

## What is Right to Acquire?

The Right to Acquire is a statutory scheme which enables eligible tenants of eligible properties to purchase their homes at a discount. The discount is a fixed sum of money which varies by area.

Local Authority area	Discount
Bath & North East Somerset	£11,000
Bristol	£13,500
South Gloucestershire	£11,000
Swindon	£11,000

## Who is eligible

You will only be eligible for Right to Acquire if you meet all of the following criteria:

- You hold a Secure or Assured tenancy (or you are an Assured Shorthold Tenant whose tenancy began on or after 1 April 2012 for a fixed term of at least two years)
- You have been a tenant of a public sector landlord (usually a housing association or a local authority) for a qualifying period of five complete years
- Your home was built or acquired using particular sources of government funding, namely Social Housing Grant, Social Housing Assistance, Disposal Proceeds Fund or any combination of these on or after 1 April 1997
- The freehold to your home is held by a public sector body

## Who is not eligible

- Tenants occupying property on a licence or long lease or non-qualifying assured shorthold tenancy
- Undischarged bankrupts or tenants who have a bankruptcy petition pending
- Tenants who are in arrears, or are currently under a live NOSPP (Notice Seeking Possession) or are subject to a court order for possession of the property
- Tenants who are the subject of a suspension order or suspension status
- Tenants of Almshouse, fully mutual co-operatives or co-ownership societies
- Even if you are eligible at the date you make your RTA application, applications can be suspended on the grounds of anti-social behaviour.

## Who can apply

- Where a tenancy is held in joint names not all the tenants need to exercise their right to acquire. The purchase can proceed in the name of one of the tenants as long as all the joint tenants agree.
- You may jointly purchase with up to 3 members of your family who live with you in the property at the time you make your application, providing the family members have lived in the property for the previous 12 months.
- If you need a mortgage to buy your home, the mortgage has to be provided by an authorised mortgage lender. Most high street banks and building societies are authorised mortgage lenders.

# Right to Acquire factsheet

## How it works

- To exercise your Right to Acquire you must notify us in writing.
- On receiving written notice, we will check whether you have the Right to Acquire. To help us with this we will ask you to complete an RTA1 form giving us the information we need to assess your eligibility.
- We will respond to you in writing within 4 weeks (8 weeks if you have not been our tenant for a qualifying period of 5 years) confirming whether or not you have the Right to Acquire your property.
- We will commission a valuation of your property from a qualified independent valuer. The valuation will take account of whether you are purchasing a freehold or leasehold title but will not take into account any improvements you have made to your property.
- Once the valuation has been undertaken, we will prepare a formal offer notice, detailing the terms of the sale and confirming the price you need to pay. This will include the discount you are entitled to.
- You have 12 weeks to respond to our formal offer notice, confirming that you wish to proceed or that you wish to withdraw your application.
- During this time you can appeal the purchase price we have stated and we will refer your appeal to the District Valuer, who will review and re-determine the purchase price.
- If you do not respond within 12 weeks to our formal offer we will issue a further notice of 28 days. Failure to respond after 28 days will lead to your application being withdrawn.

## Things to consider

The decision to buy your home is probably one of the biggest financial decisions you will ever make, so it is important to make sure you have thought it through carefully. There will be a number of costs that you may incur during the process of buying your home which you need to budget for. These can include:

- Stamp duty, which is a tax on the purchase price of your home
- Legal fees, which are typically £500 - £1,000 plus VAT
- Mortgage arrangement fees
- Survey fees

In addition, you need to be sure that you can afford the regular running costs of your home once you have purchased it. These might include:

- Mortgage repayments and other secured lending repayments
- Buildings insurance, life assurance, contents and mortgage protection insurance
- Repairs and maintenance to your home
- Service charges (if you purchase the leasehold interest in a flat or maisonette)

Remember that if you do not maintain these payments regularly, you run the risk of your home being repossessed.