes both residents directly affected by the regeneration as well as the wider community.

The Council has already embarked on an extensive engagement exercise with residents. This will continue through the masterplanning process, where design teams will work closely with residents to allow residents to influence how their estate is shaped in the future.

The Council will work with communities to explore the best way to allocate new homes according to the housing needs of those on the estate – for example, how to prioritise allocation of ground floor properties.

### **Keeping Residents Informed**

The Council will keep residents informed of progress on the regeneration programme for example through newsletters, a website, letters and events. As far as is possible, the Council will help residents to understand when the regeneration programme will impact on them, when they will have to move, etc.

The Council will produce an annual report to residents setting out progress on the regeneration, identifying any changes to the programme phasing and any new options open to residents. The report will include details of the proposed regeneration phases and indicative timescales.

### **Working with Individual Residents**

The Council will work with all affected residents individually, and in particular with those who are vulnerable.

The Council guarantees that all residents living on the estate will have access to individual independent advice throughout the process.

The Council will give those homeowners who will be moving to alternative new build properties within the regeneration area opportunities to be involved in the design of their properties and offer individual choices in relation to the finishes in their properties where this is feasible.

### **The Wider Community**

The Council is committed to ensuring that all members of the community have access to information and opportunities to: find out more; be consulted and give their views; and receive feedback on regeneration projects. Public exhibitions, drop-ins and regular updates in the regeneration programme have all been employed to achieve this and we will continue to employ the most appropriate methods to achieve this.

## YOUR OPTIONS



Lambeth

We will always try to negotiate an agreement with homeowners without the need to use our legal powers to buy the property from you. If we are unable to reach an agreement with you, we may apply for a Compulsory Purchase Order (CPO) to buy your home, but we will only use this power as a last resort. Even if we do commence a CPO, we would continue to seek to negotiate with you to seek to reach a mutually agreeable solution.

*When negotiating?*

Some homeowners will wish to make their own arrangements when they have agreed a price for their existing property. This is where you find and buy a property yourself, called an 'open market purchase'; this is for people who do not need the support of the Council to find a new home. However, given that we are intent on building more homes, we may be able to offer alternative options to you.

*How long in limbo?*

### The new home options for resident homeowners:

1. Open market purchase
2. Leasehold swap (or swap from freehold to leasehold)
3. Leasehold swap with shared equity
4. Shared ownership
5. Leasehold swap to a retained home

#### 1. Open market purchase

This option is where we buy your leasehold property for an agreed price. When you accept the price, and an amount of compensation such as home loss and disturbance payments, you will then make your own arrangements to find a suitable new home.

#### 2. Leasehold swap (or swap from freehold to leasehold)

A leasehold swap is when we agree to replace your present home with a new-build property of a similar value within the estate. We will swap your remaining lease to the new property. We will value your current and new-build properties, and work out a detailed arrangement for the difference if the price of the new property is more or less than the cost of your current property.

Key points for this option:

- We will ask a chartered surveyor to value your existing property; you will obtain your own independent advice and then we will seek to negotiate a purchase price.
- You choose a property of the same number of bedrooms from those under construction.
- We will value the new property and agree the price with you.
- When you are ready to buy the new property the value of your existing property is agreed by both parties.
- It is expected that any current mortgage you have will be transferred to your new home.
- You will be told the estimated annual service charge for the new property.
- The length and rules of the lease will be the similar to your existing lease.
- You will have the normal rights and responsibilities of someone who owns and lives in their property.

#### 3. Leasehold swap with shared equity

Where your current property is worth less than the new property, you may still be able to swap your lease where the Council agrees to buy and own the rest of the lease. We



would exchange the lease on your current home for part of a lease on a new-build home of the same number of bedrooms (or smaller if you wish) on the estate, and then the Council would keep the rest of the lease. You will have the same rights and responsibilities as a full leaseholder; the Council would be a silent equity partner.

This arrangement is known as shared equity, as we share with you the ownership of the property, and therefore the future value of the property.

