

This is the latest set of homeowner specific FAQs relating to the Ham Close regeneration. We've included the source of the question so you can see if it's been updated from our previous answers or is a new FAQ. You can keep up to date with all the latest information at [www.hamclose.co.uk](http://www.hamclose.co.uk) and if you have a question that isn't covered you can email [hamclose@rhp.org.uk](mailto:hamclose@rhp.org.uk).

For ease the questions have been divided into categories.

### General

#### 1. Will RHP arrange a homeowner event?

(Source: Stakeholder Reference Group)

Yes, we intend to hold an event in September 2017. We want to ensure the event provides meaningful information and addresses homeowner concerns. The details of the event and the agenda will be issued by the end of August and publicised on the Ham Close website and in our dedicated newsletters.

#### 2. What is the timeline for the proposed redevelopment?

(Source: update to previous FAQ)

A planning application will be made in summer 2018 and we intend to start on site in summer 2019.

#### 3. Can you confirm the timescales of the redevelopment?

(Source: update to previous FAQ)

We're currently aiming for a start on site in summer 2019 and completion by the end of 2024.

#### 4. How long will each phase take?

(Source: update to previous FAQ)

There are currently three phases which will take approximately 18 months each. We will have greater clarity on this once planning permission is approved in summer 2018.

#### 5. How much profit will RHP/LBRuT make from this redevelopment?

(Source: update to previous FAQ)

None. RHP and LBRuT are not-for-profit organisations. This project will require funding and subsidy and will not generate any surplus.

#### 6. Will there be new shops/amenities?

(Source: update previous FAQ)

The shops on the corner of Ashburnham Road are currently outside the 'red line' of the regeneration. We are working with Richmond Council to enhance the current amenities.

#### 7. Will there be extra pressure on local services? (e.g. NHS/ schools)

(Source: update to previous FAQ)

We recognise that with the increased number of homes there maybe pressure on local facilities. Additional funding for these will be provided through the Section 106 process where deemed necessary.

#### 8. Will there be car charging, zip cars and 'brompton bike' facilities?

(Source: homeowner drop-in)

We're looking into the possibility of this and will keep you updated.

#### 9. What will happen if the planning for building on the school land is rejected? Will all the units still be constructed in a smaller area?

(Source: homeowner drop-in)

We're confident consent for building on the school playing field will be granted.

#### 10. When is the development going to happen? As I want to know if it's worth doing any extra work to my property e.g. new carpets.

(Source: update to previous FAQ)

We're currently aiming for a start on site in summer 2019 and completion by the end of 2024.

#### 11. How much parking will there be for customers and will this be allocated?

(Source: homeowner drop-in)

Parking will be negotiated in line with planning requirements. A detailed parking strategy will be worked up as part of the management plan for the estate in due course.

#### 12. Will there be bike sheds?

(Source: homeowner drop-in)

Secure bike storage will be provided in line with planning requirements.

### Customer offer

#### 13. Who does the customer offer apply to?

(Source: homeowner drop-in)

The customer offer applies to RHP tenants and homeowners on the estate at the time the original offer was made.

#### 14. What is a CPO?

(Source: update to previous FAQ)

A CPO is a Compulsory Purchase Order. CPOs can be made as a method of last resort to acquire property required for schemes deemed to be in the public's interests and are only effective when confirmed by the Secretary of State following a prescribed process. There is currently no CPO for Ham Close and RHP would try to acquire any property required for the Ham Close regeneration scheme by agreement with the owner.

#### 15. What if I don't agree with the Customer Offer? Can I refuse?

(Source: update to previous FAQ)

Yes you can refuse the customer offer. If we are unable to negotiate with you to buy your home then it is likely that your property would be acquired at a future date through the Compulsory Purchase Order process.

#### 16. Will RHP offer homeowners access to an Independent Advisor to ensure the process and offer is fair?

(Source: update to previous FAQ)

Yes, RHP will provide an independent value advisor who is RICS registered. We'll also introduce you to an Independent Financial Advisor at the homeowner event in September.

#### 17. Can I have my home valued now, to give me an idea of price?

(Source: update to previous FAQ)

Yes. A local estate agent or Rightmove/Zoopla will give you an idea of the value of your home. If you wish to commit to selling to RHP we'll pay for a formal valuation.

