

Sample letter Stage 2 formal valuation and offer

SUBJECT TO CONTRACT

Dear,

I am writing about your application to purchase your property at
..... through the Social HomeBuy programme.

I am pleased to say that we have now received the formal valuation of your property.
Your property has been valued at £

The maximum discount available in your area is £.....this amount of discount is only available if you buy the property outright. If you choose to buy a share in the property you will receive less discount accordingly, as we explained to you when we met.

We gave you information about which mortgage companies are willing to provide mortgages for Social HomeBuy purchases. If you want to get a mortgage from another lender, please check with us first, as not all lenders are able to provide mortgages for the programme.

We advise you to seek independent financial advice before obtaining a mortgage.

When you have received your mortgage offer please send a copy to us together with the name and address of your legal representative. If you do not need a mortgage please write to us explaining how you will be funding your purchase. We may need to ask you for some evidence that you are able to buy a property without a mortgage.

The amount that you are able to pay us will determine the share that you will be able to buy. This, in turn, will affect how much discount you can have. I attach a table setting out the costs, and the discount available, for buying different shares in the property. These are based on the discussions that you had when you met our adviser. This table also includes the rent that applies to the different shares.

Don't forget that the discount listed here is only available once – on the initial sale, however, pro-rated discounts will also apply on any subsequent staircasing purchases.

Also enclosed with this letter is information about your property, in particular:

1. Service charges payable by you
2. Sinking Fund contributions payable by you
3. Management and Building Insurance Costs payable by you
4. Known or anticipated works within five years to which you will be required to contribute.
5. Any structural defects in the property of which we are aware.

Please let us know if you want to buy your property, and if so, what share you wish to purchase, by returning the enclosed form. If you wish to proceed, you will need to arrange your mortgage and instruct a legal representative.

Please return the enclosed for within four weeks of the date of this letter.

When we have received your written confirmation that you are proceeding with the purchase we will instruct our solicitors.

If we have not received your completed form within four weeks of the date of this letter we will assume you are no longer interested in buying your home and that you have withdrawn your application.

I look forward to hearing from you shortly.

Yours sincerely,

Landlord