The part that you cannot afford to purchase outright is owned by the Council, and is repayable at a future date:

- when the property is sold or disposed of;
- when a change in ownership occurs or the lease is assigned to another person or persons;
- when the property is inherited by any person or persons other than someone who is the spouse, civil partner or nominated family member of the owner (noting that only one inheritance is allowed).

Key points for this option:

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down.*
- The value of your existing property is determined by a chartered surveyor in the same way as in the previous options. You will also be able to obtain your own independent valuation.
  - You choose a property from those under construction on the estate.
  - The new-build property is then valued by us and agreed with you.
  - If a difference in value occurs, we may offer to retain the part of the lease of the new property which is not covered by the value of your current home.
  - As a guideline, the value of your existing property including any mortgage to be transferred plus your homeloss compensation should not be less than 60% of the value of the new property; we would then offer to retain the remaining share, up to 40%. Rent is not payable on the part owned by us, but we claim the share when the home is sold or changes ownership.
  - You will only be able to move to a property which is the same size as the one you currently own or smaller, based on the number of bedrooms.
  - The property is jointly owned by you and us, and the percentage of the property owned by each of us is recorded on the lease.
  - You can increase the amount of the property you own up to full ownership of the lease.
  - It is expected that your current mortgage will be transferred to the new property.
  - Any planned maintenance will be charged according to the terms and conditions of your lease.
  - The length and rules of the lease will be the similar to your current lease.
  - You will have the normal rights and responsibilities of someone who owns and lives in their property, except that you are not allowed to rent out some or all of the property without first obtaining our permission. This is because this option is only offered to those who will live in the property as their only or main home

When the owner of the lease dies, succession of the partly owned lease can only take place once and will normally be limited to the leaseholder's spouse or a person living with the leaseholder as husband or wife (including civil partnerships) or a nominated family member, providing that they were living in the home as their only or main home at the time of the leaseholder's death. If the lease changes ownership after succession has taken place, the value of the part of the lease not owned by you will need to be repaid.





#### 4. Shared ownership

The shared ownership option involves you buying a percentage of a new-build home, and paying rent on the part owned by us. We will value your current property and agree its value with you. The money from the sale of your property will be used to buy a percentage of the value of the new-build home you are moving to. You will have the same rights and responsibilities as a full leaseholder but you will pay rent on the part of the property that you do not own.

After an initial settling in period, you will have the right to buy additional shares in the property up to 100% ownership. If you increase the amount of the property you own, the amount of rent you pay decreases.

Key points for this option:

- The shared ownership scheme is a part-buy, part-rent scheme.
- You will typically pay 2.75% of the value of the part of the property that you do not own in rent per annum.
- You will have to pay an annual service charge.
- You will have to pay 100% of the service charge for the home whatever your percentage share may be.
- You will have the normal rights and responsibilities of a full owner-occupier, except that you are not allowed to rent out some or all of the property without first obtaining our permission. This is because this option is only offered to those who will live in the property as their only or main home.
- You have the right to increase the amount of the property you own up to 100%
- The costs of repairs and improvements are charged in accordance with the lease

#### 5. Leasehold swap to a retained home

Homeowners will be able to swap to a retained home on the estate subject to availability and a similar offer to tenants. Under this option you would relinquish the lease for your existing home and take a new lease on a retained home on the estate. We will value your current property and agree its value with you. The money from the sale of your property will be used to buy the retained home you are moving to.

Key points for this option:

- Retained property to be owned 100% by homeowner (subject to any mortgage or other charge).
- Retained home to meet the Lambeth Housing Standard with any major works funded by the difference in value between old and new home and investment of the homelessness payment to pay for improvements.
- You will have to pay an annual service charge.
- The costs of repairs and improvements are charged in accordance with the lease.
- Your new lease would be the same as that offered to those for new build properties.

## SUPPORTING YOU THROUGH THE PROCESS



### What are your circumstances?

There are two categories of leaseholders:

- Those who are living in their own property – a **Resident Leaseholder**; and
- Those who not living in their own property – a **Non-resident Leaseholder**.

The options available are different for these two categories of leaseholder.

