

Declaration  
form must  
be returned  
within 7 days.  
[See page 2](#)

A smiling woman with long dark hair, wearing a brown and white striped sweater, is holding a white mug with both hands. She is in a kitchen with a brick backsplash and various kitchen items on the counter. The image is partially covered by a large orange circle on the right side.

# Buying your new **shared ownership** home

 **Moat**homes



# Declaration

Please read this booklet, then complete and sign this declaration form and return to us within seven days of receipt. Please scan your signed declaration page and e-mail it to [progression@moat.co.uk](mailto:progression@moat.co.uk).

- ▶ I/we\* acknowledge that the information has been read and understood and I/we\* understand the responsibilities that I/we\* will be undertaking in reserving this property.
- ▶ I/we\* confirm that I/we\* have been informed of the defects liability period (if applicable).
- ▶ I/we\* acknowledge that Moat will snag the property ahead of the completion date and there will be no opportunity for me/us or an appointed professional to undertake any snagging.
- ▶ I/we\* confirm that I/we\* understand that Moat is not liable for costs incurred should delays in the purchase (including build delays) occur.
- ▶ I/we\* understand that I/we can cancel the sale at any time but Moat will retain up to £500 of the reservation fee to cover reasonable abortive sale costs. These costs are determined by how far the sale has progressed and costs that Moat has incurred.
- ▶ I/we\* confirm that Moat can liaise with my/our mortgage advisor/lender and solicitor to aid my/our\* purchase progress.
- ▶ I/we\* confirm that Moat can liaise with the house builder/contractor and provide them with my/our\* contact details to aid in resolving any defects.
- ▶ I/we\* confirm that Moat can provide the utility suppliers for our new home with my/our\* contact details - **YES / NO**
- ▶ I/we\* am/are willing to take part in a case study with Moat for publicity purposes - **YES / NO\***
- ▶ I/we\* understand that the offer of purchase is made subject to contract.
- ▶ I/we\* understand our responsibilities for contents and buildings insurance and any excesses payable in the event of a claim.

**Your parking type is (please circle parking type):**  
Allocated right to park / Unallocated right to park /  
Allocated / No parking

**Your defects period expires on** \_\_\_\_\_

**The boiler service is due on** \_\_\_\_\_

**You have reserved this property off-plan: YES / NO**

**Property address / reference**

**First applicant**

Full name, block capitals please

Signed  
Date

**Second applicant**

Full name, block capitals please

Signed  
Date

\* Delete where applicable

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# Congratulations

## on taking the first steps towards buying a home of your own!

**This booklet outlines the main responsibilities (yours and Moat's) for your shared ownership home with Moat.**

**If there are any parts of the booklet that you do not understand, please ask us or ask your solicitor to explain in more detail.**

When you sign your lease to buy your home, you accept the responsibilities and you are legally bound to honour them.

Your lease sets out who does what, the details of your property, including the share you have purchased, the length of the lease and financial details such as the rent at the start of the lease and details of what the service charges cover.

Your solicitor will send you a copy of the lease.

Your solicitor should also outline to you the terms of the lease, your rights and responsibilities as well as explain your legal status as a shared owner. It is important that you understand all of this, therefore please ask your solicitor any questions if you are unsure.

The information contained in this booklet is for guidance and should assist you when buying your home with Moat. Leases may vary and will contain information that is specific to the property you are buying. The content of this booklet is not exhaustive and may be subject to change.

## Getting a mortgage

A vital part of purchasing your own home is arranging the right type of mortgage. The mortgage advisors (MAs) on Moat's panel are here to help. They have been selected because of their high levels of customer service and their understanding of shared ownership. MAs on this panel are professionally qualified and will help you make the right choice so that you can afford to enjoy your new home into the future.

We may ask you to speak with one of the MAs on Moat's panel for an affordability assessment at any time during the purchase process

There are many different types of mortgages, offering varying terms and conditions. Moat staff are not authorised or qualified to provide you with financial or mortgage advice.

You will need savings for a mortgage deposit of at least 5% to 10% of the share value that you purchase (100% mortgages are not accepted). The higher your mortgage deposit, the more favourable your mortgage interest rate is likely to be.

**The mortgage advisors (MAs) have been selected because of their high levels of customer service.**

### Important things to remember:

- ▶ You will need to take out a mortgage from a high street bank or building society to cover the cost of the share (minus your deposit). If you have sufficient cash or savings to purchase the share outright, please discuss your situation with us.
- ▶ You are required to buy as much of the property as you can afford.
- ▶ Guarantors are not accepted when purchasing through shared ownership.
- ▶ The type of mortgage you commit to must be a repayment mortgage. Interest only mortgages will not be accepted.
- ▶ You will only be able to borrow money on your mortgage up to 95% of the value of the share you are buying.
- ▶ If you are purchasing in joint names, you must both be named on the mortgage to have shared rights and responsibilities for the property. If you are not named on the mortgage, you will not be named on the lease/transfer and you should seek legal advice regarding your rights.
- ▶ We cannot accept mortgage interest rates greater than 10%.
- ▶ The maximum mortgage arrangement fee we can accept is £1,500.





# Key information documents

Before purchasing your property, you will be able to view key information documents about shared ownership and the property you are buying, these are also sometimes referred to as KID documents.

The three key information documents you will be provided are:

## ► KID 1 Key information about the home

This document is accompanied next to the property listing on our Moat Homes website and is there to provide more information about the home you may want to buy. It breaks down the different options of share prices from 25% upwards to give you examples on how much each share price could cost you. It also highlights some key points in the lease we provide to you i.e. your lease term, subletting and whether pets are allowed.

## ► KID 2 Summary of costs

This document is provided to you once you know what share price you will be purchasing and how much deposit you will be using to purchase your new home. It breaks down the costs of payments to Moat for

You will be asked to read through each document carefully so that you understand what you are buying.



example if there are any service charges, estate charges etc. It will also detail any future costs for example if you wish to buy more shares. There is also a handy section for you to complete yourself to help budget for the cost of your utility bills and council tax as well as any other monthly payments you may have on top of your mortgage, rent and service charges each month.

## ► KID 3 Key information about shared ownership

This document is to help you decide if shared ownership is right for you. This document is available on our Moat Homes website for each development advertised for sale. This document explains how shared ownership works and includes details on your lease, buying more shares, selling your home and more.

You will be asked to read through each document carefully so that you understand what you are buying. Once you have had time to read through each document your New Homes Officer will then discuss these with you and answer any questions you may have. We will then be able to start the reservation process with you.

