



## PRESERVED RIGHT TO BUY - THE FACTS

The Government stipulated in section 189 of the Housing Act 2004 that details of the Right to Buy scheme be publicised for secure tenants, so you can know about the scheme and what to be aware of once they have purchased.

### WHO CAN APPLY FOR Preserved Right to Buy (PRTB)

Any secure tenant can apply for the PRTB - If you were a tenant of Watford Borough Council at the point of the stock transfer to Watford Community Housing on 10<sup>th</sup> September 2007, this should apply to you. There are however some exceptions to this.

### Exceptions

You cannot buy your home if;

- You are a secure tenant, but you have been taken to court and a court order was granted
- your property has had special disabled adaptations made to it
- your home is specifically for elderly people

### HOW DO I APPLY

You will need to complete and return the RTB1 Application Form, along with the Additional Information Form. These can be found (along with all relevant information regarding the scheme) on our website at <https://www.wcht.org.uk/your-home/Your-tenancy/Buying-your-home-from-us/>. Alternatively, if you do not have internet access, you can request these forms by calling Customer Services on 0800 2018 2247.

You may also visit the government website at <https://righttobuy.gov.uk/> or call 0300 123 0913 to receive further information and/or free impartial advice.

Once your application has been received, a receipt letter will be sent to you and an investigation will take place to confirm whether you can in fact buy your property. Either way, a decision will be sent to you within 4 weeks, highlighting what you need to do next if your application is accepted and if it has been denied, the reasons why.

You will receive a letter at each stage of the process. Please read all letters and enclosed documentation carefully, paying particular attention to the timescales mentioned (this is

the amount of time before you will hear from us again, or in which you are required to respond to us).

Watford Community Housing does not charge you for processing an application, but there are companies that will charge you for completing an application on your behalf, so please beware.

### Delays

The process of purchasing your property is bound by procedures which are required to be carried out within specific time scales. If you do not respond or provide us with the required documentation and/or information within these timeframes, we will serve you with either a default notice or a notice to complete. If we do not do as required within these timescales, then you can serve a notice of delay upon us. Each stage that has a timescale will be explained in writing, along with what is expected of you/required from you

### THE VALUATION

When an application is accepted, we will ask for a valuation to be carried out on the property. The value given is relevant to the date that your application was first received and is carried out as if it were on the open market. Any improvements that you have made that have been agreed by Watford Community Housing and have increased the value of the property, will be disregarded and not used to give a higher value. When the valuation has been made, your discount is then calculated (based on the time you have been a secure tenant). The maximum discount that will be given by Watford Community Housing as of 6<sup>th</sup> April 2021 is £84,600. You will receive your offer at the end of the timeframe mentioned in our letter and not before.

### YOUR COSTS

If you decide that you wish to purchase your property after you have received the valuation offer, then this is the point at which you will start to incur costs. These are mainly in relation to legal fees for a solicitor being your legal representative in the purchase. There may also be costs, including stamp duty (if the property is valued over £125,000.00), survey fees for a land search, fees for a bankruptcy search, and mortgage/valuation fees from your money lender. These can be expensive, so you need to be aware of them before you start the purchase process.

### BEING AN OWNER-OCCUPIER

Once you have completed the purchase, there are regular payments that you will have to make as a home owner that you wouldn't as a tenant. Primarily there will be your mortgage (which will nearly always be higher than the rent you were paying). You may also have life assurance to pay with your mortgage. If you have bought a flat you will have annual service charges to pay for the services to your communal areas and any repairs that have been carried out that are beneficial to all tenants/leaseholders in the block. You will also need to pay for home contents insurance (buildings insurance is included in your service charges). There will also be bills for all utilities that service your property. These can include electricity, gas, water & sewerage, telephone/cable satellite.

### THE RISKS

Once you have purchased your property, you have to maintain your monthly mortgage payments in much the same way that you had to maintain your rent payments when you were a tenant. The major difference is that if you do not maintain your mortgage payments then your money lender will not only charge you interest for the missed payments, but they may look to repossess your home (which could potentially make you homeless). This doesn't mean that you will automatically be re housed by the Council, as they will look into the reasons why you did not maintain your mortgage payments.

### MAINTENANCE

If you have purchased a house, then you will be responsible for all costs that are involved in the upkeep of your home. If you have bought a flat, you will need to pay your annual service charges, as well as your share of the costs for any major works that are carried out for the upkeep of the building, or even just a single block.

This information isn't intended to put you off purchasing your home, we merely want to make sure that all tenants are aware of the associated costs and responsibilities involved once your application and sale are complete.

Any other enquiries, please contact our Home Ownership & Commercial Officer by sending an email to [newbusinesssteam@wcht.org.uk](mailto:newbusinesssteam@wcht.org.uk).