### Household needs survey

A household needs survey of the residents of the estate will be carried out on behalf of the Council to help inform the strategy for regenerating the estate and to provide an indication of the types of new homes that will be needed as part of the regeneration.

### You will have a designated Homeowners' Adviser

Every homeowner will be assigned a named Homeowners' Adviser to help you through the process. They will talk to you regarding your housing requirements and your preferences for your future home, as well as providing assistance to ensure that you are as prepared as possible when it is time for you to move to your new home.

### Assessment of your household and personal needs

We realise how important your home is to you and your wellbeing. We also understand the prospect of moving home may be stressful and disturbing. The Council is fully committed to reaching agreement with residents over their move to a suitable new home, which meets their needs.

You will not be expected to make any choices straight away and will have a minimum of a year to consider your options and get the support you need to make the best choice for your household. While the Council is guaranteeing a minimum of a year to enable you to make your choices, in practice you will most likely have much longer.

The following support and advice will be available to help you reach a fully informed decision:

- Each leaseholder will be invited for a private one-to-one meeting with your Homeowners' Adviser to discuss your case and to answer any concerns that you may have about the process.
- The aim of the interview is to give clear information about what homeowners can expect when asked to move from their home. The Council is determined that all residents are treated fairly and equally, can have confidence in the rehousing process, and received a high level of service from the Council.
- It is at this point you should advise your named Adviser whether you are a resident or non-resident leaseholder.

If you are a non-resident homeowner, it is important to note that the Council is under no formal obligation to re-house either your tenant or any other occupant in the property prior to purchase, and negotiated repurchase will only be concluded on a property that is vacant and where a vacant possession can be completed.

### Valuing your home

If your property is included within the regeneration area, we will arrange for a chartered

surveyor to visit you and work out the value of your property. Following this visit the surveyor will then send you written notification of the open market value of your property, and how much in home loss and disturbance payments you could receive.



### **Compensating You**

As we want to buy your property, it is important that you do not have to incur any costs because of the process. This is summarised later in this booklet, which will explain what you as a homeowner are entitled to from the Council in terms of compensation.

### **Rehousing information packs**

Detailed information packs will be provided containing a range of useful information to assist you. This will include lists of local contractors and removal firms as well as 'how to' lists for getting appliances re-connected and accounts moved.

### **Extra help for vulnerable and elderly homeowners**

Extra assistance will be provided where it is required, and could include organising and managing your move for you and checking on you after you've moved in. Your Homeowners' Adviser would discuss these options with you long before your move takes place.

### **Plenty of notice**

Residents will know which phase of development they are due to move in at least one year in advance and will be given a precise moving date at least three months in advance. In practice these timescales are likely to be much longer.

### **Early moves**

In some circumstances it may be possible for resident homeowners to move ahead of their scheduled phase. You will be able to discuss your preferences and needs with your Homeowners' Adviser.

### **Minimising temporary moves**

The Council will do everything it can to ensure residents only move once, from their existing home direct into their new permanent home. To do this the redevelopment of the estate will be phased, with sufficient new homes built before existing homes need to be vacated.

For the first phase, however, there is the possibility that some residents would need to move to new homes outside of the regeneration area, but the commitment remains to re-house within the immediate local area. If this is the case you will have the right to return to a new home on the estate, should you want to do so when they are ready to be occupied.

## COMPENSATING YOU FOR MOVING



As the Council is seeking to acquire your home through negotiation in the shadow of a compulsory acquisition, you are entitled to compensation over-and-above the market value of your property.

The level of compensation varies according to whether you are a Resident Homeowner or a Non-resident Homeowners.

### Home loss payment for Resident Homeowners

A home loss payment is additional compensation that you are entitled to if you are forced to leave your home, such as when your home will be demolished to improve an area. This payment is in addition to the payment of the value for your home. To claim home loss, you must have lived in your property as your only or main home for at least one year.

The amount of home loss payment is 10% of the market value of your home, with a minimum payment of £4,900 and a maximum payment of £49,000 (as at December 2014).