All key information documents will be sent to your solicitor along with the sales paperwork and they will need to confirm to us you have received them prior to exchange.





# The costs of buying your home

## Reservation deposit: £500

We require a £500 deposit to secure a reservation on the home that you wish to buy, subject to our confirmation that you are eligible to proceed. At the point when your reservation deposit is taken, the price of the property is fixed and this will remain so with an expectation that you will exchange contracts within 34 days. The deposit (£500) will be deducted from the purchase price on completion. The deposit is non-refundable if you withdraw without reason or falsify information on any application associated with buying a home from us.

## Survey and mortgage arrangement fees £1,500 (estimate)

Your mortgage advisor will give you more information about the costs associated with getting a mortgage. Your lender will charge a fee for arranging your mortgage and for a chartered surveyor to complete a valuation report. These costs vary depending on the mortgage option you choose as some lenders offer free surveys. The mortgage arrangement fee can only be added to your mortgage if the total borrowing is less than the share value. Mortgage arrangement fees also vary and some mortgage advisors will charge a fee for their service.

## Solicitors' costs: £1500 (estimate)

Your solicitor will charge you a fee for their professional services. Usually you should expect to pay an amount up-front to enable your solicitor to proceed (approximately £200), with the remainder payable upon completion of the purchase.

## Notice fees: £84-£120 per notice

Your solicitor will need to serve a legal Notice to Moat to confirm the change of ownership and to register your mortgage following completion. Additional fees may be payable to a managing agent.

## Engrossment fees: £120-£180

The fee is charged by our solicitors to you for preparing the final version of the lease for signature.

## Local Authority search fees: £20-90

Local Authority searches are essential part of the home buying process. They cover any charges or restrictions relating to land or property. On some developments, our solicitors will be able to provide a "block" search to your solicitor. This means your solicitor does not have to do their own search. This is quicker and cheaper as you will only be charged for part of the cost of the search as it will cover a number of properties and be shared with other buyers.

## Other fees

There may be other fees payable to third party managing agents or management companies dependent upon the type of development on which you are buying.

## Stamp Duty Land Tax (SDLT)

This is a government tax that is payable when someone buys a property. Your solicitor will be able to tell you if the tax applies and if it does how much it will be. We are unable to give advice on stamp duty queries.

## Exchange of contracts

Exchange of contracts is a key point of the process when you buy a property. It means that you are legally bound to purchase the property and Moat is legally bound to sell it to you.

Prior to exchange, you will need to ensure that you have signed your contract and transferred your mortgage deposit to your solicitor in order for exchange to go ahead. Once contracts are exchanged, the sale is legally binding and a completion date will be agreed. Your completion date might be agreed "on notice" and this is explained in further detail on Page 11.

In some cases, exchange of contracts happens on the same day as you complete on the purchase. Your solicitor will need to have requested the mortgage funds in advance in order for this to happen. Sometimes, especially if you reserve off-plan, exchange will happen on a date well in advance of completion.

## Rent on purchase completion

From the day your purchase completes you are responsible for paying your mortgage, rent and any service charges. You will need to pay for the remainder of the month in which you complete plus the following month in advance in your completion monies. Your solicitor will tell you the amounts. It is important to always pay your mortgage, rent and service charges on time or you risk losing your home.

## Other costs

Other costs that you should consider include the cost of moving in (removals van, etc), broadband connection fees and Royal Mail redirection charges.





# The purchase process

## The buying process and timescales

You will need to read this booklet and return the signed declaration (Page 2 of this booklet) within seven days of receiving it. We will not exchange contracts without a signed copy of the declaration, your reservation agreement, direct debit mandate and landlord reference on our records.

## Prompt survey and mortgage application

Your mortgage lender will complete a number of checks on your application before sending a surveyor to assess the property. Please ensure that the lender receives all of the required documents from you in order to process your mortgage application and to ensure that you meet your exchange of contracts deadline. Once the mortgage lender is happy to approve your mortgage application and the valuation has been carried out you will be sent a mortgage offer.

## Mortgage expiry dates

Mortgage offers have an expiry date; typically six months from when it is issued. Therefore, your mortgage offer might expire before the property is ready for you complete and to move into (for example if there are delays in the construction process). If the mortgage offer expires before you can legally complete, your existing lender may agree to extend your offer. If not, you may incur extra costs to renew it or have to apply for a new mortgage. If you have to apply for a new mortgage, you could be required by your lender to provide up to date supporting documents.

## Mortgage valuations

The purchase price of your property must match the full market value stated in your mortgage offer. If your mortgage lender down-values the property, your mortgage advisor will work with Moat and your

lender to try to resolve the matter. We may ask you to apply to a different lender.

If resolution cannot be achieved, your purchase maybe cancelled and your full reservation deposit (£500) will be refunded.

## Mortgage offer approval

After the surveyor has completed their valuation report, the lender will issue a mortgage offer. Please forward a copy of your offer and valuation report to Moat. Your mortgage offer must reflect the figures on your Memorandum of Sale at the time of reservation. Your mortgage offer requires approval from us to ensure that it meets the requirements set out in the shared ownership lease and correctly reflects the details of the sale. If your mortgage offer is not approved, Moat is not liable for any costs you may incur associated with delays, the production of a revised mortgage offer or cancellation of the sale. Mortgage advisors on Moat's panel are well placed to advise you in this regard.

## Solicitors' panel

Moat's panel of solicitors has many years of experience with shared ownership schemes. We suggest that you appoint a panel solicitor because of this experience. If you instruct a solicitor that is not on our panel, please ensure they are familiar with shared ownership to prevent any delays in the process.

## Buying off plan

If you are buying a home off plan (ie a home which is not yet build complete), the date at which the property is likely to be available for you to move into will depend on the construction period. Delays can and do occur and we will always endeavour to update you as the build progresses. Moat is not liable for any additional costs should any delays occur.

## Pre-completion customer care

A Moat representative from our New Homes Customer Care Team will contact you prior to completion day to provide you with information about your new home and to explain the defects process. Please take the time to read the information as soon as this is

received, as this will help you to understand how your home works before you move in. If the defects liability period has expired on the home you are purchasing, then the above process is not applicable and the home is sold as seen. Further information regarding defects on your home is contained on page 22.

## Exchange and completion

Many of our homes are for sale off plan which means that completion (the day when you move into your new home) will be on notice.

