

Extending your lease

Your Guide and Application for extending your Shared Ownership Flat Lease

Thinking of extending your lease

As a shared owner, you have a lease on your home which would have been set at a specific term when the lease was first granted. Lease lengths vary from 99 – 990 years, and it is important you make sure you are keeping an eye on the length of your lease. Presently, the cost of extending your lease can increase sharply if the remaining term falls below 80 years, and a shorter lease term may impact your ability to sell your home, so it is important you are proactively thinking about your lease and your property.

As a shared owner, you currently have the option to extend your lease by up to 90 years under our voluntary lease extension process. This is the standard lease extension term for a flat and in line with the current statutory guidance.

We recommend you seek your own independent legal advice on whether now is the right time to extend your lease.

You may already be aware, but the Leasehold and Freehold Reform Bill was given royal assent on 24 May 2024. The Act introduces several key changes that impact leaseholders and freeholders, which you need to ensure you are aware of and seek your own independent legal advice before proceeding with a lease extension.

Stonewater are not able to provide any further update at this point, as the timescales for the introduction of these changes and the detail around the changes is yet to be confirmed. We recommend you speak with your solicitor before deciding whether to proceed with a lease extension.

Proceeding with a lease extension

We would suggest you have a look online to see what you are likely to need to pay to extend your lease, using www.lease-advice.org/calculator/. This will give you an indication of what you may be looking at in terms of a premium. However this is only a guide, and the specialist valuation may be quite different.

You will also be liable for the cost of your own legal fees, as well as Stonewater's legal fees and administration fee. We recommend completing your own research on which solicitor you would like to act for you and their associated fees. For reference, Stonewater's solicitor fees, payable by you, are £960 inc VAT + any disbursements, and our administration fee is £240 inc VAT.

If you wish to proceed with the process of extending your lease through the voluntary route, the first step is to find how much it will cost by obtaining a valuation. Stonewater will arrange this for you, but there is a fee payable. There are two options available to you:

- Desktop valuation (the valuer does not attend the home) - £780 inc VAT
- Valuation visit (the valuer attends your home) – Price on application

It is up to you whether you wish to have a desktop valuation, or whether you would prefer a visit. If you wish for a visit, please note this may take slightly longer due to the logistics of planning in an appointment.

Please note the valuation fees are non-refundable and are independent to Stonewater, they are set by the valuer. For your reference, we use Lawrence Wrightman to complete our lease extension valuations.

If you wish to proceed with the valuation, please let us know as soon as possible by completing the attached application form. A member of the team will then contact you and run through the next steps, including instructing the valuation.

Once the valuation has been completed, we will send you a copy, along with confirmation of the premium payable to extend your lease. If you wish to continue, you will need to follow the steps in the offer letter, including providing details of the solicitor acting for you in the transaction. Please keep in mind that, once solicitors have been instructed, you are responsible for payment of the legal fees involved, both with your solicitor and Stonewater's, regardless of whether you chose to complete the transaction or not.

Please note the valuation will only be valid for 6 months, so it is important you are ready to proceed with solicitors and have provided us with their details when you accept the premium to avoid additional valuation costs

Process for extending your lease

- 1** If you wish to extend your lease, you need to let us know by completing this application. If you are at all unsure, please seek your own independent advice first.
- 2** Once we receive your application and fee for the valuation, we will instruct the valuation of your home. If you have selected to have a visit, the valuer will contact you to arrange an appointment. Please note, we will need to pass your name and contact details to the valuer on all instructions.
- 3** Once the property has been valued, we will write to you with our offer. This will detail, based on the valuation, how much it will cost to extend your lease and the revised term of your lease. Stonewater are unable to adjust this offer as it is based on the valuation – which is valid for 6 months.
- 4** If you wish to accept and proceed with the offer, Stonewater will then instruct our solicitors – who we will provide with your solicitor details, and they will send initial instructions and requirements to your solicitor. It is mainly between the two solicitors to progress the matter to completion.
- 5** We will need to check and sign off certain legal documents to support and evidence the lease extension. You will need to complete certain paperwork with your solicitor too. Once this paperwork is completed, both solicitors will agree a completion date. Your solicitor will let you know the balance due to be sent on completion.
- 6** Once the matter has completed, we will be notified by our solicitor. There is nothing further you need to do and your lease extension would have completed.

Lease Extension Application



Name (s)	
Address	
Telephone number (s)	
Email (s)	
Valuation Required Desktop ☐ Visit ☐	

Please make sure you have read and understood the following points and tick to show you agree and understand before returning your application

We/I have visited www.lease-advice.org/calculator/ and am aware of the potential costs involved in extending my lease. ☐

We/I have sought our own independent advice on our lease extension taking into consideration upcoming changes with Leasehold and Freehold Reform Act. ☐

We/I understand that we are liable for the following fees (some of which are payable whether we proceed to completion):

☒ The cost of the valuation	☒ Stonewater's Administration Fee
☒ Our legal fees	☒ Extension Premium
☒ Stonewater Legal Fees	(the cost to extend your lease) ☐

We/I have enclosed certified ID for all parties to the lease with this application ☐

We/I have made payment of the required valuation fee for proceeding with instructing a valuation.
We/I understand once this has been instructed, the fee is non-refundable. ☐

Where known at this point, please provide details below of the solicitor you will be using for your transaction

Solicitor Firm	
Solicitor Address	
Solicitor Email	
Solicitor Telephone	

Signatures – Please ensure all parties to the lease have signed the application

Name		Name	
Date		Date	
Signature		Signature	