### Basic loss payment for Non-resident Homeowners

Non-resident leaseholders who rent out their property are entitled to 7.5% of the market value up to a maximum payment of £75,000 (to be confirmed). You must have owned the property for at least a year. If you have owned your property for less than a year, you are only entitled to the minimum payment of £4,900 (as at December 2014).

### How do I receive a home loss payment?

When we value your home, you will receive a letter that clearly sets out the market value of your home. We will include the level of home loss payment that you are entitled to on top of the market value. For example, a resident leaseholder's flat valued at £250,000 would receive a home loss payment of £25,000.

You will need to complete a Home Loss payment claim form and provide proof of identification, and proof that you have lived at your current property for at least a year before you have to move. For example, you may be asked to provide birth certificates, Council Tax bills, bank statements and gas or electric bills. You will be able to get more details about this from your Homeowners' Adviser.

The home loss payment is paid at the same time as the payment for the purchase of your home.

### Disturbance payments

Disturbance payments are another additional payment that resident homeowners are entitled to, which compensate you for money you've paid out because of the improvements to or demolition of homes in your area.

### How do disturbance payments work?

Resident homeowners can claim back the cost of items listed below as disturbance payments, plus the cost of advice from legal and valuation advisors.

You can obtain financial support by taking receipts to your Homeowners' Adviser, who will be able to assist you.



Disturbance costs that you can claim from us are:

- Removal costs
- Forwarding your mail (for 1 year only)
- Carpet alterations
- Curtain alterations
- Disconnection + reconnection of appliances (washing machines, cookers)
- Disconnection and reconnection of services (gas, electricity, telephone)
- Special adaptations of the replacement premises (adaptations for residents with disabilities)
- Moveable fixtures and fittings (fitted wardrobes)

Other costs of acquiring new property

- Replacement carpets and curtains - however these are only permitted if you can demonstrate that your existing furnishings do not fit your new home, or cannot be altered to fit your new home. (You should check this in advance with your Homeowners' Adviser.)

**Legal / surveyor costs**

- Surveyors fees arising from buying a replacement property
- Survey fees and costs in connection with transfer of an existing mortgage or getting a new one
- Solicitor costs for the purchase of your current home
- Solicitor costs for your new property
- Stamp Duty
- Mortgage redemption fees (fees for paying off a mortgage)
- Mortgage arrangement fees (fees for arranging a new mortgage)

Please note that if your property is being repurchased by us, you are not required to provide a Home Information Pack (HIP).

**For leaseholders in homes to be retained**

For those homeowners in homes that will not be demolished, you will be responsible for paying capital charges and other service charges according to the terms of your lease.

**THE NEW HOMES****Specifications**

Your new home will meet the Mayor of London's quality and size standards.

Your new home would have the option to have an oven/hob, fridge freezer and washing machine/dryer fitted.

We will work with residents, where it is possible, on the internal layout of the new homes (e.g. where adaptations are required, where there is the opportunity either to provide an open plan living area or to provide a separate kitchen area).

If you consider adaptations will be required to your new home, then the Council will carry out an occupational needs assessment. Any adaptations required would be made prior to you moving in.

You will be able to express a preference of floor levels; however properties will be prioritised on a need basis with ground floor properties most likely to be allocated to those with limited mobility or other relevant health conditions or to families with young children.

**What you can expect from a new home?**

**Service charges:** Work is underway to estimate what future service charges are likely to be. However, given that estates and buildings will be designed with service charges in mind, it will be possible to design to keep these low. It is therefore likely that service charges will be lower than at present.

**Utility costs:** modern homes are designed to be much more energy and water efficient than previously. Energy costs will therefore be much lower than for existing properties.

**SPECIAL CONSIDERATIONS****Options for leaseholders in financial difficulties and in need of support and assistance**

We understand that some resident homeowners may have difficulties in buying a new home on the open market and would require some additional support and assistance in securing a suitable home. In order for us to be able to offer the options involving our support, we will ask for documents to be provided to confirm income and expenses, and other documents may be required as well. If it is agreed that you cannot afford to move without support and assistance, then the Council will work with you to identify the best solution for you that you can afford.