Completion on Notice means that once your new home is build complete, you will have 10 days to complete your purchase including paying the balance of your purchase and legal fees. If you don't, interest payment penalties can be charged and Moat has the right to withdraw from the sale.

Completion on Notice (sometimes referred to as Notice to Complete) cannot be given unless a building regulations completion certificate or a new homes warranty and insurance certificate, such as an NHBC, have been issued. These documents must be issued from the house builder to Moat in order for us to take handover of your new home.

Prior to completion, you will be expected to exchange contracts with completion on notice. This happens once all legal searches and enquiries have concluded and you can pay your deposit but no fixed completion date will be set. If you reserved your new home off plan, you committed to buying it whilst it was being constructed and this means you are expected to exchange contracts whether you have been able to physically view inside it or not. Further information regarding buying off plan is available on our website: [moathomes.co.uk/useful-information/buying-off-plan](https://moathomes.co.uk/useful-information/buying-off-plan).

We recommend that you speak to your solicitor to ensure that you fully understand the contractual obligations of both exchanging and completing on notice.

If you purchase a home from us that is build complete and ready to be occupied (not off plan) and you have physically viewed inside it, you will be expected to exchange within 34 days of the sale being instructed.

We will send a Memorandum of Sale to you, your solicitor and your mortgage advisor via e-mail. The date that this is sent is the date that your sale is instructed.

Once you have exchanged, within 34 days of this instruction, completion will follow shortly after – usually within 10 days. You might be able to simultaneously exchange and complete which means you legally exchange and complete on the same day.

We recommend that you speak to your solicitor to make sure that you fully understand the contractual obligations of both exchanging and completing and the options available to you.

We provide you with a timetable when we instruct your sale which will assist you in ensuring that you are able to meet the deadlines that we set. If you are not able to meet these deadlines, you must let us know as it may result in us having to re-market the home you wish to purchase.

## Completion day

Your solicitors will send Moat's solicitors all monies due on the day of completion. Once these monies are received your purchase is complete and you can move in.

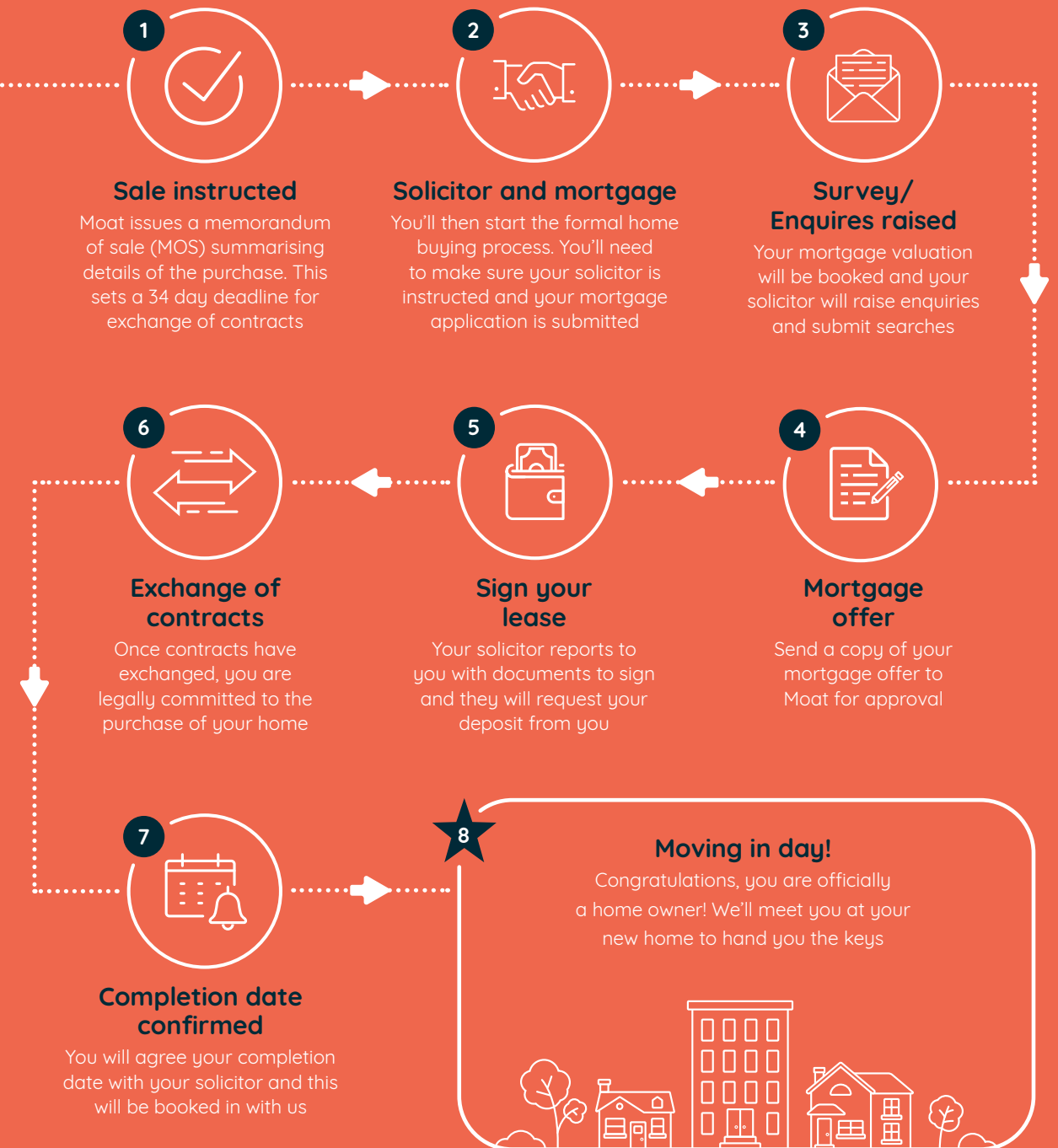
A member of the Sales and Marketing team will contact you, in advance, regarding arrangements for the day of completion. The keys (including any communal door entry and car parking fobs) to your new home will be handed over to you and meter readings will be taken. Your new home will have been through an extensive snagging and inspection process before we give you the keys. However, if you do notice anything that you wish to report, please contact our New Homes Customer Care Team within 24 hours of completion and they will advise you further. Please also ensure you have read pages 23 and 24 of this booklet as they explain what a defect is.

Remember to contact the gas, electricity and water companies as well as the local council tax office and any other utilities you require, to let them know you have moved in.



