



Cymdeithas Tai
CLWYD ALYN
Housing Association

A member of the Pennaf Housing Group

Opening Doors, Enhancing Lives



Leasehold Schemes for the Elderly (LSEs)

www.clwydalyn.co.uk



Clwyd Alyn Housing Association is part of the Pennaf Housing Group, registered under the Housing Act 1974 and also under the Industrial and Provident Societies Act 1965 with charitable status.

The Association was formed in October 1978 and its object is to promote and develop a variety of different types of housing, for rent and for sale, within the Denbighshire, Anglesey, Conwy, Flintshire, Wrexham and Powys areas. Its development activities are aimed at augmenting the housing provided by the public and private sectors, in areas where there is a known need.

Clwyd Alyn is run by Board Members, who are volunteers and give their time freely. The Board Members are supported by paid, executive Officers of the Association, who carry out all the essential strategic and day-to-day management, development and administrative functions.



What is a Leasehold Scheme for the Elderly (LSE)?

Leasehold Schemes for the Elderly are purpose-built apartments, specifically designed to meet the needs of older people, and intended to provide the leaseholder with low-cost accommodation and a totally independent life-style. It is recognised that older people, particularly owner-occupiers, sometimes find it difficult to meet the running costs of their existing homes, and to properly maintain both the property and its grounds.

With a wide range of integrated features that include benefits like alarm-call support, Leasehold Schemes for the Elderly provide all the comforts and independence of owner-occupation, but with the security and peace-of-mind of knowing that there is always help at hand - if it is required.

How does it work?

On a Leasehold Scheme for the Elderly the property is sold 'leasehold', with the freehold remaining with Clwyd Alyn Housing Association. The lease is for a term of 60 years; it is not assignable (except in certain circumstances – see below) and is eventually surrendered to the Association. Leasehold properties are sold for 70% of their current market value. This is possible because the Government provides a Grant of 30% of the total cost to the Association when the property was built.

The Lease cannot be assigned except to the leaseholder's surviving Spouse - who is living at the premises - or a close relative or friend, who has resided at the property for at least 6 months prior to the date of death of the Leaseholder.





In the case of a close relative or friend, they must however also meet the Association's qualifying criteria for residence. It is advisable therefore, for married couples, or others who propose to reside together in the property, to take out a lease in joint names.

Who qualifies?

Leasehold Schemes for the Elderly are intended for those who are 55 years of age or over, and who intend to use the property as their main residence.

How much does it cost?

In addition to the 70% of the current market price, a monthly Service Charge is also payable, to cover external maintenance work, window cleaning, lighting, alarm-call system, and the general upkeep of the property and its grounds. In addition, you would need to pay all the legal costs incurred in the preparation and completion of the Leases, by your own Solicitor, and the Association's Solicitor.

Is a Solicitor necessary?

Yes. The purchase of a Leasehold property is similar to the purchase of a Freehold property. The interests of prospective Leaseholder would be safeguarded by the employment of a Solicitor.

Can the Lease be sold?

No. The Lease provides that it can only be surrendered to the Association. This is to ensure that the Government Grant is used to best effect, by the property being made available through the Association, to those whose needs and means give them high priority. The Association requires six months notice

of the intention to surrender a Lease. A new Lease is offered to the next Leaseholder, based on the then-market value, as set by an Independent Valuer appointed by the Association.

Who is responsible for repairs and maintenance?

The Association - on behalf of the Leaseholder - undertakes all external repairs, maintenance, redecoration, window cleaning, upkeep of the grounds, roads and lighting, 'good neighbour scheme' (if applicable) and the 'Care Line' alarm-call system - the costs of which are met through a monthly Service Charge. The Leaseholder is responsible for all internal repairs, maintenance and decoration.

How much is the Surrendered Lease worth?

You would realise 70% of the current valuation of the property, less charges outstanding (eg Service Charge) and a contribution to a sinking fund and a percentage as stated with in your Lease for the Association's fees, together with the Association's Solicitors' fees to cover the surrender of the Lease.





What happens when I want to move on?

An Open Market Valuation needs to be carried out by a RICS Surveyor to your property. You can organise this yourself or the Association will be happy to do this for you. An Energy Performance Certificate (EPC) is also required, this can be provided by yourself, alternatively the Association can provide one when the valuation takes place. The Association will send you a copy of the valuation report and as soon as we receive written confirmation that you do wish to sell, we can proceed with marketing your property which is done via our waiting list and erecting a For Sale board outside. We will then organise viewings with interested parties. Once a potential buyer has been identified, we will organise a Home Visit to confirm their ability to purchase your property using a 'Sign Up' Checklist and a Reservation Fee will be taken. All parties solicitors will then be instructed.

Tell me about the monthly Service Charge?

The Service Charge is reviewed every year and the costs sustained by the Association, are audited. Following the audit a Certificate is issued, showing all the costs incurred, and the Service Charge for the following year is then adjusted, up or down, accordingly.

Are there any additional costs?

No, but Leaseholders should be aware that any costs incurred by way of rates, water rates, utilities (electricity, gas and water etc) together with any legal fees, are the Leaseholder's responsibility.



For further Information and current properties available, please contact the Pennaf Leasehold and Marketing Team: acting on behalf of Clwyd Alyn Housing Association:

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