

CENTRAL WEST

LANDLORD OFFER



**SHEPHERDS
BUSH
HOUSING
ASSOCIATION**

Part of **The Guinness Partnership**

ABOUT THIS BOOKLET

We have sent you this booklet because you are being asked to vote on whether you wish Shepherds Bush Housing Association Ltd (SBHA) to proceed with buying back your home at Central West.

As you are aware, the Central West building presents an immensely difficult challenging set of challenges and we appreciate that you have had to endure an extended period of inconvenience and uncertainty over the last three years.

The idea of exploring a buy-back offer came from resident feedback that the disruption caused by remediation would be difficult, which we entirely understand. The offer to buy-back properties at Central West has been discussed with shared owners and leaseholders since May 2023. The buy-back can only proceed if 100% of leaseholders at Central West are in agreement. Some details of the alternative strategy of remediation are also set out within this document.

We are committed to ensuring the consultation process with shared owners and leaseholders is proactive, open, and transparent. It is important to ensure that every owner can have a say and has the necessary information to make an informed decision.

This booklet outlines the general terms of the offer being made to all shared owners and leaseholders. There is also a separate letter enclosed that sets out the specific value of the offer to you based on the equity share you own of your property.

We understand that this is a very important decision for you and your families and we want to ensure you have the information you feel you need to cast your vote. This document has been issued 14 days prior to the ballot opening and the ballot will then remain open for 21 days.

SBHA has recently organised some sessions with Newman Webb who provided the independent Red Book valuations of your home and NewmanFrancis will be arranging some further general sessions to allow you raise any questions you may have about this offer.

You will receive your ballot papers separately along with instructions on how to cast your vote. They will be sent out to you prior to the ballot opening and you will have between 18th March and 8th April 2024 to cast your vote. You can vote at any time during this time.

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THE PROPOSAL

There are two options being presented to shared owners and leaseholders – buy-back or remediation – and laid out on the following pages are summaries of the offers, processes, and timeframes for each of the two options.

BUY BACK

This offer is conditional on the final consent of our lenders being received; these discussions are currently underway.

If there is unanimous support for buy-back SBHA will buy your property from you on the following terms:

- The price stated in the red book valuation (provided by Newman Webb in the separate letter) +10% of the value as an additional payment. If you do not own 100% of your property your price is determined by the share that you own.
- A disturbance payment of £5,000. This payment is intended to cover things such as: removal costs; packing and unpacking costs; redirecting mail; reconnecting or ending telephone, broadband and other contracted
- If you own 100% of your property and the total offer is valued at over £250,000 an additional sum will be paid equivalent to 5% of the value over £250k to cover Stamp Duty Land and Tax (SDLT) costs on onwards purchase.
- A contribution of £500 per property towards your legal fees for the buy back.
- Contracts will be exchanged on a conditional basis beginning 6 weeks from the closing of the ballot.
- There will be a period of up to 3 months for all shared owners and leaseholders to exchange contracts.
- If all shared owners and leaseholders have not exchanged within 3 months any shared owner, leaseholder, or SBHA, will have a right to withdraw from their signed contract. Should this occur then remediation will proceed.
- If all shared owners and leaseholders have signed within 3 months (or before) the contract will become unconditional which will mean all parties are required to complete the contract, which will mean that SBHA agrees to purchase at the agreed price and shared owners and leaseholders agree to sell at the agreed price and vacate the property and surrender their lease at the time of completion.

- Shared owners and leaseholders will have a period of up to 6 months from the date the contract goes unconditional to complete the sale of the property back to SBHA. Shared owners and leaseholders will be required to provide vacant possession of the property by the end of this period, even if they have not located new accommodation. Completion can take place at any point during this 6-month window (subject to providing 10 working days' notice so that funds can be made available).
- Any shared owner or leaseholder who is in arrears of either rent or service charges will have any owed sums deducted from their purchase price.