# 8 simple steps

to your new home







# Your responsibilities

Many of the responsibilities that come with owning a shared ownership home are similar to those that would apply if you buy a home on the private market. There are some differences and it is important that you are aware of these.

## Repairing and maintaining your home

As a leaseholder you are responsible for keeping your home in good condition and for the cost of repairs and maintenance of your home. This includes any health and safety requirements i.e electrical testing. If you have a gas boiler, an annual service is required each year and this must be carried out by an engineer on the gas safe register

If you live in an apartment, the freehold owner of the block is responsible for the general maintenance and upkeep of the building e.g communal cleaning, communal lighting and heating, lift servicing. The cost of any work will be passed on to you in your service charge payments. You will remain 100% responsible for service charges. You are responsible for undertaking any maintenance or repairs to the inside of the apartment including any pipes, electrical wiring and glass in all windows and doors.

If you are purchasing a house, maintaining the doors, windows and window frames to your property is also your responsibility. Please note that any replacement of external doors and/or windows requires permission from Moat. Your lease will set out repair and maintenance responsibilities for your home in more detail. Please make sure you understand and accept these responsibilities before signing your lease.

If purchasing an apartment, the window frames or external doors may be the responsibility of the freeholder to repair or replace. Please check your lease to ensure you are clear on what your obligations are before signing.

If solar panels are installed at your house it is your responsibility to maintain them. Solar panels installed on communal roofs such as blocks of apartments will be the responsibility of the freeholder to maintain.

## Lease

Before you sign your lease you should read it very carefully. A typical lease can be [found here](#) (Please see September 2021 updated leases) so you can see what terms a lease often contains.

You should ensure that your solicitor reviews the lease and associated documents, so that you can seek their advice and ask them any questions you may have.

## External and structural repairs

For the first 10 years Moat will be responsible for the cost of essential repairs required to the external fabric of the building and structural repairs to walls, floors, ceiling and stairs inside of the home, but only where the repair is not covered by the building warranty. Any work required that is covered under a warranty should

be claimed through the policy by the policy holder. Moat will usually be the policy holder but please speak to us to establish if the work required is covered under the warranty.

After the first ten years responsibility for carrying out the structural repairs will remain with the building owner for flats or, in some cases, the shared owner for houses.

## General repairs and maintenance allowance

Your home comes with a 10 year “initial repair period” starting from the lease start date (this is the day you legally complete on buying your home with us) which applies while you own less than a 100% share in the home. In this initial repair period you will be able to claim costs of up to £500 a year from Moat to help with essential repairs or replacement (if faulty) of installations in the home.

If you do not claim the full repairs allowance in one year, a maximum of one years allowance will roll over to the following year. The following example shows how the repairs allowance would work if you claim in years 2 and 3.

You will be responsible for the portion of repairs over £500.

Year	Repairs allowance	Allowance claimed for repairs	Roll over to next year
1	£500	£0	£500
2	£1,000 (£500 + £500)	£750	£250
3	£750 (£500 + £250)	£0	£500

There may be times that you do not need to cover the cost of a repair, for example if the repair is covered by a home warranty or if your home is less than 1 year old some repairs may be deemed a defect. You can report defects through to our New Homes Customer Care team – Further details on defects can be found on page 22.

### How to claim your repairs allowance

Please contact our Customer Service Centre on **0300 323 0011** or via e-mail at [customer@moat.co.uk](mailto:customer@moat.co.uk) if you wish to make a claim from your repairs allowance. We will ask that you submit a claim before any works are carried out to ensure we can approve the claim before you outlay any costs and carry out the works.

We will require that you provide us as much information as possible to assess your claim including: full details of the works required, any photographic evidence and a quote for the works. We recommend that you use a Trustmark approved contractor to carry out repairs on your home and a full list can be found here [trustmark.org.uk](https://trustmark.org.uk). Once we have received all of the required documents we will approve or reject your claim within 7 days.

Moat will be responsible for assessing whether repairs claimed are essential and genuine. Moat will have the right, by exception, to inspect the property if deemed necessary. We may also ask for evidence that the home has been appropriately maintained with routine servicing and maintenance (e.g. boiler servicing) and you will need to provide service records to us.

Once you have had the repair authorised and works completed please submit your contractors

invoice to us via our Customer Service Centre at [customer@moat.co.uk](mailto:customer@moat.co.uk). We will reimburse your costs within 21 days of an approved completed repair and this will either be returned to your rent account or a nominated bank account.

### Policy exclusions

Shared owners will not be able to claim expenditure for DIY repairs, or repairs done by non-professionals.

Repairs where there has been a breach of lease such as deliberate or avoidable damage will not be claimable. This includes where shared owners have failed to ensure appropriate routine servicing and maintenance.

We have the right to reject repairs claims using any unapproved company which is not part of the Trustmark scheme.

Repairs or replacements carried out to an improved specification will not be eligible unless unavoidable.

Moat will not be liable for repairs where there has been a breach of lease such as deliberate or avoidable damage. This includes where shared owners have failed to ensure appropriate routine servicing and maintenance arrangements (e.g. boiler servicing) where this is their responsibility under the terms of the lease.

Moat will not be responsible for carrying out any cyclical works inside the home (e.g. pre-planned replacement/refurbishment of kitchen/bathroom or decorations).

### Pets

We encourage responsible pet ownership; balancing the positive impact pets can have, while ensuring they don't negatively affect others or cause a nuisance. We give permission for customers to keep pets only if the lease allows and the property is suitable for the type of pet you wish to keep. Please check your lease, so you are aware of any restrictions regarding this.

### Car parking

Car parking arrangements do vary and your lease will define what your parking entitlements are. There are several different types of car parking arrangements and it is important that you understand what applies to both you and your visitors.

#### ► Demised car parking

This means the car parking space is included within the demise of the premises granted to you under the lease. The conveyancing plan for your home (usually red-edged) will delineate your car parking space(s) as well as the property being demised to you. You will then have "exclusive possession" of those parking spaces, meaning that no one else will be permitted to park in them. It is also likely that, because they are exclusively demised to you, you will also be solely responsible for the repair and maintenance of these parking spaces

#### ► Right to park

The right to park comes with two options:

##### 1 General right to park

This is the general right to park in any space(s) within a car parking area on a first come first served basis. This means that you do not own or have a designated space; you simply have the right to use a car parking space. Even though you do not own a car parking space, you may be charged for the use of the facility.

