

# A GUIDE

## to The Right to Buy Scheme



This Document has been Read and Approved by  
**Residents**

We use the term 'resident' to describe anyone living in one of our homes or receiving one of our services. This includes tenants, leaseholders, shared owners and those people living in supported or sheltered accommodation.

# The Right to Buy scheme

Residents of housing associations who hold the preserved right to buy (PRTB) may be eligible for the Right to Buy Scheme.

## Are you eligible?

If you were a secure resident of a local authority and the ownership of your property was transferred to Cosmopolitan Housing Association you may be eligible for a Preserved Right to Buy (PRTB) for your property. This will only apply if you are still the tenant of the same property before and after the transfer.

### You do not have the right to buy if:

- You are an assured resident of a registered social landlord (RSL) and do not possess a PRTB
- Your home is rented in relation to your employment
- The courts have issued a Possession Order for you to leave your home
- You are undergoing bankruptcy proceedings
- You live in housing specially provided for older people and (in certain cases) disabled people.



## Discounts Available:

The amount of discount depends on how long you have been a tenant. For Example; if you have lived in a house for at least two years, the discount is 32% of the market value of your house and 44% for flats. If you are buying a house, you are eligible for 1% more discount for each extra year, up to a maximum limit of 60%. If you are buying a flat, you are eligible for 2% more discount for each extra full year, up to a maximum limit of 70%. However, the discount is limited to the maximum amount available for your area. The maximum discount range for the North West is £26,000 for both flats and houses. If you sell the property within five years of buying it, you may have to pay back the discount.

Please find below an example of the discount you could receive on a home worth £50,000.

Qualifying Period in Years	Houses		Flats/ Maisonettes	
	Discount	Maximum Amount	Discount	Maximum Amount
1	32%	£16,000	44%	£22,000
2	33%	£17,500	46%	£25,000
5	36%	£20,000	52%	£26,000
10	40%	£22,500	62%	£26,000
15	45%	£25,000	70%	£26,000
20	50%	£26,000	70%	£26,000
25	55%	£26,000	70%	£26,000
30 + year	60%	£26,000	70%	£26,000

## Reduction of Discount to take account of the cost of work carried out by the association on your home (cost floor).

Your discount may be reduced by a special rule called the cost floor. This may apply to your home if it has recently been purchased or built by the association or we have spent money on repairing or maintaining it. Under, the cost floor, the discount you receive must not reduce the price



you pay below what has been spent on the building, buying, repairing or maintaining it.

If the cost of works carried out over the 15/16 year period is greater than the market value of your home, you will not receive any discount.

Read the booklet 'Your Right to Buy Your Home', available from our office, before applying for the Right to Buy scheme. It gives more details about the discounts for each area of the country as well as details about the other rules that apply to the scheme.

Alternatively the booklet can be viewed online at:

[www.communities.gov.uk/publications/housing/yourright](http://www.communities.gov.uk/publications/housing/yourright)

### **How to Apply and Next Steps:**

Please contact our office for an application form.

Cosmopolitan Housing Association will make a decision about whether you qualify for the right to buy. If you do, you will be sent a letter, called a Section 125 notice outlining:

- The price the association thinks you should pay for the property
- The discount you are eligible for
- Estimates of service charges and improvement costs you are likely to pay in the next five years
- Any structural problems the property may have
- Terms and conditions of the sale.

If you disagree with the price given for your home, you can ask for an independent valuation by the District Valuer. However, the Valuer's decision is final so if it is found that the value of your house is higher than the original price the association is asking for, you must stick to it.

You must make your decision about whether you want to go ahead with buying the property within 12 weeks of receiving the notice. At this stage, it is advisable to obtain independent financial and legal advice as well as getting a survey.

### **Additional Costs:**

There are many additional costs involved in purchasing a property that you should consider before making a decision to go ahead:

Please find below a list of some of these items, please note that this is **not** a comprehensive list:

- Deposit
- Valuation/Survey Fee
- Mortgage Arrangement Fee
- Solicitors Fee including disbursement ie. Search Fees etc
- Stamp Duty
- Furniture Expenses
- Removal Fees.

### **Ongoing Monthly Costs:**

- Mortgage Repayments
- Life Insurance/Mortgage Protection Cover
- Building and Contents Insurance
- Council Tax
- Water Rates
- Gas and Electric Bills
- Other regular Bills ie: Credit Card, Loans, and Telephone etc.

### **For Further Information or an Application Form:**

Please contact the Home Ownership Team on **0151 227 3716** or call into our office based at **Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY**





If you wish to have this document translated into your chosen language, please tick the relevant box below and return to Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY.

This document is available in large print, Braille and audio tape on request.

إذا لديك الرغبة في الحصول على هذه الوثيقة مترجمة إلى اللغة التي تختارها، أرجو أن تضع علامة على الصندوق وترجعه إلى هيئة إسكان كوسمبوليتان.

Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY.

(Arabic)

如果您想把这份文件翻译成中文，请在空格内划✓，然后把传单寄回：Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY

(Chinese – Simplified)

如果您想把这份文件翻译成中文，请在空格内划✓，然后把传单寄回：Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY

(Chinese – Traditional)

ئەگەر حەز دەنە کەیت ئەم دۆکیومەنتەت بۆ سەر زامانی خۆت بۆ وەدیگێردیئیت ئەوا تکایە نیشانەى ✓ لە وەر چوارگۆشە بە دەو بیگە یێنەو بە (کۆمەڵەى کوسمۆپۆلیتان بۆ خانووبەره) بۆ ئەم ناوینشانە:

Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY

(Kurdish)

Jeśli chcieliby Państwo otrzymać tłumaczenie tego dokumentu w wybranym języku, prosimy odhaczyć okienko i odesłać do: Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY.

(Polish)

Haddii aad jeclaan laheyd in documentigan luqad aad dooratay lagu soo turjumo, fadlan sax sanduuqa oo u soo celi hey'adda guriyeynta ah ee Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY.

(Somali)

Bu belgenin seçtiğiniz dile tercüme edilmesini arzu ediyorsanız, lütfen kutuyu işaretleyin ve Cosmopolitan Housing Association, Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY adresine geri gönderin.

(Turkish)

Please be aware that Cosmopolitan Housing Association may record any incoming or outgoing telephone calls as part of our commitment to providing excellent customer service.



Cosmopolitan House, 2 Marybone, Liverpool L3 2BY,  
Telephone: 0151 227 3716 Fax: 0151 227 4991  
www.cosmopolitanhousing.co.uk