#### 18. Will you buy my home now?

(Source: homeowner drop-in)

RHP is willing to purchase any home on Ham Close at this time. If you would like to discuss this further please contact [hamclose@rhp.org.uk](mailto:hamclose@rhp.org.uk).

#### 19. Are there other ways to agree market values? Is there a structure to the values (e.g. central heating worth £x etc)

(Source: update to previous FAQ)

The valuations will be undertaken in accordance with RICS Red Book standards. This is an Open Market Value (OMV) in a 'no scheme world', i.e. without taking into account any adjustment to value on basis of redevelopment. OMV takes into account improvements and condition of individual properties based on inspection.

#### 20. What is the process if the two RICS surveyors don't agree?

(Source: update to previous FAQ)

RHP is seeking to buy properties by negotiation and agreement. We'll approach you to buy your home with a price supported by a proper valuation from a qualified RICS surveyor. If you disagree with that price then you can appoint your own qualified surveyor to advise you and to

provide a price and we'll meet the reasonable costs of this. We'll review what your surveyor says and if we cannot agree a price, but you have agreed you are willing in principle to sell, we would jointly appoint a third survey at RHP's cost to propose a final price taking account of the earlier two valuations.

#### 21. Is the current offer below government guidelines?

(Source: update to previous FAQ)

The current offer meets, and in some areas exceeds, the statutory compensation guidelines.

#### 22. Why can I not be given the difference in values, as Merton Priory offered their homeowners?

(Source: update to previous FAQ)

In making these offers to homeowners we bear in mind what they would receive if a Compulsory Purchase Order was in place as well as trying to make an offer that is fair to homeowners and tenants.

#### 23. I've been told I cannot get a mortgage if there are less than 25% homeowners in the block. Is this true?

(Source: update to previous FAQ)

No. Many high street lenders (i.e. banks and building societies) offer mortgages for residents buying within council or housing association owned blocks of flats and there are many examples of blocks with less than 25% homeowners. We suggest in the first instance if homeowners have concerns that they raise this query with their current mortgage provider.

#### 24. What costs are included in disbursements?

(Source: update to previous FAQ)

In addition to the home loss payment you'll be entitled to claim for certain reasonable costs associated with moving home, selling your existing property to RHP and purchasing a new home. Costs can include but are not restricted to: removal expenses, legal fees arising from the sale of your property and the acquisition of a replacement property, surveyors fees arising from the acquisition of a replacement property, re-direction of mail, alterations to furnishings e.g. curtains, disconnection and re-connection of services and appliances, moveable fixtures and fittings, special adaptations assessed as required in the new property and Stamp Duty.

#### 25. When selling our current homes, are we able to use an estate agent to value our property rather than a RICS surveyor?

(Source: homeowner drop-in)

You can use an estate agent to give you an idea of the value of your property, however an estate agent indication of value is not a formal valuation.

#### 26. When will current homes be valued? At the start of the project or at each phase?

(Source: homeowner drop-in)

We've not agreed this yet. We'll ensure a fair and transparent process regarding the valuation of new and existing homes.

## 27. What happens if a homeowner wants to sell on the open market?

(Source: homeowner drop-in)

RHP is willing to purchase any homes on Ham Close at this time. If you would like to discuss this further, please contact hamclose@rhp.org.uk.

## 28. If RHP come to buy the leaseholder's home through the normal process (or CPO process), will RHP remove any of the compensation in the Customer offer (i.e. disbursements, market value & 10% home loss payment), or is it guaranteed to be the same?

(Source: update to previous FAQ)

If we are able to buy your home by agreement, we'll pay market price for your property. If you choose to wait until the full Customer Offer (FCO) applies, you will receive the additional, agreed benefits. In the event that we need to acquire your home via the CPO process, you'll be offered the statutory terms and less benefits.

## 29. How are we getting 'like for like' as we'll no longer own 100% of our home?

(Source: homeowner drop-in)

In previous correspondence, the term 'like for like' was used to mean that you would be offered a property with the same number of bedrooms as you have now. We are honouring this commitment.

## 30. What are the Capital Gains Tax implications for selling? Can these be 'rolled over'?

(Source: update to previous FAQ)

RHP's understanding is that rollover relief is only possible where there is a CPO.

