

Staircasing process



Overview

Staircasing is the process of buying additional shares in your shared ownership home. This increases your ownership percentage; reduces the rent you pay and can eventually lead to full ownership of your home.

Each time you staircase, you'll pay the current market value for the share percentage you wish to buy. You can only buy shares in multiples of 5% and 10% and you have three opportunities to buy more shares, but the final one must result in you owning 100%.

Any purchase of shares that doesn't get you 100% is known as interim staircasing.

We recommend you contact a financial consultant to make sure you can still afford to buy more shares in your home.

The staircasing transaction must be completed within three months of the valuation date. If an extension is required, you'll be responsible for any related costs.

Some properties are subject to restrictions to the staircasing process, so it's important that you check the terms of your lease in case there are any limitations. These restrictions can include a staircasing cap at 80%, which is sometimes put in place as a result of planning permission to ensure that the property is retained for local people and does not become available as a second home.

All arrears on the account must be cleared before the transaction completes.

Many lenders are asking for an EWS1 certificate before providing a mortgage. We strongly recommend you speak to your lender or mortgage broker before applying to ensure you do not incur any unnecessary valuation or solicitor's costs.

How much does staircasing cost?

The cost of staircasing can vary depending on several factors, like the amount of shares you're buying, property type, location, etc. However, the typical costs for staircasing include:

- **Survey** - you'll need to get a valuation report before you staircase. This is because you pay the current market value for the additional shares.
- **Legal fees** - you'll also need to cover your conveyancer fees for dealing with the legal process of staircasing.
- **Stamp duty** - if you're purchasing property shares over a certain value, you may also have to pay stamp duty. Your solicitor should confirm if this applies to you.
- **Mortgage fees** - whether you decide to remortgage or use your existing mortgage, you'll still need to pay fees. These will vary depending on your provider and the amount you're staircasing by.
- Our **administration fee** for your staircasing transaction.

Staircasing, step-by-step process:

Firstly, we recommend you speak to one of our **independent financial consultants (PDF)** to find out if you can afford to buy more shares in your home.



To start the staircasing process, you'll need to instruct a surveyor to value your home. The valuer must be independent and qualified through the Royal Institution of Chartered Surveyors (RICS).



Instructing one of L&Q's independent panel surveyors.

We have a panel of **independent surveyors**, qualified by RICS, to choose from.



Instructing your own surveyor

You also have the option to instruct a RICS registered surveyor of your choice.

However, they must meet certain criteria, details of which are in our leaflet about **instructing your own surveyor (PDF)**.



Once the survey has taken place, please email a copy of your RICS valuation report to our Staircasing Team **staircasing@lqgroup.org.uk** along with the **Home Improvements application form (PDF)** if you carried out any works. If so, you must also submit written evidence of our written consent for the proposed works, along with the corresponding receipts or invoices.



We aim to address any questions you might have about this process and to open a staircasing case **within 10 working days** upon receiving the above information.



A member of our team will review the information provided and contact you to request payment of the administration fee.

Please refer to the **Homeowner Admin Fees document** for the full list of admin fees. You are required to make a card payment over the telephone, **0208 189 7465** Option 1, Option 2 to make this payment via Debit/Credit Card.



Once payment has been made, we will email you a confirmation letter detailing the premium of the shares you don't own and a response form.



You must complete the Staircasing Confirmation form and return it to us via email to confirm how you would like to proceed, how many shares you want to buy, and your solicitor's details.

You can instruct your own solicitor, or we have a panel of **independent conveyancing solicitors (PDF)** who can help.



If we don't receive a response from you **within 10 working days**, we will send you a reminder.

Once the valuation expires, if we still have not received the Staircasing Confirmation form, we will close the file.



If you return the Staircasing Confirmation form, we will instruct our solicitors to open a file for your transaction.



The paperwork in connection with the Staircasing is prepared by our solicitors and approved by your solicitor or conveyancer.



Complete the Staircasing transaction.

Once you have bought more shares, this is recorded in a formal document called a **Memorandum of Staircasing**, this is signed by you and us.

If you're buying 100% of your home and currently pay a service charge passed on to a third-party managing agent, your solicitor will let you know if you need to continue paying L&Q or the third-party agent directly after completion. When no third party is involved, you will continue to pay service charges directly to us.

If you're buying 100% of your home and do not currently pay a service charge, you will no longer have to pay us rent or have further communication with us.



Once completion takes place, our Homeownership Completions Team will adjust your rent and, if applicable, service charge account **within the next 14 days**.

Any surplus on your account may be refunded to you. To receive your refund directly, email our Income Team at **statements@lqgroup.org.uk**.



We strongly encourage you to save a copy of your Memorandum of Staircasing and any paperwork you received during this process in a safe place. You may need it if you decide to sell the property or if you wish to buy more shares at a later time.