EXAMPLE TRANSACTION

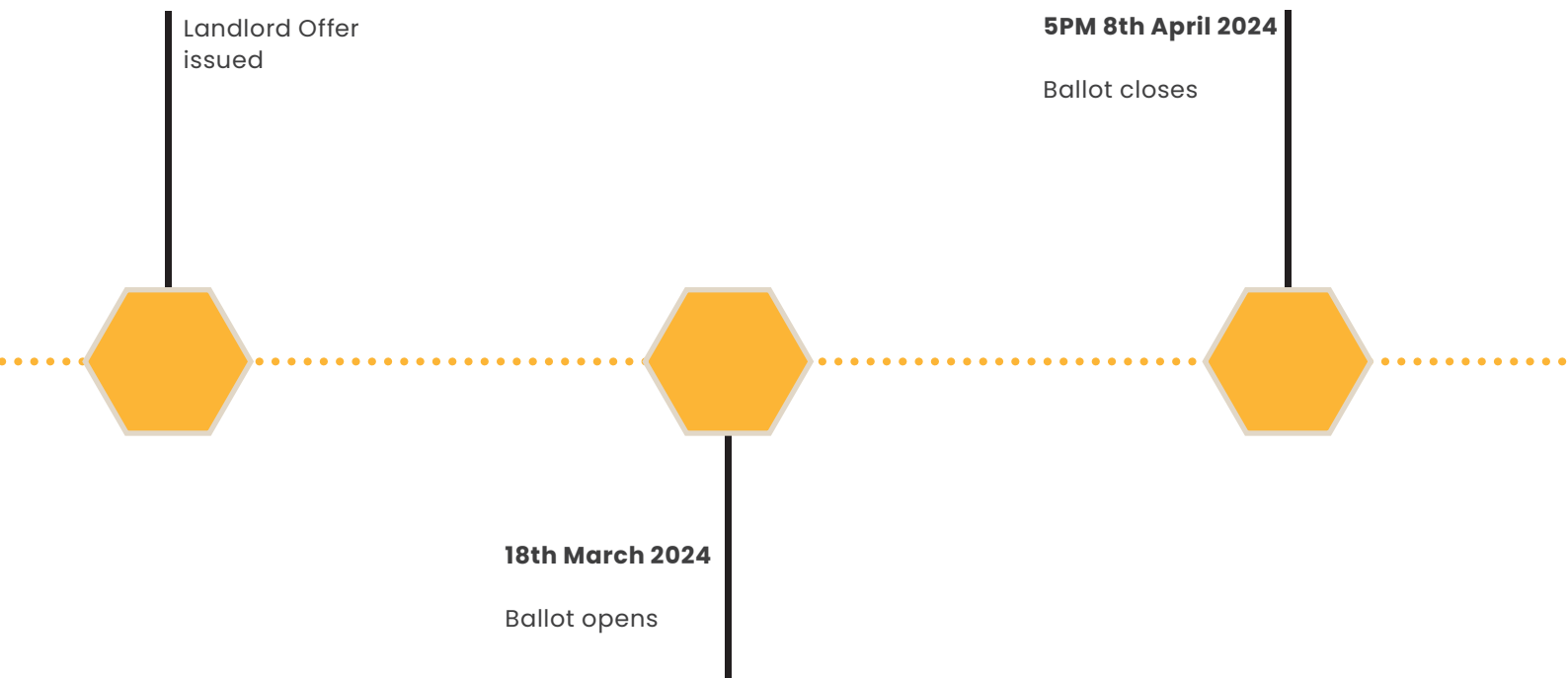
100% Leaseholder

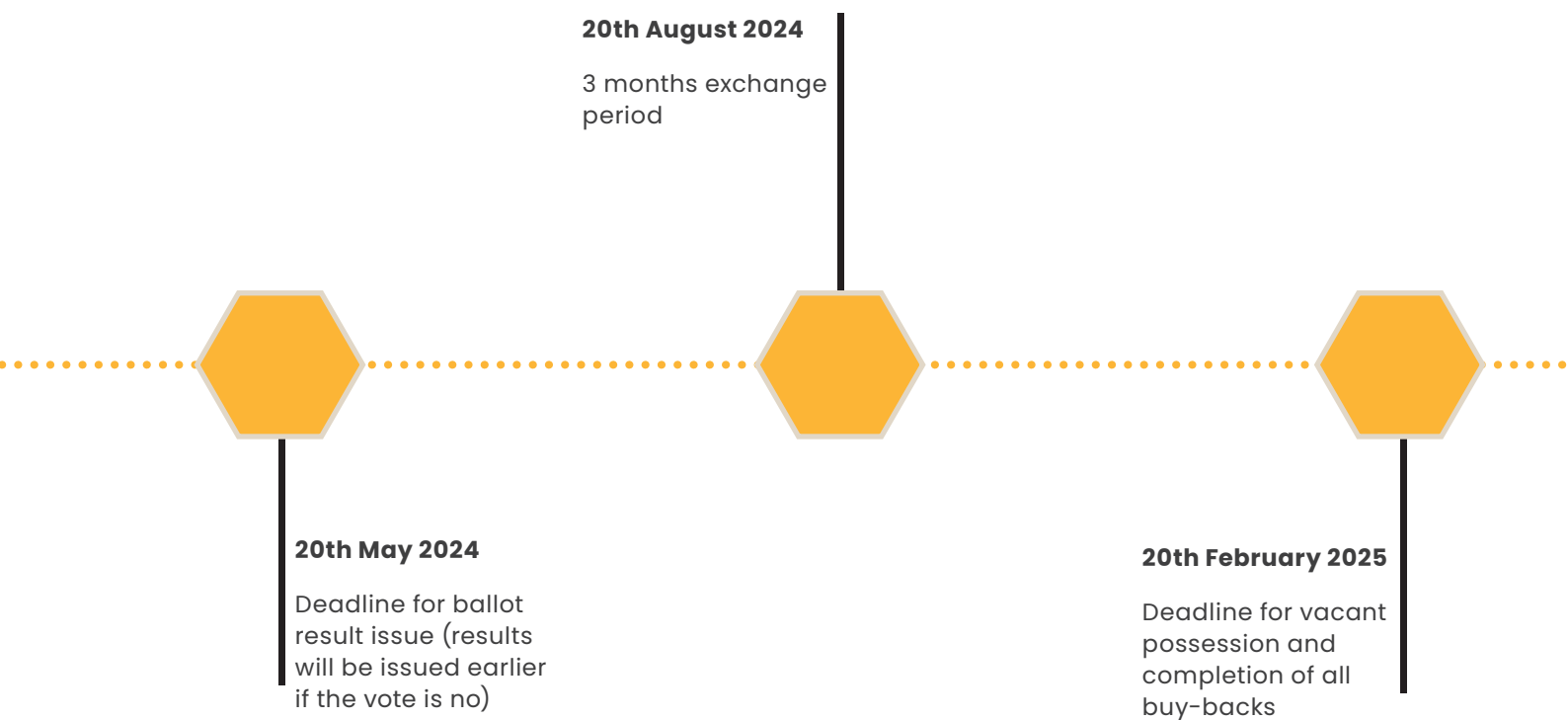
Redbook Valuation	£290,000
10% Premium	£29,000
Sub-Total	£319,000
SDLT on £319,000	£3,450
Disturbance Costs	£5,000
Legal fee contribution	£500
Total	£327,950

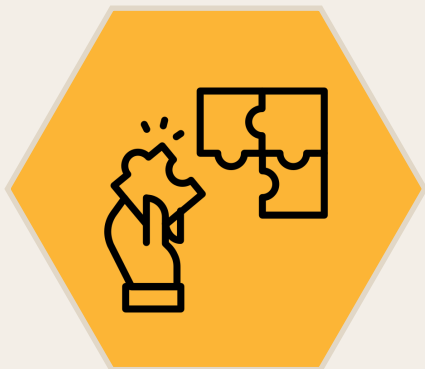
50% Shared Owner

Redbook Valuation	£290,000
10% Premium	£29,000
Sub-Total	£319,000
50% Share Value	£159,500
Disturbance Costs	£5,000
Legal fee contribution	£500
Total	£165,000

BUY BACK TIMELINE







REMEDIATION

If there is not unanimous support for buy-back then SBHA will proceed with remediating the Central West building.