## 31. Will RHP cover the capital gains tax cost?

(Source: homeowner drop-in)

No

## Non-resident landlords

## 32. What happens to my tenants during regeneration?

(Source: update to previous FAQ)

If you sell to us, it is likely that this will be with vacant possession and that means you'll be responsible for ending the tenancy of your tenant(s) to ensure your property is empty. If you accept the offer of a shared equity property and you currently sublet your property on Ham Close you will be able to rent out the new property in a similar way.

## 33. If I cannot let out my home during construction, will I be compensated?

(Source: homeowner drop-in)

No. There is no requirement for compensation to be paid to owners or occupiers of properties that neighbour construction works.

## Shared equity

## 34. What is Shared Equity?

(Source: update to previous FAQ)

Shared Equity is where you own a portion of the new home equating to the value of your current home. Our Shared Equity offer means you will not pay rent on the unsold equity.

## 35. Can I downsize and own a bigger equity/whole property?

(Source: update to previous FAQ)

If a smaller property meets your needs you could downsize and own more equity or the whole property.

## 36. Can homeowners be offered shared equity if they wanted to upsize?

(Source: homeowner drop-in)

Owner occupiers will have the opportunity to purchase a larger home if they are prepared to pay the value difference between the replacement (like for like) home and the larger new home.

## 37. Can homeowners pass on their equity share (e.g. as part of inheritance)?

(Source: update to previous FAQ)

Yes, depending on the circumstances. Should the resident homeowner pass away, then in certain circumstances, dependent close relatives living in the property may be permitted to inherit the shared equity offer, particularly where the dependent person might otherwise be made homeless. Resident owners will be expected to apply to RHP and name potential successors in advance. If the shared equity offer was not transferred then whoever inherits your flat would benefit from your share of the equity and would be able to choose to purchase RHP's share and stay in the flat or to sell the flat and take their share. The is available to owner occupiers only.

## 38. What guarantees are there for Shared Equity if RHP go into liquidation/sell or change their minds? Can rent then be charged on equity?

(Source: update to previous FAQ)

RHP is a registered provider and no registered provider has ever gone into liquidation. The homeowner offer is for current homeowners and this will be a legally binding agreement between RHP and the individual homeowners of Ham Close. This agreement could then only be varied in the future by another legal process which was agreed between RHP (or successor body) and the individual homeowners of Ham Close.

## 39. Can I rent out my shared equity property?

(Source: update to previous FAQ)

Yes. If you currently sublet your property on Ham Close you will be able to rent out the new property in a similar way.

#### 40. What rights will I have/ lose as a Shared Equity home?

(Source: update to previous FAQ)

You'll be able to sell, sublet and leave your flat to someone when you die as you can now - except that if you have taken a shared equity lease, the benefit of the share that RHP retains can only be passed down in certain circumstances but the value of the equity would be not lost.

#### 41. What if there is negative equity? Do I have to pay RHP back the full initial sum?

(Source: update to previous FAQ)

No. Any increase or decrease in value that may have occurred during your ownership of the property would be shared between you and RHP according to the proportion of equity owned by each party. So if you own 75% of the property you would get 75% of the value at the time of the sale - so if the value has decreased the value of your share will also have decreased.

#### 42. I have heard that shared equity mortgages are hard to get and at a higher interest rate. Is this true?

(Source: update to previous FAQ)

We don't believe this is the case. Most high street lenders (i.e. banks, building societies) will offer mortgages for shared ownership and shared equity, though they tend to be less widely publicised. Further information is available at [www.sharetobuy.com/shared-ownership-mortgages](http://www.sharetobuy.com/shared-ownership-mortgages).

#### 43. Can I swap a second WC for a level access shower?

(Source: update to previous FAQ)

Where a disability requires adaptations, we can discuss this on an individual basis.

#### 44. Could I buy at a discount if I only wanted a shell (e.g. no fitted kitchen etc)?

(Source: update to previous FAQ)

No. Properties will be sold completed with kitchens and bathrooms.

#### 45. Can I apply in the future for an Equity Release scheme?

(Source: update to previous FAQ)

Yes, subject to the terms of your deal.

#### 46. How do the legalities change with RHP owning a share of the new property?

(Source: update to previous FAQ)

RHP will prepare a document detailing implications of owning a shared equity property for the homeowner event in September.

