

# Leasehold extensions

Guidance and process for  
Shared Ownership properties

## Shared ownership leasehold extension guidance

All Flagship Homes shared ownership homes have a lease term of either 99 or 125 years. When the time comes and there are fewer than 80 years left on the lease, it can affect the value of that property as the lease will be considered 'short'. This can create difficulties when it comes to selling or remortgaging.

While shared owners don't have a statutory right to extend their leases, the regulator for affordable housing recommends that providers like Flagship Homes consider granting extensions where possible. So, we've put together an informal and easy-to-follow procedure for any customers looking to extend their lease.

Please note that we cannot provide legal or financial advice regarding your lease or your home. We recommend seeking external and independent advice if you have any questions or concerns.



## Leasehold extension procedure

We want to make it as simple as possible for you to extend your lease. Our procedure is split into three sections, as follows.

### 1. Checking eligibility

- Once you've told us you'd like to extend your lease, we'll verify the freeholder details and confirm the head lease (if applicable) has a long enough term remaining to be able to grant an extension.
- In cases where the head lease isn't long enough, we'll need to extend the 'head' lease before we can extend the shared ownership lease.
- Once the lease is eligible for an extension, you'll need to pay:
  - the surveyor's fee (available on request)
  - associated legal costs (available on request)
  - an administration fee of £195 +VAT

### 2. Valuation

- We'll instruct an independent RICS (Royal Institution of Chartered Surveyors) registered surveyor to provide a lease extension valuation, assuming that:
  - The new lease will be for 999 years, plus the existing term
  - You've maintained your home to a reasonable standard
  - any arrears in rent or service charges will be paid on completion of the new lease.

This valuation will be valid for three months.

- We'll then send you a letter outlining the extension terms and setting the purchase price for the additional lease. You'll be responsible for any solicitor fees if you choose to proceed.

### 3. Instructing solicitors

At this stage, the process will be handed to our Legal team, who will:

- Prepare the legal documents
- Obtain the Flagship's consent where our interest is charged (your solicitors would deal with the consent from your mortgage company, if applicable)
- Provide your solicitor with a statement of what you must pay on completion
  - this will include any service charges, rent, or other charges owing
- Forward the lease extension documentation to your solicitor
- Complete the transaction, including collecting payment

Your solicitor must:

- Arrange payment to us via bank Transfer
- Advise you of any Stamp Duty implications in relation to the new term
- Register the lease extension at the Land Registry

## How to contact us

### Flagship Homes Sales Team

31 King Street, Norwich, Norfolk NR1 1PD

Telephone: 01603 255444

Email: [sales@flagship-homes.co.uk](mailto:sales@flagship-homes.co.uk)

Web: [flagship-homes.co.uk](http://flagship-homes.co.uk)

Our sales team is available to assist you

Monday - Thursday: 9.00am - 5.00pm

Fridays: 9:00am - 4:30pm

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