



Find out about...
**buying
your home**



Community
GATEWAY
Association

Developing neighbourhoods in Preston



If you are a Community Gateway Association (CGA) tenant and want to buy your home, there are two schemes that might help you do this. The schemes are called the Right to Acquire and the Preserved Right to Buy.

The Right to Acquire

The Right to Acquire gives some housing association tenants the legal right to buy the home they currently rent.

How to work out if you qualify

The Right to Acquire is based on a grants system. Both your home, and the people living in it, must qualify for you to buy your home in this way.

Your home must either:

- Be a property which transferred from Preston City Council to the CGA or
- Have been built by the CGA on or after April 1st 1997, with a grant from the Housing Corporation (a national body) or
- Have been bought by the CGA on or after April 1st 1997, with a grant from the Housing Corporation.

And you must also meet one of the following rules:

- Have spent at least two years as a public sector tenant, or in housing provided by the armed forces (if you were a tenant before January 18th 2005) or
- Have been a public sector tenant for at least five years (if your first tenancy started on or after January 18th 2005)
- Live in a self-contained house or flat, which is your only or main home.

You will not be able to claim the Right to Acquire if you are:

- An undischarged bankrupt, or have a bankruptcy petition pending against you
- The subject of a possession order served by the court, at your landlord's request
- Subject to a formal creditors agreement made under the Insolvency Acts
- Living in housing which was specially designed for people with disabilities
- Living in housing which was specially built for elderly people, and is let to people aged over 60 years.

How to apply for the Right to Acquire

Contact the CGA's Head Office or your local neighbourhood housing office and get a Right to Acquire application form. You should fill in the form, sign and date it and return it to the CGA. If you are a joint tenant, the other tenant must also sign the form.

What happens next

The CGA will check your application details and let you know:

- If you are entitled to buy your home under the Right to Acquire
- If you're entitled to buy, the purchase price of the home you currently rent, based on a market valuation
- The price discount you are entitled to. This is a fixed amount, set by the Government (at the time of printing this leaflet, the discounts ranged from £9,000 to £16,000).

The letter telling you these details is called the offer notice.

The discount you get will depend on where you live. If you previously had a discount to help you buy a home, this will be taken off your Right to Acquire discount.

You will get an answer within eight weeks of applying - and sometimes, a lot less. It depends on the checks we need to make about your application.

Making the purchase

If you want to go ahead with the purchase, you must:

- Tell the CGA that you intend to buy (this must be done within 12 weeks of receiving your offer notice)
- Appoint a solicitor to act on your behalf
- Arrange for a professional home survey
- Arrange a mortgage.

The CGA will get details of your mortgage offer, and we can then tell our solicitors to proceed.

You must complete the purchase within 12 months of receiving your offer notice. If you don't do this, the CGA will serve up to two notices, giving you a reasonable time to complete. If you still fail to do this, we will consider that you have withdrawn your Right to Acquire application.



About the Preserved Right to Buy

The Preserved Right to Buy gives some CGA tenants the legal right to buy the home they currently rent. Only former secure tenants who transferred to the CGA qualify; new CGA tenants can't buy their home under this scheme.

How to work out if you qualify

The Right to Buy is based on a discount system. You are entitled to a discount on the purchase price of your home, based on the number of years you spent as a council or housing association tenant.

The discount grows each year, until the maximum level is reached. Where tenants transferred from Preston City Council to the CGA, their discount will keep growing. (At the time of printing this leaflet, the maximum discount was 60% for a house and 70% for a flat, or £26,000 - whichever is the lower.)

How to apply for the Preserved Right to Buy

Contact the CGA's Head Office or your local neighbourhood housing office and get a Right to Buy application form. You should fill in the form, sign and date it and return it to the CGA. If you are a

joint tenant, the other tenant must also sign the form.

What happens next

The CGA will check your application details and let you know:

- If you are entitled to buy your home under the Preserved Right to Buy
- If you're entitled to buy, the purchase price of the home you currently rent
- The price discount you are entitled to, based on your length of time as a CGA and council (or other housing association) tenant.

The letter telling you these details is called the offer notice.

You will get an answer within 12 weeks of applying. It could be less, depending on the checks we need to make about your application.

Making the purchase

If you want to go ahead with the purchase, you must:

- Tell the CGA that you intend to buy (this must be done within 12 weeks of receiving your offer notice)
- Appoint a solicitor to act on your behalf



- Arrange a mortgage
- Arrange for a home valuation by your bank or building society
- Pay for any extra survey fees required by your bank or building society
- Pay a land registry fee
- Pay the building insurance premium on your home
- Pay stamp duty, if your home is costing more than £100,000
- Pay a mortgage premium, if you are borrowing more than 75% of the value of your home
- Pay the initial mortgage interest, covering the period from your mortgage advance to the date you make your first mortgage repayment.

The CGA will get details of your mortgage offer, and we can then tell our solicitors to proceed.

You must complete the purchase within 12 months of receiving your offer notice. If you don't do this, the CGA will serve up to two notices, giving you a reasonable time to complete. If you still fail to do this, we won't take your application any further.

Things to consider when buying your home

If you buy your home under the Right to Acquire or Preserved Right to Buy, you will have new responsibilities to deal with. These include:

- Keeping up your monthly mortgage repayments - or you could lose your home
- (With flat or maisonette purchases) Paying service charges towards repairs, maintenance, major building work, upkeep of shared communal areas and management costs
- Insurance to protect your home from fire, flood and other disasters
- Water rates
- Council Tax
- Any repairs or maintenance to your home that is not covered by your property insurance

You may also want to take out a mortgage insurance policy, so that your monthly repayments are met if you become ill or unemployed.



Want to know more?

To find out more about our service, please contact:

Community Gateway Association

Deltic House, West Strand,

Preston PR1 8UY

t: 0800 953 0213

Opening hours 9.00am to 5.00pm

Monday to Friday

City Centre Office

Unit 17/19 St John's Centre,

Lancaster Way, Preston PR1 1FB

Opening hours 9.00am to 5.00pm

Mon, Tues, Weds, Friday

and 10.30am to 6.00pm on Thursday

If you live in the Moor Nook area you can also speak to the

Moor Nook EMB

Langden Drive, Ribbleton, Preston

t: 01772 268005

Opening hours 9.00am to 12.30pm

Monday to Friday

Other contact details:

e: finance@communitygateway.co.uk

w: www.communitygateway.co.uk