##### 2 Exclusive right to park

This means that you have access to a designated car parking space (usually blue-edged in the conveyancing plan for your home) for you and your visitors to use for the duration of your lease. You will not own the car parking space but you are granted an exclusive right to use it.

Regardless of the car parking arrangements for your home, it is your responsibility to ensure it is managed correctly. Some car parks may require an entry fob or a parking permit and you should check if this applies to you. When we meet you on completion day, we will make a list of all keys that are issued to you, including car parking fobs. Please note that replacement fobs are chargeable.

### Gardens and outdoor space

If your new home has a private garden then you are expected to look after it, keeping it clean and tidy. Any shared or communal areas are usually maintained by a management company or by Moat where we own the freehold and / or the grounds. You and your vneighbours are asked to keep these areas clean and tidy and free from any obstruction.

### Internal communal areas

Most apartment blocks have shared internal space and they will be maintained (ie cleaned) by a management company or by an appointed contractor if Moat own the building. You and your neighbours are asked to keep these areas clean and tidy and free from any obstruction. Items left in communal areas (corridors, stairwells etc) will be removed as they can cause a fire safety risk. Your service charges will include a charge relating to the upkeep and maintenance of any shared or communal (internal and external) areas. If you cause any damage to these areas, you will be recharged.

Once you have had the repair authorised and works completed please submit your contractors invoice to us via our Customer Service Centre at [customer@moat.co.uk](mailto:customer@moat.co.uk)



## Rubbish

We do not supply refuse bins for your household waste. Please contact your Local Authority if you do not have a bin. When disposing of waste in communal refuse facilities, please ensure your rubbish is properly secured in bags.

Bulk items such as cookers, fridges, and sofas should be taken to the nearest tip or arrangements can be made with your Local Authority for a special collection (a small charge is usually made for this service). Please do not leave bulk items in bin stores, communal areas or to accumulate in your garden.

If we have to arrange for bulk waste to be removed, it could be recharged you and others across the wider estate.

## Loft space

If your home has loft space, it will not be boarded out and therefore unsuitable for storing your belongings or for standing in. If you wish to use your loft space, it is up to you to make sure it is made safe before you do so.

However, by installing boarding, it may result in the builders refusing to accept any defects that have been identified in your loft area, and these would then become your responsibility to correct.

## Satellite dishes

Most of our new homes come with digital television capabilities fitted as standard. Individual satellite dishes are not usually permitted on apartment blocks although they may be permitted on the rear elevation of houses in some cases. Your solicitor will need to check the stipulations in the lease and you should always seek our permission before any installation.

## A pleasant environment for your neighbourhood

We hope that you will enjoy living in your home and local community. It is appreciated that everyone has their own individual way of living. However, here are some tips and advice that you might find helpful:

### Consideration for neighbours

Everyone has different tolerance levels for noise, be it music, late night noise or an individual's behaviour. We ask that our customers have consideration for their neighbours, especially those living in apartments or sharing access-ways. If you have difficulties, always try to have a friendly chat with your neighbour about it before approaching us.

### Nuisance/harassment

We place obligations in your lease to promote good neighbourly relationships and to enable us to take action if someone causes or allows a serious nuisance to others. If you experience any serious nuisance or anti-social behaviour you should, try to approach the person responsible in a polite and reasonable manner if you feel it is safe to do so. Where there is no improvement please contact us.

You are responsible for your visitors and their behaviour. Any antisocial behaviour they cause will be your responsibility.

### Specific terms of your lease

Your lease will have specific terms according to the development you live in. You should check your lease carefully, so you are aware of these. Once your solicitor has the lease ready, please discuss with them any specific terms that you need to be made aware of. This may include restrictions from the head lease.



# Payments to Moat

## Paying rent on your shared ownership home

The interest on the share you have not purchased (ie the share owned by Moat) is subsidised and usually charged at around 3% (or less). This is referred to as rent and you will pay your rent to Moat every month via direct debit. You can buy more shares in your home at any time and this is known as **staircasing**. If you buy more shares in your home, then the rent you pay to Moat reduces but your mortgage payments may increase if you borrow more money from your lender to fund the staircasing transaction.

## Rent and service charges payable in advance

After you complete on your purchase, we will set up your Direct Debit. You will receive written confirmation of this from our Direct Debit partner Allpay. It is your responsibility to ensure payment is made as required until the Direct Debit has been set up.

Your monthly charge is broken down into:

- ▶ Rent
- ▶ Building insurance (if applicable)
- ▶ Service charges

Payment should be made on the first of the month in advance. This will be set out in further detail in your lease. You need to make an agreement with Moat should you wish to pay on an alternative date of the month. Please note that if you do this, you may need to make additional payments to the monthly charge in order to ensure your account does not show arrears at any point during the month.



## Review of rent levels

The rent is reviewed annually and increases on the 1 April each year at the rate of the Retail Price Index (RPI) + 0.5%.

## Rent arrears: don't risk losing your home!

Please contact Moat immediately if you think you may be facing financial difficulties. The sooner you let us know, the more options there are likely to be available to help you. It is important that you keep up your payments to Moat as well as your lender.

If you do not pay your rent, Moat can approach your mortgage lender for payment of the rent arrears. You will have to pay interest on any rent arrears. If non-payment persists you could lose your home.

## Buildings insurance

Where Moat is the freeholder, we put in place buildings insurance. You are required to cover the cost of buildings insurance which is usually included within your service charges. Insurance premiums can vary year on year. You will be notified of any changes but can request details of insurance costs by contacting the Service Charge team.

You can request a copy of the Summary of Cover at any time, or contact us at [customer@moat.co.uk](mailto:customer@moat.co.uk) for insurers details to make a claim under the buildings insurance policy. If you make a claim, you will have to pay an excess of £200 (at the time of writing) for most accepted claims; and £1000 for claims relating to subsidence.

In some cases, leaseholders may have a contractual obligation to insure the building and buildings insurance does not cover general repairs and maintenance. You should check your lease and ask your solicitor to confirm your lease conditions and responsibilities for insurance, repairs, maintenance and charges before

you purchase your home. The rent you pay to Moat is for the part of your home that Moat continue to own, and not rent for landlord services such as repairs and maintenance. If Moat are not the freeholder of the building, insurance is still provided and paid for in service charges.

We **do not** insure your contents and we encourage you to arrange suitable insurance for your contents and belongings from things like accidental damage and theft.

## Service charges

Service charges are payments made by you which contribute to the maintenance of the communal areas of your apartment block and neighbourhood facilities. Moat does not make profit from service charges; the purpose of a service charge is to ensure that we can provide you and your neighbours with a clean and pleasant environment in which to live.

