

**Buying more shares – the legal steps**

We’re here to make sure the transaction goes as smoothly as possible. We also need your help! Make sure you are sending all required documents to your solicitor and your lender on time. You should be keeping in touch with your solicitor and your lender/financial advisor to make sure they are also doing the work on time and to complete your purchase by the valuation expiry date.

Now that solicitors have been instructed what are the next steps? Please read the information below on what you should be doing each week.

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| **Timelines** | **What you/your solicitor should do** | **What we/our solicitor will do** |
| **Week 1** | Contact your solicitor immediately to provide your formal instructions. You should also send any money for fees to your solicitor straight away. The fees will cover the work your solicitor will be doing on your behalf. Once your solicitor has received all the information and money, they can start the legal process for your purchase.  If you haven’t done so already, submit your mortgage application asap, with any required documents. Read So Resi mortgage requirements if you are buying a smaller share and not buying 100%. | Our solicitor will review the lease and title document for your property. Once they have done this they will send out instructions to your solicitor with the Memorandum of Staircasing, which you will need to sign. (See explanation of legal documents below).  If there are any additional legal requirements which come up as part of the lease and title review, these requirements will be sent to your solicitor.  If you are buying less than 100% of the property, our solicitor will also ask for a copy of your mortgage offer once it is ready. |
| **Week 2** | Check your solicitor has received information from our solicitor. Ask about any additional information you may need to send and request that the Memorandum of Staircasing is sent to you for signing.  Check that your lender/financial advisor has received all the relevant paperwork and all queries have been resolved. Send in any additional paperwork they may need. Make sure your lender or financial advisor has understood the So Resi mortgage requirements. | We would have received our copy of the Memorandum of Staircasing from our solicitor. We will be getting this signed and returned to our solicitor in readiness for completion.  If you are buying 100%, we may be transferring the freehold to you (for houses), and we will receive a TP1 for signing from our solicitor. |
| **Week 3** | Your solicitor should have reviewed the information sent from our solicitor. They should now be raising any legal queries to our solicitor if necessary.  If you have received the Memorandum of Staircasing, please sign and return this to your solicitor.  Your solicitor may request a Management pack from our Home Ownership team. There will be a cost attached to this which is payable by you. If the freehold of the land is not owned by us, your solicitor may need to contact the Managing Agent or Freeholder for more information. There will be a cost for this information from the freeholder, which will be payable by you.  Your lender should now have approved your mortgage application and instructed a valuation of your property. They will request that you send them the fee for carrying out the valuation if you haven’t done so already. | Our solicitor will be responding to any queries raised by your solicitor. They will forward any queries to us if we are better placed to answer the query. We will check our information and respond back to our solicitor. |
| **Week 4** | Your mortgage offer should be issued to you and your solicitor. Once your solicitor has received the mortgage offer, they should send this to our solicitor for approval - only if you are buying less than 100% of the property. If your mortgage requires some changes, ask your lender or financial advisor to make the changes as quickly as possible.  All legal enquiries should have been resolved by this time. | If you are buying less than 100% - our solicitor should have received a copy of your mortgage offer. They will check the offer against So Resi mortgage requirements. If there are any errors, they will ask your solicitor to provide more information or amend the mortgage offer via your lender.  Once the mortgage offer is approved, our solicitor will send us a copy, along with the Approval of Charge and Undertaking for us to sign. We will get the documents signed and returned to our solicitor. |
| **Week 5** | With the mortgage offer ready and legal queries resolved, you should be ready to complete shortly. Contact your solicitor to arrange a completion date.  Once the completion date has been agreed, they will confirm this with our solicitor. They will also give notice to your lender to send the money in time for completion. Your lender will typically need at least 5 days to send the money to your solicitor. | Once our solicitor has received the confirmed completion date, a completion statement will be prepared which shows the amount owed to us on completion. This will include the value of the share, rent and service charge to completion, and any arrears on the account.  Once the statement has been approved by us, it will be sent to your solicitor. |
| **Week 6** | Completion will take place. Your solicitor will send the monies to our solicitor, and completion will be confirmed once this money has been received.  Once completion has taken place, you should cancel your current direct debit with us. You will need to contact our Revenues Team to set up the new direct debit for the new payment amount (if any). You should ensure this is done soon after completion to avoid your account going into arrears.  You should also check that your solicitor has registered the Memorandum of Staircasing with the Land registry, as this will be proof of your purchase. | On notification of completion, we will up-date our systems with the new share that you own, as well as the new rent and service charge (if applicable). We will also cancel any direct debits.  We will send you a letter confirming the new share percentage with new rent and service charge amounts (if any). And we will ask you to contact the Revenues Team to set up the new direct debit. |

***NB: The above information and timescales are given as guidance only to help you with the process and is not a definitive guide for buying shares and the legal process. Other matters could occur that are outside of TVHA’s or solicitors’ control and can result in the purchase being delayed.***

**Explanation of Legal Documents**

Lease: The legal contract between you and TVHA, setting out the terms of living in your home, including any conditions on buying more shares.

Title document: This is a document which shows the legal ownership of the property including who the current leaseholder is. It may also set out specific legal conditions that need to be completed before you can buy more shares. The title document is obtained from the Land Registry.

Memorandum of Staircasing: This is the legal document signed by you and us, showing the extra share you have bought at completion. This document should also be registered by your solicitor with Land Registry after completion has taken place.

Approval of Charge: If you are borrowing more from your lender or changing your lender to buy more shares, we will need to sign this document showing that we have approved the lending. This is normally sent to us once your mortgage offer has been approved by our solicitor. This is only signed by us if you are buying less than 100%.

Undertaking: This document is protection for your lender, in the event that TVHA may need to repossess the property if there are significant rent arrears. It states that TVHA would need to give notice to your lender of any repossession action. It also gives the lender enough time to remedy the situation if they wish to. Repossessions do not happen often but this document is signed by us to give assurance to your lender. This is only signed by us if you are buying less than 100%.

Management pack: This is requested by your solicitor from our Home Ownership Team. It includes enquiries on your home such as building insurance cover, service charges and any up-coming communal repairs if your home is a flat. There is normally a cost attached to this pack which is payable by you.