



From mountain to sea

Low Cost Shared Equity

Selling My Low Cost Property

April 2020



As this is a Shared Equity Scheme where Aberdeenshire Council retain an Equity Share, there are conditions attached to the sale of the property. Details of any conditions are outlined in the guidance notes given to you when you purchased the property. It is advised that you seek independent legal advice should you wish to sell your property.

1. How do I go about selling my Low Cost Property?

If you wish to sell the property, you will need to contact the Affordable Housing Team at Aberdeenshire Council in writing or by email and advise us of your intention to sell. You will be asked to complete a “Notification of Resale” which needs to be signed and returned to the Affordable Housing Team. If you purchased the property as joint applicants, both of you will need to sign and return the form.

2. What information do I need to provide?

You are required to complete the Property Questionnaire section of the Notification of Resale with the following information:

- How long you have owned the property
- Council Tax band
- Energy Performance Certificate or Energy Performance Banding
- Details of Parking Arrangements
- Details of any alterations, additions or extensions to the property
- Heating type
- Details of any factoring charges including who the factor is, amount paid and what it covers.
- What you intend to be included in the sale e.g. flooring/ whitegoods etc
- Photographs of the property (internal and external). Please note that these photographs will be used to market your property.

3. Do I need to provide a valuation report?

You will be responsible for providing, at your own cost, at least one valuation report from a RICS approved chartered surveyor within 14 days of providing your ‘Notification of Resale’. Where one valuation is provided Aberdeenshire Council will check the valuation report with our surveyor.

For our purposes we only require a valuation survey report for your property however you may require a Home Report for other purposes and you should discuss this with your solicitor.



4. Who is responsible for paying for any valuation reports?

As the owner occupier, you are responsible for providing, at your own cost, at least one valuation survey from a RICS approved chartered surveyor.

5. What happens if the 2 valuations differ?

Where there is a difference in the valuation you have provided and the valuation from our Surveyor an average will be taken.

For example:

Valuation 1 (Owners)	Valuation 2 (Aberdeenshire Council's Surveyor)	Average Valuation
£200,000	£210,000	£205,000

If you do not agree with the average valuation, then you can provide a second valuation from a different chartered surveyor at your own cost. An average of the two valuations you provided would then be taken.

6. How is the sales price worked out?

The property will be sold at a fixed sale price that will be calculated as below:

Please note that this is an example for illustrative purposes only:

Example: Original Sale – 3 bed property

Open Market Value at time of Purchase	%Share – Owner	% Share Aberdeenshire Council
£200,000	£140,000 (70%)	£60,000 (30%)

Example: Current Sale – 3 bed property

Open Market Value at time of Resale	Sale Price to Nominated Purchaser (70% of OMV)	Amount you receive upon sale (70% of OMV)	Aberdeenshire's Council Retain (30% of OMV)
£210,000	£147,000	£147,000	£63,000

The property would be advertised for sale at £147,000. This is the amount you would receive when the property sold.

Please note that if you have increased your equity share or carried out any major alterations/ extensions to your property this will have an impact on the amount you will receive. Please refer to the following leaflets for further guidance:

- Increasing my Equity Share
- Carrying out Alterations and Improvements
- Selling my property after Carrying Out Alterations

These are available on Aberdeenshire Council's Website at

<http://www.aberdeenshire.gov.uk/housing/housing-options/buying/low-cost-homes-for-sale/>

7. How is the property advertised?

The Affordable Housing Team will produce a property schedule once we have received the following information from you:

- Notification of Resale/ Property Questionnaire
- Valuation Report(s)
- Photos

We will send you the completed schedule for your approval and then we will:

- Advertise your property on our Website
<https://www.aberdeenshire.gov.uk/housing/housing-options/buying/affordable-housing-for-sale/>
- Advertise your property on Social Media (Facebook & Twitter)
- Advise Local Housing Teams of the property details for sharing with customers
- Carry out a Mailshot to people who have expressed an interest in Low Cost Housing

We would also encourage you to advertise your property on your own social media if you can.

8. What are the timescales?

The Affordable Housing Team have a period of up to 6 months from the date we receive your signed "Notification of Resale" to find a suitable purchaser who meets the eligibility criteria:

- First Time Buyers or people with a significant change in their household circumstances which affects their housing need.
- Individual with a Gross annual income in the region of the income threshold or less
- Tenant or Waiting List Applicant of the Council or a Housing Association.

The Council or a Housing Association may on occasion consider purchasing your property.

9. What happens if my property does not sell within 6 months?

If your property does not sell within 6 months, then the following options are available to you:

- Extend the marketing period with the Affordable Housing Team, who will continue to try and find a suitable buyer;
- Choose to place your property for sale on the open market and pay the Affordable Housing Team their equity share upon sale - see example below;
- A combination of both the above marketing options.

Example: 3 bed Property Sold on Open Market

Initial Open Market Value (OMV)	Your Equity Share (70% of OMV)	Aberdeenshire's Equity Share (30% of OMV)	Open Market Value at time of Resale	You receive (70% of OMV)	Aberdeenshire's Council Receive (30% of OMV)
£200,000	£140,000	£60,000	£210,000	£147,000	£63,000

In this example, you would received £147,000 and are required to pay Aberdeenshire Council £63,000.

Aberdeenshire Council or a Housing Association may on occasion consider purchasing your property - if we are considering this, we will let you know.

10. What happens if my property has decreased in value?

The following example shows what happens if the property decreases in value.

Example 3: Property decreased in value.

Initial Market Value (OMV)	Your Equity Share (70% of OMV)	Aberdeenshire's Equity Share (30% of OMV)	Open Market Value at time of resale	Sale Price to Nominated Purchaser (70% of OMV)	You receive (70% of OMV)	Aberdeenshire's Equity Retained (30% of OMV)
£200,000	£140,000	£60,000	£190,000	£133,000	£133,000	£57,000

In this example the property has decreased in value from £200,000 to £190,000

11. Who is responsible for paying any costs associated with the sale?

You are solely responsible for paying all the legal fees and any other costs associated with the sale of the property. We advise that you discuss this with your legal advisor.

12. Contact Details?

For more information on the Low Cost Shared Equity scheme please contact:



Development Officer (Affordable Housing Team)

Email: LCHO@aberdeenshire.gov.uk

Tel: 01467 534685

Tel: 01467 539457

Tel: 01467 533027

13. Other Useful Information?



You will find other information on the scheme in the following leaflets which can be found on the Aberdeenshire Council Website at <http://www.aberdeenshire.gov.uk/housing/housing-options/buying/low-cost-homes-for-sale/>