**Options for homeowners assessed as vulnerable and in need of assistance and support**

We are also aware that there may be homeowners who have complicated needs making them vulnerable: for example, if a person is less able to deal with buying and selling a home themselves and may be at risk of harm as a result. We will provide support to those with complex needs who are assessed as being vulnerable and assist them in securing alternative suitable homes through the options provided. Your Homeowners' Adviser will be able to provide further information on this process.

One of the support options available is to apply for social rented accommodation. If you qualify for this option, you can apply to us to rent a Council / housing association property. We will consider your circumstances in line with the rules of our general Allocations Scheme. This will take into account your needs and the proceeds from the sale of the property and the home loss payment.

If we decide that you qualify to move to a Council or housing association property, your application will be given a level of priority based on your needs and how urgently you will need to move. You will be able to bid for suitable empty properties in the borough using our Choice Based lettings system. You will not be able to remain in your existing property after it has been purchased by us.

**Examples of people who may need this support**

- A person who needs help as a result of old age, mental illness or physical disability or other special reason
- A person (not a student) over 21 who needs help as a result of having been looked after, accommodated in a care home or fostered
- A person who needs help as a result of having been a member of the regular naval, military or air forces
- A person who needs help as a result of having spent time in prison
- A person who needs help as a result of leaving their home because of violence or threats of violence from another person which are likely to be carried out

**Temporary housing option for resident homeowners**

For most people who decide to enter into either a leasehold swap with shared equity or a shared ownership arrangement, the demolition and rebuilding works will be timed to enable you to move to your replacement home at the same time as you complete the sale on your current home, so that you will only need to move once.

For a very small number of resident homeowners, however, it may not always be possible for us to offer you a move to a new-build replacement home immediately after we need you to move out of your current home. In order to ensure that the full options

remain available to you and you are not forced to move elsewhere, we are prepared to consider providing you with temporary housing in one of the existing empty homes in the area, until your new home is ready to move into.



This offer would be a formal legal agreement between you and the Council and would mean that you will need to accept the following arrangements:

- The open market value of your current property would be agreed with you, and money to that value would be deposited by us into an account held on your behalf (an Escrow Account). The money would only be released from the account when you are ready to buy your new-build replacement home.
- If you qualify for a home loss payment, the full amount will also be paid into the Escrow Account when you move to the temporary home.
- If your current home has a mortgage, special arrangements will be made with your bank or lender.
- The value of the replacement home yet to be built will also be agreed with you at the time you move to temporary accommodation. This price will be fixed and will not change if the price of the new property goes up or down in the future
- The Escrow Account would not pay any interest to you but in return we will not charge you any rent or service charges for your temporary home.
- To assist with the costs of the move to a temporary home, disturbance payments will be made to you.
- You will occupy the temporary home during the whole period as your main home.

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## ITEMS TO NOTE

### Value of the new-build homes

We are committed to delivering high quality new homes as part of our regeneration proposals. It is likely that the new-build homes being built and offered to you will be higher in value than existing homes with the same number of bedrooms.

### Mortgage transfer

Please note that any existing mortgage you may have on your current property will need to be transferred to the new lease (depending on the value of your chosen new property). Therefore you will have to notify your mortgage company.

The Council is aware of resident homeowner concerns regarding the porting of mortgages from existing to new properties. The Council is keen to ensure that this does not cause any problems and will work with resident homeowners to seek to ensure that no problems arise. Any homeowner wishing to remain on the estate, who thinks that they may have a problem in this regard, should provide the Council with early notification so that we can work together to find a solution.

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## FREEHOLDERS



The terms for resident freeholders are the same as those for resident leaseholders.

The terms for non-resident freeholders are the same as those for non-resident freeholders.

There will be no freehold properties provided on the new estates.

There are two main differences in circumstances between freeholders and leaseholders:

- Freehold properties are valued marginally higher than leasehold properties, according to the length of the lease of the comparable leasehold property.
- Freehold owners are not liable to the capital charges associated with works to an estate other than normal management and maintenance works.

The Council will ensure that freeholds are taken into consideration in the valuation of properties.

The Council is currently considering its policy in terms of compensation if a freeholder transfers their ownership to a leasehold property.

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