## Service charge breakdown

The services you receive can vary depending on where you live, the type and size of your property and what your agreement with us says. Typical service charges could include:

- ▶ Grounds maintenance (including grass cutting and looking after planted areas)
- ▶ Cleaning communal areas (including the removal of dumped rubbish)
- ▶ The lighting of communal areas
- ▶ Providing insurance for apartment blocks (homeowners only)
- ▶ Providing water, electricity and gas to communal areas.

The more services you receive, the higher the charges. We will provide you with information about the services and the fees for the home that you are buying.

Some estates may have a managing agent that provides services with associated costs recharged to you.

We endeavour to apply the best known estimate for service charges at the time that a new development is handed over into management. However the charges for the first year may increase in subsequent years due to warranties and guarantees expiring on service equipment within the block or estate, or due to contributions to reserve funds (funds put aside for future repairs or replacement items) being increased due to more detailed information becoming available.

Your service charge estimate is reviewed annually on the review date indicated in your lease and not necessarily a year after you move in. This may mean that your charges change within the first year of occupation.

At the end of the financial year (usually 31 March), we will check the actual service charge spend on your neighbourhood and compare it with the estimated charges that you've paid during the year.

Once this reconciliation is complete, it will show whether the actual spend was more or less than the estimated charges. We will send you a year-end statement to show you any difference, usually by the end of September each year. Any excess charges that you may have paid will be credited to your Moat account and any shortfalls identified at this point will require payment.

As a recipient of the services, you will have the right to question the reasonableness of the charges as well as to request sight of invoices that support the actual costs.

Your service charges may also include an amount each month contributing towards a future repair fund (also

called the reserve fund or the sinking fund). This fund accumulates over a number of years and is held by Moat to pay towards the replacement of major items such as lifts, roofs or road re-surfacing works. (Repairs which are Moats responsibility during the initial repair period will not be paid for using the reserve fund). The collection of a future repair fund ensures that the cost of these major works are spread out over a longer term to avoid customers being faced with large bills when works are completed. All contributions to the future repair fund remain with the property and will not be refunded to you upon sale of the property.

## Combined heat and power (CHP)

CHP is an energy efficient technology that generates electricity and captures the heat that would otherwise be wasted to provide useful thermal energy, such as steam or hot water, that can be used for heating, cooling and hot water. CHP can be located at an individual building, or be a district energy or utility resource. Many house builders are required to install CHP as part of the planning application process for the construction of apartments, so it is more commonly seen in London or large developments to make them as environmentally friendly as possible.

There are costs associated with CHP, including servicing and maintenance of the system, which will be included in your service charges. It is also important to note that as CHP is a relatively new technology in the UK, there are limited utility suppliers which may mean it is unlikely that you will be able to switch suppliers.

Some leases contain provision to make payments to Moat for gas/heating costs – please check with your solicitor if this applies to your purchase. You may also be required to enter into a separate supplier agreement which your solicitor will confirm.





# Newly built homes

## (less than one year old)

A lot of care and attention goes into making sure your new home is as beautiful as you would expect it to be. Our Moat teams take pride in ensuring that the new homes we provide are built to a high standard. We invest a lot of time and effort into overseeing the build process and also in ensuring that the specification items provided within your new home are of good quality.

Moat shared ownership homes are built to the same high standards as those constructed by house builders for private/open market sale. High standards are required for these homes to adhere to building regulations as well as planning conditions set by the local authorities.

### Snagging

Moat will have snagged the property ahead of the completion date and there will be no opportunity for you to undertake any snagging at the property ahead of or after completion, this includes you appointing a professional to undertake any snagging on your behalf.

### Construction defects and the defects period

There are checks in place to record items that may require fixing either just before, or after you move in. We call these items 'defects'. The period by which we would expect them all to be fixed is usually one year (this may vary from one builder to another) from the date when the builder hands over the property to Moat, this is called 'the defects liability period'.

A defect is a building flaw or failure that is the builders' responsibility to put right as it does not meet

contractual standards in:

- ▶ Quality
- ▶ Workmanship
- ▶ Performance
- ▶ Design

Moat's dedicated New Homes Customer Care team is committed to working with you and with the house builder to rectify construction defects.

See the declaration (Page 2 of this booklet) for the defects liability period expiry date. It is important that you report any defects to the New Homes Customer Care team before this expiry date. If you are purchasing your home off plan you will be informed of the expiry date via email once your completion date has been confirmed.

An inspection will take place just before the end of the defects period. It is important that you are available to attend this inspection as it is a chance to agree and finalise the list of items that may still require fixing. The house builder (not Moat) is responsible for putting any agreed defects right at no extra cost to you. Our New Homes Customer Care team will monitor all the defects that you report to us and act as a liaison between yourself and the house builder.

If you purchase a property after the defects liability period has expired, then you will accept responsibility for any defects that may remain unfixed. In other words, you will be buying the property 'as seen' in its existing condition and you will not benefit from any defects period.

Once the defects period expires, you can no longer make new claims through the defects process. The exception to this is called a latent defect: this is a fault that may be in a hidden place, and that could not have been discovered by a reasonably thorough inspection before you bought the property or before the end of the defects period.

Depending on their nature, latent defects may be covered by the warranty on your home.

### Reporting defects to Moat

If any faults occur with the systems or fixtures and fittings installed in your home once you have moved in, please report these faults to Moat's Customer Care team on 0300 323 0011 (Monday to Friday, 8am – 5pm). Alternatively, if the fault is not an emergency you can email these through to **[newhomescustomer care@moat.co.uk](mailto:newhomescustomer care@moat.co.uk)**.

When you report a defect, we may ask you a series of questions to make sure it is a defect and not a repair. If it is a defect, we will, where possible, tell you how long it will take for the defect to be fixed. The house builder who built your home will contact you to make arrangements to carry out the work.

Please do not report any defects to workmen who may still be on site where you live. We cannot guarantee that defects reported through any channels other than directly to Moat will be logged and managed properly.

Appointment dates/times to fix defects will be agreed with you. You may incur a fee if you do not turn up at the agreed date/time and the house builder is unable to access your property to carry out the work.

Some defects may not be fixed until the end of the defects liability period when it is more appropriate or practical – this depends on the nature of the defect.