#### 47. Are buy-to-let mortgages available on a shared equity basis?

(Source: update to previous FAQ)

This is a matter for individual landlords to query with their mortgage provider.

### New homes

#### 48. What is the criteria for choosing who gets which flat?

(Source: update to previous FAQ)

New properties would be available for purchase on a shared equity basis in advance of their completion - i.e. 'off-plan', in line with the phasing. This would mean that new homes would be released for purchase only to those existing homeowners in the following scheme phase. Properties would be allocated in a similar way as if they were being bought on the open market. Therefore it would be for homeowners to apply for the home that they wished to buy on the property's release and the properties would be sold on a first-come-first served basis in accordance with the allocated property type (e.g. one, two or three bedroom). However, unlike buying on the open market, RHP would ensure that every homeowner who had chosen the option of a replacement property on the development would be able to purchase one, either by outright sale or shared equity as appropriate. Each phase would provide replacement properties for the homeowners in the next demolition phase who had confirmed they wish to remain on Ham Close rather than sell their property to RHP and move away.

#### 49. Will the homes being sold on the open market be built to a different/ better specification than the regenerated homes?

(Source: update to previous FAQ)

No. Specification of the new homes will vary across the estate dependent upon the value of the home.

#### 50. Can I stay on the same part of Ham Close as I am now? Even if this means a double move?

(Source: update to previous FAQ)

We'll look at cases of this type on a case by case basis. If you wish to retain your current location on the estate, and chose to private rent for the interim build period, this may be possible.

#### 51. Will homeowners have a choice of kitchen units / carpets / colour schemes?

(Source: update to previous FAQ)

Homeowners will be able to choose kitchen units/flooring/ colour schemes within a range.

#### 52. What are the bathroom and kitchen specs for homeowners?

(Source: update to previous FAQ)

New homes will be built to meet or exceed the prevailing construction standards at the time of the build.

#### 53. I need more information on the build / construction quality

(Source: update to previous FAQ)

New homes will be built to meet or exceed the prevailing construction standards at the time of the build.

#### **54. What will be the ground rent costs and rough estimate of service charges?**

(Source: update to previous FAQ)

We're not sure at the moment. We hope to be able to advise this in summer 2018 once planning is submitted. The project is still in its early stages and there is no detailed scheme design yet on which to calculate service charges. The design will be subject to engagement and consultation throughout its development and the intention will be to minimise service charge costs for replacement homes for existing homeowners.

#### **55. Will the Ground Rent increase?**

(Source: homeowner drop-in)

Yes the ground rent is likely to increase, however these will be to fair levels. RHP is not seeking an investment return on these. The project is still in its early stages and there is no detailed scheme design yet on which to calculate service charges. The design will be subject to engagement and consultation throughout its development and the intention will be to minimise service charge costs for replacement homes for existing homeowners.

#### **56. Will there be a sinking fund for homeowners?**

(Source: update to previous FAQ)

This has not yet been decided.

#### **57. Who would be eligible to buy properties for sale?**

(Source: update to previous FAQ)

Initial marketing will be to local buyers.

#### **58. How will new homes be valued? What if homeowners disagree with the purchase price of the new home?**

(Source: update to previous FAQ)

All valuations will be carried out by RICS accredited value advisors. RHP will agree these prices with homeowners wishing to purchase the properties and will need to ensure that the prices charged are those which would be achieved if sold on the open market.

#### **59. Will the new homes be energy efficient?**

(Source: update to previous FAQ)

Yes. They will meet or exceed the prevailing standards for energy efficiency at the time of construction.

#### **60. Will the houses being sold on the open market be built to a different/ better specification than the regenerated homes?**

(Source: update to previous FAQ)

No. Specification of the new homes will vary across the estate dependent upon the value of the home.

#### **61. How is market value agreed at re-sale?**

(Source: homeowner drop-in)

This would be subject to RICS red book valuations.

#### **62. What if I need to sell quickly for less than market value? How will RHP respond?**

(Source: homeowner drop-in)

RHP would expect to receive market value for its share of the equity. You can choose to sell your share of the equity at less than market value.

#### **63. Can current homeowners sell their home and buy a market sale home?**

(Source: update to previous FAQ)

Yes.

#### **64. Will current homeowners be given priority with new market sale homes?**

(Source: update to previous FAQ)

We intend to market the new sale homes for local purchases exclusively for an interim period.