

## **Selling your leasehold property – frequently asked questions**

You can sell your property at any time. The person who buys it would take over the remaining years of the lease - if you purchased a 125 year lease, and sell it after 10 years, the buyer will purchase the remaining 115 year lease.

### **Do I need to advise Northumberland County Council that I intend to sell my property?**

Depending on when the lease was first sold you might have to inform us that you are selling your property.

If you want to sell within ten years of buying your property through the Right to Buy, you will need to offer it to us or to another social landlord, at full market value. If your offer has not been accepted within eight weeks, you will be free to sell the property on the open market.

### **Repayment of discount if you bought your property under the Right to Buy**

If you have bought your home under the Right to Buy, and you want to sell within 5 years you will need to repay some of the discount that you received. The amount you repay will depend on when you bought your property and how much you are now selling the property for.

Once a sale has been agreed you will need to let us know the sale price and we will calculate how much discount you need to repay.

### **Will NCC be contacted during the sale?**

It is likely that your Solicitor or the purchasers Solicitors will request information from us.

We provide a pre-sale information pack containing all of the information that your solicitor will need.

There is a charge of £75 + VAT for providing the pack which your solicitor will normally send to us. We will send the pack to them within 10 working days.

### **How is my name removed from the service charge / ground rent accounts?**

After the property is sold the buyer's solicitor need to write to us telling us about the change of ownership. Once this has been done we will be able to take your name off our records and add the new owner's details. This should be done within one month of the sale completing.

### **Who is responsible for the estimated service charge for the year that I sell?**

All outstanding invoices must be paid before the property is sold. This means if you sell the property part way through the financial year you will need to pay the full years estimated service charge.

## **Who is responsible for the actual service charge invoice once the property is sold?**

All outstanding invoices must be paid before the property is sold, however, because the invoice for the current financial year is only estimated, you could be liable for extra charges once our accounts have been finalised.

Your solicitor should keep retention (where you would leave a sum of money with your solicitor on completion of the sale) to cover any extra charges on the actual service charge once the invoice is issued or for costs such as routine repairs which have been completed which have not yet been invoiced.

The new leaseholder will be responsible for the actual service charge invoice. An arrangement needs to be made in case there is a credit or a debit on the final account once it is issued.

If there is a debit the retention taken by your solicitor should cover this amount, however if there is a credit on the account an arrangement needs to be made with the new owner for them to return the credit amount to you if you are entitled to it because we cannot give this back to you.

## **I have been sent a Section 20 notice – who is responsible for paying for this work if I sell before the invoice is issued?**

You need to inform the purchaser if a section 20 notice has been sent to you.

We will provide details to your solicitor of any works that have already been carried out or are currently in progress. They will then need to keep retention on completion of the sale for the full estimated cost as set out in your Section 20 notice.

If your sale completes before an invoice for the work is issued this will be issued to the new purchaser and they will be liable for paying this, however, many potential buyers of a property could be put off purchasing if they may face a bill for major works shortly after purchasing.

We would advise you to seek guidance from your solicitor on how to proceed with your sale. In many cases the seller would need to enter into negotiations with the potential buyer about how the invoice will be settled once it is issued in order for the sale to progress.

When the invoice is issued to the new owner they will need to pass a copy of it to their solicitors who will arrange for payment from the retention that was kept at the point of sale.

**We recommend that you get legal advice from a solicitor when selling your property.**