The areas of remediation are:

- External cladding removal and replacement.
- Any balcony decking removal and replacement.
- Internal corridor fire stopping works.
- Any fire safety works required within flats – depending on the outcome of Type 4 fire assessment surveys.
- Gas installation to the building and any additional pipework to the individual properties (subject to technical viability).

Remediation is likely to be a project that takes several years to complete, allowing for a period of 12-18 months to establish the technical specification of the work required, procurement of a contractor or contractors to complete the work, and then a period of 12-24 months to complete the work itself. This indicative timeframe may be improved on; however, it may also prove optimistic (depending on the availability of suitably qualified consultants and contractors).

Depending on the exact nature of the work required, it may be necessary for us to request that some households move from the building temporarily during the works. We would do our best to secure accommodation of a similar size, and in the local area, however this would depend the availability at the time.

We will do our best to remediate the building so that it has the same features as at the point of purchase, however you should be aware that there may be some impediments to this, and the external appearance of the building will be altered.

During the remediation period shared owners and leaseholders are required to continue to pay their rents and service charges on the property as normal. SBHA will cover all costs in relation to any temporary accommodation that is required so you will only be paying for one property.



THE BALLOT

The ballot will be run independently by Civica Electoral Services (CES).

As an appointed Independent Scrutineer, CES will ensure that the ballot is run securely, independently and in line with GLA Guidance.

CES will issue you your ballot and information on how you vote.

Your ballot paper will ask you 'Are you in support of buy-back at Central West'.

Your ballot paper will be issued to you by **18th March 2024** and you will have until 5pm on **8th April 2024** to cast your vote. Should any leaseholder not return a ballot it will be considered a 'NO' vote (i.e. a vote that is not in favour of buyback).

CONTACT DETAILS FOR GUIDANCE AND ISSUES RELATING TO THE BALLOT ONLY

If you have lost or damaged your ballot paper and need a new one, or if you would like more information about voting, you can call CES on **020 8889 9203** or email support@cesvotes.com. Please make sure you let CES know your query relates to Central West if you get in touch.



WHO CAN VOTE

The ballot is being conducted on the basis of one vote per property, if you are joint owner you will have one vote only and need to vote as a household.

DIFFERENT WAYS TO VOTE

You can vote using one of the methods below, if you attempt to vote more than once, only the first vote received by CES will be counted.

- Post – post the completed ballot paper back to CES in the pre-paid envelope provided.
- Online – details will be on the ballot paper.
- Telephone / SMS – vote by telephone or SMS by calling or texting the numbers on the ballot paper.

SBHA will receive a breakdown on how each property has voted.



THE RESULTS AND WHAT HAPPENS NEXT

Buy-back requires a 100% 'yes' vote from all 69 owners. As we must allow time for arrival of any postal votes the final outcome may not be known immediately after the ballot deadline closes.

IF 100% AGREEMENT IS REACHED

As a small group of shared owners and leaseholders have not completed a full red book valuation, if the vote is 100% in support of buy-back there will be a period of up to 6 weeks from the ballot closing before this can be confirmed in order to allow these valuations to take place. If these valuations do not take place the previous yes votes will be considered void and 100% agreement will be considered not have to been reached.

Should the valuations be successfully completed SBHA will formally write to shared owners and leaseholders within 10 days of them being completed (6 weeks or sooner) confirming that buy-back can proceed and triggering the 3 month period to exchange contracts will all 69 owners.

IF 100% AGREEMENT IS NOT REACHED

If a 100% yes vote is not received following the closing of the ballot SBHA will write to shared owners and leaseholders formally within 10 days of the ballot closing to confirm buy-back has not been selected.

We will then progress with the detailed remediation planning and works and begin procuring a contractor to complete the works required at Central West. We will discuss the nature and scope of the works and the programme with you during the process.





CONTACT INFORMATION

SHEPHERDS BUSH HOUSING ASSOCIATION



020 8996 4200



centralwest@sbhg.co.uk

NEWMANFRANCIS



0800 644 6040



cw@newmanfrancis.org

FOR INFORMATION ON THE BALLOT



020 8889 9203



support@cesvotes.com
quoting 'Central West'.



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