Putting defects right is a free service, but it is not a day to day repairs and maintenance or wear and tear service. Please make sure that when you report an issue as a defect, you describe the matter to Moat's team as clearly as you possibly can. If the house builder attends to fix your defect and discovers that it is not actually a defect, you could be charged a fee to cover the associated costs. At the end of the defects period, we will contact you to ensure that the works



have been completed to your satisfaction and to seek feedback from you regarding the service.

### Building warranty

Your new home comes with a warranty for a given period from its build date. For most homes this is through Premier Guarantee ([premierguarantee.com](http://premierguarantee.com)) or the NHBC ([nhbc.co.uk](http://nhbc.co.uk)). A certificate detailing information on the warranty for your new home will be provided to you when you move in. This will include details of how to make a claim and the excess charge that you would have to pay if you do need to claim under the warranty.

### Common issues in a new build home

All brand new homes require a period of 'bedding in' whilst the materials used to construct your home start to shrink and settle.

Cracks in walls and ceilings are commonplace in brand new homes and should not cause alarm to you. These cracks are not an indication of poor workmanship or poor quality construction. It normally takes a year or so for these to settle.

Any cracks in the walls or ceilings that are thin lines (hairline cracks) are your own responsibility to make good. We will monitor any substantial cracks and will confirm to you during your home's end of defects inspection what cracks the house builder will put right. It is more commonplace for cracks to appear between plasterboard and wood, for example, between the walls, the skirting boards and above doorways.

Floorboards and staircases may creak when you first move in. We would expect these to settle over the defects period.

Doors and windows may appear stiff to open and close at first. A degree of stiffness is quite normal and often rectifies itself over a short period of time. Applying lubricant to joints on a regular basis will minimise problems that can occur with windows and doors and form part of a good maintenance regime.

The effects of poor ventilation can also be detrimental to your new home, causing condensation on windows and mould or damp patches on walls and ceilings. This is not something that we can fix for you as it is not deemed a defect.

To avoid this, it is important that you ventilate your home allowing fresh air to circulate around all its rooms. Use extractor fans where these are provided, particularly in bathrooms and kitchens. Drying wet clothes inside your home should be avoided as it is a common cause of mould, damp patches and condensation. Consider investing in a dehumidifier if you think you may need one.

### Your appliances/ white goods

The appliances in your home, such as fridge freezer and washing machine, are provided brand new and we will provide user manuals for them. Soon after you move in, you should complete the appliance manufacturers' registration cards to register the items and invoke the guarantees. If your new home has

been vacant for a period before you move in, please make sure you ascertain whether the guarantees have expired or not.

If a fault does occur with any of your appliances, you will need to contact the manufacturer direct to arrange for the fault to be rectified.

Be mindful of any appliances that require regular servicing in order to ensure they remain safe to use and to remain within warranty.

### Heating system, boilers, ventilation systems, solar panels, gas and electricity

You will be given a user manual for your heating/hot water system and any other utility services provided in your home. It is essential that you read and familiarise yourself with these.

Checks are carried out on your boiler before you move in. The date that your boiler will require its next service is shown on the declaration form (Page 2 of this booklet).

If your home has a gas supply, you will be provided with a valid gas certificate. It is very important to have your gas supply checked properly at least once a year to make sure your home continues to be safe to live in – it is your responsibility to arrange this.

You are responsible for servicing and maintaining all items, including electrical goods, in your home to ensure they are safe.

### TV and satellite services

In some Moat new homes, we provide connections to TV and satellite services. It is up to you to arrange to take out a contract with a service provider if you wish to.

Moat shared ownership homes are built to the same high standards as those constructed by house builders for private/open market sale.







## Moat's role after you move in

Once your purchase is complete and you move into your new home, you begin to live there as a home owner. Your mortgage payments commence, as do your monthly payments of rent and service charges to Moat. You assume full responsibility to repair and maintain your home; Moat's role as your landlord differs to that of a landlord providing services to rented tenants because the rent you pay is a form of interest on the part of your home that Moat continues to own, and not a payment in return for landlord-related services.

Although we reserve a right to come and visit your home if we choose to, in most cases this is not something that we would necessarily do unless we wanted to carry out checks, for example to make sure you are living in the home and it is not being sub-let. In other words you move in and live in your home independently as a home owner.

Should any queries arise after your move in, please contact your Moat Neighbourhood Services Manager. You can do this via our Customer Contact Centre (details are on the contacts page of this guide).

**We recommend you make plans early to increase your shares to eventually own your home outright.**

## Staircasing (buying more shares in your home)

Staircasing is the process by which you can increase the percentage share that you own in your home. Details of staircasing are provided to you within your shared ownership lease.

It is a good idea to make plans for staircasing at the time when you first buy your shared ownership home. Talk to your mortgage advisor about your plans and intentions. You can staircase by buying further shares in your property with the amount you pay based on the market value of your property at the time you apply to staircase. You can buy additional shares of 5% or more at any time. The value is determined by an independent RICS (Royal Institution of Chartered Surveyors) qualified surveyor. As the share you own increases your rent reduces proportionately. You can take your ownership up to the full 100% value of the home if you choose, and your lease allows, meaning you would then pay no rent. You would still be liable for service charges where applicable.

If you cannot afford to staircase up to 100% in one go, then think about staircasing in chunks and make longer term plans to achieve this. Talk to us and we'll explain how it works.

In addition to being able to staircase in 5% or greater amounts you have the option to buy a 1% share each year for the first 15 years that you own your home. The price of the 1% share is based on the original full market value adjusted up or down each year in line with the House Price Index (HPI). The HPI is a national statistic that shows changes in value of residential

properties. We won't charge an administration fee when you buy a 1% share.

At Moat, we encourage home owners to increase the shares in their homes, so they can build a better future for themselves and their families. This is especially important as you approach retirement age if you are close to paying off your mortgage and wish to avoid paying rent out of your pension.

We recommend you make plans early to increase your shares to eventually own your home outright. Historically and generally-speaking, house prices have a tendency to rise at a more rapid rate than incomes; as a result, shared owners who delay decisions to staircase are less likely to be able to afford to buy extra shares in their homes as the price of these could be outside your affordability range.

If you sell your property within three months of staircasing to 100% ownership for more than the value that you staircased at, you will be required to pay Moat back its percentage of the increase in price.





You will be liable to pay any associated costs, ie solicitors, surveyors, mortgage costs.

In some rare cases, it may not be possible to purchase more than 80% of your home due to local restrictions. Your solicitor would have made you aware of this when you purchased the property.

We are happy to discuss staircasing options with you at any time, with no commitment to proceed on your part. More information is available in the 'I'm a customer' section on our website [moat.co.uk](https://moat.co.uk).

### Improvements (taken into account on value)

If you wish to make improvements to your property, such as installing a new kitchen or bathroom, or replacing your windows and doors, you will need our written permission before proceeding. Additionally, if you wish to make any structural alterations to your property, such as an extension or loft conversion, you will need to enter into a 'Licence for Alterations' with us, as well as seeking planning consent and/or building regulations from your local authority. Once the work has been completed, we can register these improvements on your file (you will need to provide us with copies of paid receipts/invoices, and relevant guarantees/consents). The added value of these improvements (not the actual cost of the works) can be taken into consideration if you later choose to purchase further shares in your property. You will



not be repaid for the costs of your improvements.

When you apply to staircase, you must confirm whether you have made any improvements to your home. This would be improvements such as new fitted kitchen/bathroom, loft conversions, extensions and/or conservatories. General maintenance, repairs and decoration are not regarded as improvements. When your home is valued, the surveyor will identify the value of your home both with and without these improvements. The latter figure is then used to calculate the value of the additional shares.

Under the terms of your lease you are required to maintain your home in good condition. If the value of your home is less than it could be due to essential repairs, Moat's share will be calculated on the higher value (based on it being in good condition).

### Improvements and alterations to your home - shared owners and leaseholders

By becoming a shared owner you sign up to a 'fully repairing lease'. This means you accept responsibility for all repairs and maintenance on the property as a condition of the purchase.

### Administration fees apply for some services offered

Administration fees apply for some services we provide. Fees for any specific services or transactions provided by Moat's Post Sales Service team will be outlined to you at the start of the process. Such services may include registering improvements, obtaining a 'Licence for Alterations', staircasing, provision of a leasehold management pack, etc.

More information about our services and fees are available in the 'I'm a customer' section on our website [moat.co.uk](https://moat.co.uk).







# Selling or transferring to another home

If you need to move to a different sized property or to another area, you will need to market your home for sale through Moat's Resales team for a period of 4 weeks, depending on your lease. Information about resales is available in the 'I'm a customer' section on our website [moat.co.uk](https://moat.co.uk).

Moat's Resales team will offer your home to other people who are looking for affordable home ownership so that they buy your share from you.

## Costs

A fee is payable when we sell your share in your home, which will be confirmed to you when you apply to sell. This is outlined within your lease and can be up to 1.5% of the full market value of your home plus VAT. You will also have some upfront costs which include a RICS valuation to determine your home's market value, and also the cost of an energy performance certificate if one has not been carried out within the last ten years. You will also need to appoint a solicitor to act on your behalf.

## Valuation

When you sell your home the price is based on the current market value at that time. This could have fallen or risen since your original purchase, depending on the property market conditions. Your property will be valued by a chartered surveyor (RICS), the cost of which you will be responsible for. Your property will

then be sold for the current market value including any value that may have been added following improvements made. Please note that you will only see the full benefit of your improvements when you staircase. Improvements you make to your property may or may not affect its resale value. We cannot make any special payments for improvements carried out as we are selling your share to a new purchaser. Moat's share will remain in the property and we will not receive any money for our share unless we are unable to find a buyer and the property is sold outright.

## Apportionment of proceeds from the share

On completion, you will receive an apportionment of the value of the property, dependent on the share percentage that you own. For example, if you own 50% of your home and sell for £300,000, you will receive £150,000 (less any mortgage that is redeemed on completion and associated fees). Moat must approve the purchaser.

If Moat is unable to find a buyer for your share and you sell the property outright through an estate agent, you must sell for a minimum of the valuation price. If you sell for less, you will be required to meet the difference on Moat's share.

## Applying to purchase again

If your circumstances change and your home no longer meets your needs, you can apply to purchase another shared ownership property. You will first need to complete an application to confirm that you meet the eligibility criteria. You need to demonstrate a need for the move, such as the need for an extra bedroom for an expanding family, or a required property with ground floor access for mobility needs. If you are assessed as eligible you can search for your new home and Moat's Resales team will assist you with selling your current home.

## Further advances / re-mortgaging

If you wish to move your mortgage to another lender in the future, perhaps to gain a better rate of interest, the mortgage lender will require Moat to issue them with the mortgagee protection clause. The mortgagee protection clause is Moat's guarantee to the lender that should anything happen, the mortgage lender will receive the monies as a first priority. We cannot provide our consent to further borrowing for the purposes of debt consolidation. We can consent to further borrowing if it is used to carry out essential repairs or maintenance that are not covered by buildings insurance, to buy additional shares or to buy out a joint leaseholder.

Always check with Moat before applying for any borrowing. Please bear in mind that if you miss any repayments for loans secured against your property, your home may be at risk.







## Contact us

### Online

MyMoat is our secure online customer portal that lets you access a wide range of services to help you manage your account in the easiest and quickest way, convenient to you.

### By email

You can contact **customer@moat.co.uk** for general enquiries. We would prefer to send you information by email, so that we can get it to you quickly.

### By phone

Call our Customer Service Centre on: **0300 323 0011**

The Customer Service Centre is open between 8am and 5pm, Monday to Friday. Our Customer Service Centre is able to respond to most enquiries. Alternatively, they can find the most suitable person to respond. Please tell the advisor that you are a shared owner when you call.

### Other languages

We are a member of Language Line, the 24 hour telephone interpreting service. So, if you would like to speak to us in a language other than English, please call our Customer Service Centre and we will get an interpreter on the line as soon as possible to help respond to you.

We can also give you information in other formats to meet your needs, such as large print.

## The good news - help to spread the word

Deciding whether shared ownership is the right path for anyone thinking about their first home can be challenging. Reading the stories of people who have bought through shared ownership can be a huge help. There are two ways you can help future buyers.

### Become a case study

Occasionally purchasers are asked to help promote Moat's homes by taking part in case studies. This entails answering some questions and having photographs taken in your new home.

We use case studies for publicity in relevant housing magazines, for press releases and occasionally on our website. If you are willing to participate, please let us know on the declaration form (See Page 2) and we will contact you.



Moat at Culverley Gardens  
**A new year and fresh start at Culverley Gardens**



Moat Homes  
**Staircasing with Moat Homes**

### Leave us a Google review

Share your experience in your new home with others by leaving a star rating and comment on Google. Search 'Moat Homes' and log into your Google account to leave your feedback.









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